



[HF 2446](#) – Utilities Board, Statutory Changes (LSB5328HV)
Analyst: Angel Banks-Adams (515.281.6301) angel.banks-adams@legis.iowa.gov
Fiscal Note Version – As Amended and Passed By the House

Description

[House File 2446](#) makes the following changes:

- Appoints a Chief Operating Officer, instead of an Executive Secretary, to manage the operations of the Iowa Utilities Board.
- Gives the Iowa Utilities Board the authority to allocate and charge fees that are attributable to its duties to a person subject to inspection by the Board.
- Requires telecommunications service providers offering communications service telephone numbers to retail customers to register annually with the Iowa Utilities Board. In the event that providers fail to comply, a civil penalty will be assessed. This change gives the Board the authority to charge a fee that would be set by Board rule.
- Authorizes the Board to charge all telecommunications carrier types a uniform monthly rate of \$0.03 per line.
- Repeals the established intrastate pipeline inspection fee of \$0.50 for each mile of natural gas pipeline and directs the Board to charge pipeline companies with annual inspection fees directly attributable to the costs of conducting inspections.

Background

Dual Party Relay Service

The Dual Party Relay Service (DPRS) Fund is used for the Iowa telecommunications relay service and the Equipment Distribution Program. All telecommunications carriers are required to contribute to the Fund. Under current law, the DPRS assessment program charges wireless telecommunications carriers \$0.03 per line per month. All other carrier types, including wireline and alternative operator service providers, are charged varying amounts.

Intrastate Pipeline Inspection Fee

Under [199 IAC 10](#), the Iowa Utilities Board's jurisdiction includes the inspection of intrastate natural gas pipelines on behalf of the federal Department of Transportation's Pipeline and Hazardous Materials Safety Administration. The Board has the authority to charge pipeline companies an annual inspection fee directly attributable to the costs of conducting the annual inspections.

The Bill also prohibits a local exchange telecommunications carrier from imposing restrictions on the resale of local exchange services, functions, or capabilities. The Board is given the authority to prohibit residential service from being resold as a different class of service.

Assumptions

- The current intrastate pipeline inspection fee of \$0.50 for each mile of natural gas pipeline will be waived or reduced by an amount that is undetermined at this time.
- The Board will charge all telecommunications carriers a uniform monthly rate of \$0.03 for each line.

Fiscal Impact

The fiscal impact of [HF 2446](#) to the Commerce Revolving Fund is a reduction of approximately \$65,000 due to the repeal of the intrastate pipeline inspection fee.

The fiscal impact of assessing all telecommunications carriers a uniform monthly rate of \$0.03 for each line is estimated to yield an increase of \$200,000 in contributions from telecommunications carriers to the DPRS Fund. Fee revenue will be used to cover program expenses.

Sources

Iowa Utilities Board
State Accounting System data

/s/ Holly M. Lyons

March 7, 2018

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.
