HF 2460 – Internet Exchange Points Study (LSB5433HV)
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Fiscal Note Version – New

Description
House File 2460 directs the Office of the Chief Information Officer (OCIO) and the Iowa Economic Development Authority (IEDA) to jointly conduct a feasibility study on the construction and installation of an Internet exchange point. The following must be assessed in regards to an Internet exchange point:

- Timeline and cost of construction and installation
- Requirements and costs of maintenance
- Recommendations and costs of upgrades
- Optimum number for the State

The report must be submitted to the General Assembly by December 15, 2022.

Background
An Internet exchange point is infrastructure through which Internet service providers and content delivery networks exchange Internet traffic between their networks.

Assumptions
- To assist with the study, the OCIO may need to retain an expert third-party consultant.
- To assist with the study, the IEDA may need a 0.5 full-time equivalent (FTE) Economic Development Specialist 2 position.
- The IEDA’s salary and benefit estimate for the employee hired will be at the high end of the pay scale.

Fiscal Impact
The estimated cost for OCIO to retain a third-party consultant for the study is $250,000. The estimated cost for the IEDA in FY 2023 is approximately $59,000 for the length of the study. The total cost reflects the full salary plus benefits for 0.5 FTE position for an Economic Development Specialist 2 position. Funding to administer the study may require an appropriation which would likely be from the General Fund.

Sources
Office of the Chief Information Officer
Iowa Economic Development Authority
LSA Calculations

/s/ Holly M. Lyons
February 23, 2022
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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