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Amend House File 2536 as follows: **#1.** By striking everything after the enacting 3 clause and inserting the following: 1 5 STUDY.

- 1. The legislative council shall establish an interim study committee to evaluate a sale of the Iowa 8 communications network, or a portion of the network's 9 assets. The study shall include a review of legal and 10 practical issues that may affect whether the sale of 11 the network, or a portion of the network's assets, 1 12 should be approved or rejected, or that may affect the 1 13 terms under which a sale or partial sale should be 1 14 completed. Issues to be included in the study shall 1 15 include all of the following:
- a. The impact of a sale or partial sale of the 1 17 network on existing authorized users.
- 1 18 b. The impact of a sale or partial sale of the 1 19 network on existing telecommunications providers, and 1 20 on the development of the competitive local exchange 21 market.
- c. The impact of a sale or partial sale of the 1 23 network to a single provider on the state's continued 24 use of the bandwidth at an affordable price. 25 d. The effect of a sale or partial sale of the
- 1 26 network on Part III leases.
- e. The protection of state interests including the 28 assurance of affordable access to the network for 1 29 public entities.
  - f. The necessity of compliance with applicable 31 state laws.
- 1 32 g. Issues relating to the use of public rights=of= 1 33 way by potential buyers of the network, or a portion 34 of the network. 3.5
- h. The impact of a sale or partial sale of the 1 36 network on Iowa businesses and citizens.
- 37 i. Providing for a long=term lease of sufficient 38 capacity to meet the needs of existing and future 1 39 educational users of the network identified in chapter 1 40 8D.
- 1 41 j. A review of whether a sale or partial sale of 1 42 the network should be completed pursuant to a request 1 43 for proposals or by some other manner of sale.
- k. A review of the impact of federal 1 45 communications commission policy pertaining to common 1 46 carriage status of the network and the potential loss 1 47 of universal service funds for kindergarten through 48 grade twelve schools based on a sale or partial sale 49 of the network, and recommendations on the manner in 1 50 which the network should be sold to avoid an adverse 1 impact on the state, educational users, and the 2 network.
  - 1. The anticipated future requirements of the 4 state for use of the network to address the state's 5 technological needs.
  - m. A review of the cost implications to the state 7 if federal funds are lost due to a sale, or partial 8 sale, of the network.
- n. Consideration of sales criteria including, 10 among others, whether the network, or a portion of the 2 11 network, should be sold to a single purchaser,
  2 12 multiple purchasers, or to a consortium of purchasers; 2 13 and whether or not to establish a minimum sale price.
- o. A review of the necessity for continuation of 14 15 the Iowa telecommunications and technology commission 2 16 and the Iowa communications network operations center 2 17 in the event that the network, or a portion of the 18 network, is sold.
- p. A review, in consultation with the utilities 19 2 20 division of the department of commerce, of the legal 21 and practical issues involved in, and the merits of, a 22 possible conversion of the network into a public 2 23 utility.
- q. A review of the existing agreements between the 2 24 2 25 state, the network, the federal emergency management

2 26 administration, and the department of defense, and the 2 27 impact of a sale or partial sale of the network on its 2 28 use during times of emergency or national disaster. r. Other relevant issues as identified by 2 30 committee members. 2 31

2. The committee shall consult with other state 32 agencies, appropriate federal agencies, and private 33 associations and vendors in completing its evaluation 2 34 of a sale or partial sale of the network.

3. The interim committee shall be composed of ten 36 voting members, representing both political parties 37 and both houses of the general assembly. Five members 38 shall be members of the senate, three of whom shall be 39 appointed by the majority leader of the senate and two 2 40 of whom shall be appointed by the minority leader of 2 41 the senate. Five members shall be members of the 42 house of representatives, appointed by the speaker of 43 the house, three of whom shall be of the majority 44 party and two of whom shall be of the minority party. 45 Nonvoting members shall be appointed by the 2 46 legislative council, in consultation with the 2 47 governor, and shall include, but not be limited to, 48 individuals representing the Iowa telecommunications 49 and technology commission, an independent telephone 50 company, a rate=regulated telephone company, the Iowa 1 national guard, private industry, the state board of 2 regents universities, the kindergarten through grade 3 twelve public education system, community colleges, 4 private colleges, the Iowa utilities board, the Iowa 5 department of corrections, the emergency management 6 division of the Iowa department of public defense, and 7 a representative from the medical field.

4. The committee shall complete its evaluation and 3 9 submit a written report of its recommendations to the 3 10 members of the general assembly by December 1, 2004.>

#2. Title page, by striking lines 1 through 3 and 12 inserting the following: 3 13 establishment of a committee to conduct an evaluation of the issues relating to the sale, or partial sale, of the Iowa communications network.> 3 15

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