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[HF 586](#) – Broadband Access, Certifications (LSB1134HV)  
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Fiscal Note Version – New

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## **Description**

[House File 586](#) relates to the development and utilization of high-speed electronic transmission mediums. The Bill:

- Transfers the administration of the Fiberoptic Network Conduit Installation Program from the Office of the Chief Information Officer (OCIO) to the Department of Transportation (DOT).
- Establishes the Broadband Forward Certification Program in the Iowa Economic Development Authority (IEDA), with the objective of encouraging political subdivisions to further develop broadband infrastructure and access to broadband.
- Establishes the Telecommuter Forward Certification Program in the IEDA, with the objective of encouraging political subdivisions to further develop and promote availability of telecommuting. A political subdivision is required to apply to the IEDA for these certifications.
- Allows the DOT to contract with private entities to run programs for broadband projects, and requires the DOT to keep an up-to-date list of construction projects utilizing public funding that involve the opening of the ground alongside highways.

## **Background**

The OCIO is attached to the Department of Administrative Services for accounting and fiscal services and was created for the purpose of leading, directing, managing, coordinating, and providing accountability for the information technology resources of State government and for coordinating statewide broadband availability and access. The OCIO coordinates numerous programs related to broadband within the State. 2015 Iowa Acts, [HF 655](#), chapter [120](#), created the Fiberoptic Network Conduit Installation Program within the OCIO. To date, the OCIO has not implemented the Fiberoptic Network Conduit Installation Program under Iowa Code section [8B.25](#). Currently, the OCIO administers the Empower Rural Iowa [Broadband Grant Program](#), which has awarded \$44.3 million in rural broadband grants since 2018. A map of past awards can be found [here](#).

## **Assumptions**

- The OCIO will not reduce expenditures due to the initiation of the Broadband Forward Certification Program and Telecommuter Forward Certification Program within the IEDA and the transfer of the Fiberoptic Network Conduit Installation Program to the DOT, as these programs were not yet funded and implemented by the OCIO.
- The DOT would need to create a comprehensive inventory of fiberoptic network conduit alongside primary roads where such inventory does not currently exist. This would require the establishment of a database to house the findings and the integration with current Geographic Information Systems (GIS), Electronic Content Management Systems, and Project Management Systems. Information gathering would be required to populate the database, and ongoing maintenance of the system would be required and would be minimal



**Fiscal Impact**

The table below shows the estimated costs of HF 586.

**Estimated Costs, House File 586**

Agency	Category	FTE	Est. Cost	
			FY 2022	FY 2023
IEDA	Salary and Benefits	0.5	\$ 28,000	\$ 38,000
	Salary and Benefits	3.0	\$ 166,000	\$ 225,000
DOT	Database Costs		175,000	10,000
	Travel Costs		1,000	1,000
<b>Total</b>		<b>3.5</b>	<b>\$ 370,000</b>	<b>\$274,000</b>

**IEDA:** Funding for the 0.5 FTE position and related costs to administer the Broadband Forward Certification and Broadband Telecommuter Certifications Programs would likely be appropriated from the General Fund.

**DOT:** Funding for the 3.0 FTE positions and related costs for the establishment and implementation of the Fiberoptic Network Conduit Installation Program would likely be appropriated from the Primary Road Fund.

**Sources**

- Legislative Services Agency
- Iowa Office of Chief Information Officer
- Iowa Economic Development Authority
- Iowa Department of Transportation
- Iowa Department of Administrative Services

/s/ Holly M. Lyons

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The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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