

House Amendment 1762

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1 1 Amend Senate File 554, as amended, passed, and
1 2 reprinted by the Senate, as follows:
1 3 #1. Page 1, line 4, by inserting after the words
1 4 <video service,> the following: <to expand existing
1 5 sources of video service transmission,>.
1 6 #2. Page 1, by inserting after line 5 the
1 7 following:
1 8 <Sec. _____. Section 8D.2, subsection 4, Code 2007,
1 9 is amended to read as follows:
1 10 4. "Private agency" means an accredited nonpublic
1 11 school, a nonprofit institution of higher education
1 12 eligible for tuition grants, ~~or~~ a hospital licensed
1 13 pursuant to chapter 135B or a physician clinic to the
1 14 extent provided in section 8D.13, subsection 16, or a
1 15 not-for-profit organization exempt from federal income
1 16 taxation under section 501(c)(3) of the Internal
1 17 Revenue Code and approved to access the network
1 18 pursuant to section 8D.9, subsection 5.
1 19 Sec. _____. Section 8D.2, Code 2007, is amended by
1 20 adding the following new subsection:
1 21 NEW SUBSECTION. 4A. "Private individual" means a
1 22 private citizen or resident of this state who has been
1 23 approved to access the network pursuant to section
1 24 8D.9, subsection 6.
1 25 Sec. _____. Section 8D.3, subsection 3, paragraph i,
1 26 Code 2007, is amended to read as follows:
1 27 i. Evaluate existing and projected rates for use
1 28 of the system and ensure that rates are sufficient to
1 29 pay for the operation of the system excluding the cost
1 30 of construction and lease costs for Parts I, II, and
1 31 III. The commission shall establish all hourly rates
1 32 to be charged to all authorized users for the use of
1 33 the network and shall consider all costs of the
1 34 network in establishing the rates. A fee established
1 35 by the commission to be charged to a hospital licensed
1 36 pursuant to chapter 135B, a physician clinic, ~~or~~ the
1 37 federal government, a not-for-profit organization, or
1 38 a private individual shall be at an appropriate rate
1 39 so that, at a minimum, there is no state subsidy
1 40 related to the costs of the connection or use of the
1 41 network related to such user. Fees charged to a
1 42 not-for-profit organization or a private individual
1 43 shall be subject to the provisions of section 8D.13,
1 44 subsection 20.
1 45 Sec. _____. Section 8D.9, Code 2007, is amended by
1 46 adding the following new subsections:
1 47 NEW SUBSECTION. 5. A not-for-profit organization
1 48 considered a private agency pursuant to section 8D.2,
1 49 subsection 4, shall be authorized to utilize the
1 50 network strictly for purposes associated with the
2 1 administration or business of the not-for-profit
2 2 organization, conditioned upon the submission of an
2 3 application to the commission and receipt from the
2 4 commission of approval of eligibility. Application
2 5 forms and approval criteria shall be determined by the
2 6 commission by rule, and shall include information
2 7 relating to the organization's net worth or annual
2 8 funding for reduced rate qualification purposes as
2 9 provided in section 8D.13, subsection 20.
2 10 NEW SUBSECTION. 6. A private individual shall be
2 11 authorized to utilize the network conditioned upon the
2 12 submission of an application to the commission and
2 13 receipt from the commission of approval of
2 14 eligibility. Application forms and approval criteria
2 15 shall be determined by the commission by rule, and
2 16 shall include information relating to the individual's
2 17 address of residence for identification of enterprise
2 18 zone status relating to reduced rate qualification as
2 19 provided in section 8D.13, subsection 20.
2 20 Sec. _____. Section 8D.11, subsections 1 and 2, Code
2 21 2007, are amended to read as follows:
2 22 1. The commission may purchase, lease, and improve
2 23 property, equipment, and services for
2 24 telecommunications for public and private agencies and

2 25 private individuals and may dispose of property and
2 26 equipment when not necessary for its purposes.
2 27 However, the commission shall not enter into a
2 28 contract for the purchase, lease, or improvement of
2 29 property, equipment, or services for
2 30 telecommunications pursuant to this subsection in an
2 31 amount greater than one million dollars without prior
2 32 authorization by a constitutional majority of each
2 33 house of the general assembly, or approval by the
2 34 legislative council if the general assembly is not in
2 35 session. The commission shall not issue any bonding
2 36 or other long-term financing arrangements as defined
2 37 in section 12.30, subsection 1, paragraph "b". Real
2 38 or personal property to be purchased by the commission
2 39 through the use of a financing agreement shall be done
2 40 in accordance with the provisions of section 12.28,
2 41 provided, however, that the commission shall not
2 42 purchase property, equipment, or services for
2 43 telecommunications pursuant to this subsection in an
2 44 amount greater than one million dollars without prior
2 45 authorization by a constitutional majority of each
2 46 house of the general assembly, or approval by the
2 47 legislative council if the general assembly is not in
2 48 session.

2 49 2. The commission also shall not provide or resell
2 50 communications services to entities other than public
3 1 and private agencies and private individuals. The
3 2 public or private agency or private individual shall
3 3 not provide communication services of the network to
3 4 another entity unless otherwise authorized pursuant to
3 5 this chapter. The commission may arrange for joint
3 6 use of available services and facilities, and may
3 7 enter into leases and agreements with private and
3 8 public agencies and private individuals with respect
3 9 to the Iowa communications network, and public
3 10 agencies are authorized to enter into leases and
3 11 agreements with respect to the network for their use
3 12 and operation. Rentals and other amounts due under
3 13 the agreements or leases entered into pursuant to this
3 14 section by a state agency are payable from funds
3 15 annually appropriated by the general assembly or from
3 16 other funds legally available. Other public agencies
3 17 may pay the rental costs and other amounts due under
3 18 an agreement or lease from their annual budgeted funds
3 19 or other funds legally available or to become
3 20 available.

3 21 Sec. _____. Section 8D.13, subsection 1, Code 2007,
3 22 is amended to read as follows:

3 23 1. Moneys in the Iowa communications network fund
3 24 are appropriated to the Iowa telecommunications and
3 25 technology commission for purposes of providing
3 26 financing for the procurement, operation, and
3 27 maintenance of the Iowa communications network with
3 28 sufficient capacity to serve the video, data, and
3 29 voice requirements of the educational
3 30 telecommunications system consisting of Part I, Part
3 31 II, and Part III, and other public and private
3 32 agencies and private individuals.

3 33 Sec. _____. Section 8D.13, subsection 2, paragraph
3 34 c, Code 2007, is amended to read as follows:

3 35 c. "Part III" means the communications connection
3 36 between the secondary switching centers and the
3 37 agencies defined in section 8D.2, subsections 4 and 5,
3 38 excluding state agencies, institutions under the
3 39 control of the board of regents, nonprofit
3 40 institutions of higher education eligible for tuition
3 41 grants, and the judicial branch, judicial district
3 42 departments of correctional services, hospitals and
3 43 physician clinics, agencies of the federal government,
3 44 ~~and post offices, not-for-profit organizations, and~~
3 45 private individuals.

3 46 Sec. _____. Section 8D.13, Code 2007, is amended by
3 47 adding the following new subsection:

3 48 NEW SUBSECTION. 20. Access to the network shall
3 49 be offered to not-for-profit organizations defined as
3 50 a private agency pursuant to section 8D.2, subsection
4 1 4, and to private individuals pursuant to section
4 2 8D.2, subsection 4A. A not-for-profit organization or
4 3 a private individual shall receive approval from the
4 4 commission prior to authorized usage as provided in
4 5 section 8D.9, subsection 5 or 6, and shall be

4 6 responsible for all costs associated with becoming a
4 7 part of the network. In establishing rates applicable
4 8 to a not-for-profit organization or a private
4 9 individual pursuant to section 8D.3, subsection 3, the
4 10 commission shall adopt by rule a rate differential
4 11 whereby authorized users submitting information on the
4 12 application required pursuant to section 8D.9,
4 13 subsections 5 and 6, shall be subject to a reduced
4 14 rate for authorized use if the following apply:
4 15 a. For a not-for-profit organization, an estimated
4 16 annual funding level or net worth of less than three
4 17 hundred fifty thousand dollars.
4 18 b. For a private individual, a residence located
4 19 in an area of a city that meets the distress criteria
4 20 provided under the enterprise zone program in section
4 21 15E.194, subsection 2.
4 22 The commission shall establish rates applicable to
4 23 not-for-profit organizations and private individuals
4 24 to whom paragraphs "a" and "b" do not apply to
4 25 compensate for the rate reduction for qualifying
4 26 organizations or individuals.>
4 27 #3. Title page, line 1, by striking the words
4 28 <franchises for>.
4 29 #4. By renumbering as necessary.
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4 33 FORD of Polk
4 34 SF 554.514 82
4 35 rn/je/9379