

COMMUNICATIONS NETWORK, IOWA[751]

Notice of Intended Action

Proposing rulemaking related to asset ownership and demarcation and providing an opportunity for public comment

The Iowa Communications Network hereby proposes to rescind Chapter 11, “Asset Allocation and Ownership,” and to adopt a new Chapter 11, “Asset Ownership and Demarcation,” Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code chapter 8D.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapter 8D and Executive Order 10.

Purpose and Summary

The proposed chapter describes legal clarity regarding State-owned infrastructure versus leased or user-owned last-mile connections, explicitly defines the physical demarcation point where State responsibility ends and authorized user responsibility begins, and identifies necessary protections for State-owned equipment residing on user premises. This proposed chapter was reviewed pursuant to Executive Order 10. As a result, the Iowa Communications Network removed redundant and obsolete language.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on June 24, 2026. A public hearing was held on the following date(s):

- July 15, 2026

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Iowa Communications Network for a waiver of the discretionary provisions, if any, pursuant to 751—Chapter 2504.

Public Comment

Any interested person may submit written or oral comments concerning this proposed rulemaking, which must be received by the Iowa Communications Network no later than 4:30 p.m. on October 1, 2026. Comments should be directed to:

Lori Larsen
Iowa Communications Network
Grimes State Office Building
400 East 14th Street
Des Moines, Iowa 50319

Phone: 515.725.4713
Email: lori.larsen@iowa.gov or lori.larsen@icn.state.ia.us

Public Hearing

Public hearings at which persons may present their views orally or in writing will be held as follows:

September 30, 2026 10 to 11 a.m.	ICN Director's Conference Room Grimes State Office Building Des Moines, Iowa
October 1, 2026 9 to 10 a.m.	ICN Director's Conference Room Grimes State Office Building Des Moines, Iowa

Persons who wish to make oral comments at a public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Iowa Communications Network and advise of specific needs.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind 751—Chapter 11 and adopt the following **new** chapter in lieu thereof:

CHAPTER 11 ASSET OWNERSHIP AND DEMARCATION

751—11.1(8D) Asset ownership.

11.1(1) *Network backbone.* The network backbone (Part I) and the regional aggregation points (Part II) are the property of the state of Iowa and are managed and maintained by the commission.

11.1(2) *Last mile connections.* Part III connections (the “last mile” to the authorized user) may be owned by the state, leased from private telecommunications providers, or owned by the authorized user.

a. State-owned. Where the commission has constructed and owns the Part III connection, the commission is responsible for maintenance up to the demarcation point.

b. Leased. Where the commission leases the Part III connection from a third-party provider, maintenance and repair responsibilities are governed by the terms of the lease agreement between the commission and the provider.

c. User-owned. Where the authorized user owns the connection (e.g., fiber installed by a school district), the authorized user is solely responsible for maintenance and repair.

751—11.2(8D) Demarcation point.

11.2(1) *Definition.* The demarcation point (demarc) is the physical point where the commission's responsibility for the network ends and the authorized user's responsibility begins.

11.2(2) *Location.* Unless otherwise specified in a service agreement:

a. Fiber connections. The demarc is the termination panel or optical network terminal (ONT) installed by the commission at the authorized user's facility.

b. Equipment. The commission retains ownership and maintenance responsibility for the electronics (routers, switches) provided by the commission to deliver service up to the hand-off port on that device.

11.2(3) *Internal wiring.* The authorized user is responsible for all internal building wiring, cabling, cross-connects, and power beyond the demarcation point.

751—11.3(8D) Equipment return and liability.

11.3(1) *Access.* Upon the termination of service, the authorized user shall permit the commission reasonable access to the premises to remove state-owned equipment.

11.3(2) *Liability.* The authorized user constitutes a bailee of state property located on the user's premises. The authorized user shall be liable for the cost of repair or replacement of any state-owned equipment that is lost, stolen, or damaged due to the negligence or willful misconduct of the user or its agents.

751—11.4(8D) Surplus property. The commission shall dispose of obsolete or excess network assets in accordance with rule 751—17.3(8D).

These rules are intended to implement Iowa Code section 8D.3.