



[HF 586](#) – Broadband Access, Certifications (LSB1134HV.1)
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Fiscal Note Version – As amended and passed by the House

Description

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

- Includes public utilities, the Iowa Department of Transportation (DOT), the Iowa Economic Development Authority (IEDA), and other state and local entities that the Office of Chief Information Officer (OCIO) must consult and coordinate with during administration of the Fiberoptic Network Conduit Installation Program.
- Establishes the Broadband Forward Certification Program in the 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. Requires a political subdivision to apply to the IEDA for these certifications.

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, as these programs were not yet funded and implemented by the OCIO.
- The IEDA would need to hire a 0.5 FTE position at the Economic Development Specialist 2 classification level with a start date of October 1, 2021. Estimated salary and benefits for the 0.5 FTE position would cost \$28,000 in FY 2022. Information technology and other programming costs to the IEDA are uncertain.

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
	Total	0.5	\$ 28,000	\$ 38,000

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.

Sources

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

/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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