



TERRY E. BRANSTAD
GOVERNOR

OFFICE OF THE GOVERNOR

KIM REYNOLDS
LT. GOVERNOR

May 11, 2017

The Honorable Paul Pate
Secretary of State of Iowa
State Capitol Building
LOCAL

Dear Mr. Secretary:

I hereby transmit:

Senate File 500, an Act relating to 911 emergency telephone and internet communication systems and making appropriations.

The above Senate File is hereby approved this date.

Sincerely,

A handwritten signature in black ink that reads "Terry E. Branstad".

Terry E. Branstad
Governor

cc: Secretary of the Senate
Clerk of the House



Senate File 500

AN ACT

RELATING TO 911 EMERGENCY TELEPHONE AND INTERNET COMMUNICATION SYSTEMS AND MAKING APPROPRIATIONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 29C.2, subsection 6, Code 2017, is amended to read as follows:

6. "*Local emergency management agency*" means a countywide joint county-municipal public safety agency organized to administer this chapter under the authority of a commission.

Sec. 2. Section 34A.1, Code 2017, is amended to read as follows:

34A.1 Purpose.

The general assembly finds that ~~enhanced~~ 911 emergency telephone communication systems and other emergency 911 notification devices further the public interest and protect the health, safety, and welfare of the people of Iowa. The purpose of this chapter is to enable the orderly development, installation, and operation of ~~enhanced~~ 911 emergency telephone communication systems and other emergency 911 notification devices statewide. These systems are to be operated under governmental management and control for the public benefit.

Sec. 3. Section 34A.2, Code 2017, is amended to read as follows:

34A.2 Definitions.

As used in this chapter, unless the context otherwise requires:

1. "911 service area" means the geographic area encompassing at least one entire county, and which may encompass a geographical area outside the one entire county not restricted to county boundaries, serviced or to be serviced under a 911 service plan.

2. "911 service plan" means a plan that includes the following information:

a. A description of the 911 service area.

b. A list of all public and private safety agencies within the 911 service area.

c. The number of public safety answering points within the 911 service area.

d. Identification of the agency responsible for management and supervision of the 911 emergency communication system.

e. (1) A statement of estimated costs to be incurred by the joint 911 service board or the department of public safety, including separate estimates of the following:

(a) Nonrecurring costs, including but not limited to public safety answering points, network equipment, software, database, addressing, training, and other capital expenditures, including the purchase or lease of subscriber names, addresses, and telephone information from the local exchange service provider.

(b) Recurring costs, including but not limited to network access fees and other telephone charges, software, equipment, and database management, and maintenance, including the purchase or lease of subscriber names, addresses, and telephone information from the local exchange service provider. Recurring costs shall not include personnel costs for a public safety answering point.

(2) Funds deposited in a 911 service fund are appropriated and shall be used for the payment of costs that are limited to nonrecurring and recurring costs directly attributable to the receipt and disposition of the 911 call. Costs do not include expenditures for any other purpose, and specifically exclude

costs attributable to other emergency services or expenditures for buildings or personnel, except for the costs of personnel for database management and personnel directly associated with addressing.

f. Current equipment operated by affected local exchange service providers, and central office equipment and technology upgrades necessary for the provider to implement 911 service within the 911 service area.

g. A schedule for implementation of the plan throughout the 911 service area. The schedule may provide for phased implementation.

h. The number of telephone access lines and voice over internet protocol service connections capable of access to 911 in the 911 service area.

i. The total property valuation in the 911 service area.

j. A plan to migrate to a next generation 911 network.

~~1.~~ 3. "Access line" means an exchange access line that has the ability to access dial tone and reach a public safety answering point.

~~2.~~ 4. "Communications service" means a service capable of accessing, connecting with, or interfacing with a 911 system by dialing, initializing, or otherwise activating the system exclusively through the digits 911 by means of a local telephone device, or wireless communications device, or any other device capable of interfacing with the 911 system.

~~3. "Communications service provider" means a service provider, public or private, that transports information electronically via landline, wireless, internet, cable, or satellite.~~

~~4.~~ 5. "Competitive local exchange service provider" means the same as defined in section 476.96.

~~5.~~ 6. "Director" means the director of the department of homeland security and emergency management.

~~6.~~ 7. "Emergency communications service surcharge" means a charge established by the program manager in accordance with section 34A.7A.

8. "Emergency services internet protocol network" or "ESInet" means a system using broadband packet-switched technology that is capable of supporting the transmission of varying types of

data to be shared by all public or private safety agencies that are involved in an emergency.

7. 9. "Enhanced 911" or "E911" means a service that provides the user of a communications service with the ability to reach a public safety answering point by using the digits 911, and that has the following additional features:

a. Routes an incoming 911 call to the appropriate public safety answering point.

b. Automatically provides voice, displays the name, address or location, and telephone number of an incoming 911 call and public safety agency servicing the location.

8. "Enhanced 911 service area" means the geographic area to be serviced, or currently serviced under an enhanced 911 service plan, provided that an enhanced 911 service area must at minimum encompass one entire county. The enhanced 911 service area may encompass more than one county, and need not be restricted to county boundaries.

9. "Enhanced 911 service plan" means a plan that includes the following information:

a. A description of the enhanced 911 service area.

b. A list of all public and private safety agencies within the enhanced 911 service area.

c. The number of public safety answering points within the enhanced 911 service area.

d. Identification of the agency responsible for management and supervision of the enhanced 911 emergency communication system.

e. (1) A statement of estimated costs to be incurred by the joint E911 service board or the department of public safety, including separate estimates of the following:

(a) Nonrecurring costs, including but not limited to public safety answering points, network equipment, software, database, addressing, training, and other capital expenditures, including the purchase or lease of subscriber names, addresses, and telephone information from the local exchange service provider.

(b) Recurring costs, including but not limited to network access fees and other telephone charges, software, equipment, and database management, and maintenance, including the purchase or lease of subscriber names, addresses, and

~~telephone information from the local exchange service provider. Recurring costs shall not include personnel costs for a public safety answering point.~~

~~(2) Funds deposited in an E911 service fund are appropriated and shall be used for the payment of costs that are limited to nonrecurring and recurring costs directly attributable to the receipt and disposition of the 911 call. Costs do not include expenditures for any other purpose, and specifically exclude costs attributable to other emergency services or expenditures for buildings or personnel, except for the costs of personnel for database management and personnel directly associated with addressing.~~

~~f. Current equipment operated by affected local exchange service providers, and central office equipment and technology upgrades necessary for the provider to implement enhanced 911 service within the enhanced 911 service area.~~

~~g. A schedule for implementation of the plan throughout the E911 service area. The schedule may provide for phased implementation.~~

~~h. The number of telephone access lines capable of access to 911 in the enhanced 911 service area.~~

~~i. The total property valuation in the enhanced 911 service area.~~

~~j. A plan to migrate to an internet protocol-enabled next generation network.~~

10. "Geographic information system" or "GIS" means a system designed to capture, store, manipulate, analyze, manage, and present spatial or geographical data.

~~10.~~ 11. "Local exchange carrier" means the same as defined in section 476.96.

~~11.~~ 12. "Local exchange service provider" means a vendor engaged in providing telecommunications service between points within an exchange and includes but is not limited to a competitive local exchange service provider and a local exchange carrier.

13. "Next generation 911 network" means an internet protocol-enabled system that enables the public to transmit digital information to public safety answering points and replaces enhanced 911, and that includes ESInet, GIS,

cybersecurity, and other system components.

14. "Originating service provider" means a communications provider that allows its users or subscribers to originate 911 voice or non-voice messages from the public to public safety answering points, including but not limited to wireline, wireless, and voice over internet protocol services.

~~12.~~ 15. "Prepaid wireless telecommunications service" means a wireless communications service that provides the right to utilize mobile wireless service as well as other nontelecommunications services, including the download of digital products delivered electronically, content and ancillary services, which must be paid for in advance and that is sold in predetermined units or dollars of which the amount declines with use in a known amount.

~~13.~~ 16. "Program manager" means the ~~E911~~ 911 program manager appointed pursuant to section 34A.2A.

~~14.~~ 17. "Provider" means a vendor who provides, or offers to provide, ~~E911~~ 911 equipment, installation, maintenance, or exchange access services within the ~~enhanced~~ 911 service area.

~~15.~~ 18. "Public or private safety agency" means a unit of state or local government, a local emergency management agency as defined in section 29C.2, a special purpose district, or a private firm which provides or has the authority to provide fire fighting, police, ambulance, or emergency medical services, or hazardous materials response.

~~16.~~ 19. "Public safety answering point" means a twenty-four-hour public safety communications facility that receives ~~enhanced~~ 911 service calls and directly dispatches emergency response services or relays calls to the appropriate public or private safety agency.

20. "Voice over internet protocol service" means a service to which all of the following apply:

a. The service provides real-time two-way voice communications transmitted using internet protocol, and a successor protocol.

b. The service is offered to the public, or such classes of users as to be effectively available to the public.

c. The service has the capability to originate traffic to, and terminate traffic from, the public switched telephone

network or a successor network.

~~17.~~ 21. "Wireless communications service" means commercial mobile radio service. "Wireless communications service" includes any wireless two-way communications used in cellular telephone service, personal communications service, or the functional or competitive equivalent of a radio-telephone communications line used in cellular telephone service, a personal communications service, or a network access line. "Wireless communications service" does not include a service whose customers do not have access to 911 or 911-like service, a communications channel utilized only for data transmission, or a private telecommunications system.

~~18.~~ 22. "Wireless communications service provider" means a company that offers wireless communications service to users of wireless devices including but not limited to cellular, personal communications services, mobile satellite services, and enhanced specialized mobile radio.

~~19.~~ 23. "Wireless E911 phase 1" means a 911 call made from a wireless device in which the wireless communications service provider delivers the call-back number and address of the tower that received the call to the appropriate public safety answering point.

~~20.~~ 24. "Wireless E911 phase 2" means a 911 call made from a wireless device in which the wireless communications service provider delivers the call-back number and the latitude and longitude coordinates of the wireless device to the appropriate public safety answering point.

~~21.~~ 25. "Wire-line ~~E911~~ 911 service surcharge" means a charge set by the ~~E911~~ 911 service area operating authority and assessed on each wire-line access line which physically terminates within the ~~E911~~ 911 service area in accordance with section 34A.7.

Sec. 4. Section 34A.2A, subsections 1 and 2, Code 2017, are amended to read as follows:

1. The director of the department of homeland security and emergency management shall appoint an ~~E911~~ 911 program manager to administer this chapter.

2. The ~~E911~~ 911 program manager shall act under the supervisory control of the director of the department of

homeland security and emergency management, and in consultation with the ~~E911~~ 911 communications council, and shall perform the duties specifically set forth in this chapter and as assigned by the director.

Sec. 5. Section 34A.3, Code 2017, is amended to read as follows:

34A.3 Joint ~~E911~~ 911 service board — 911 service plan — implementation — waivers.

1. *Joint ~~E911~~ 911 service boards — plans.*

a. The board of supervisors of each county shall maintain a joint ~~E911~~ 911 service board.

(1) Each political subdivision of the state having a public safety agency serving territory within the county and each local emergency management agency as defined in section 29C.2 operating within the area is entitled to voting membership on the joint ~~E911~~ 911 service board. For the purposes of this section, a township that operates a volunteer fire department providing fire protection services to the township, or a city which provides fire protection services through the operation of a volunteer fire department not financed through city government, shall be considered a political subdivision of the state having a public safety agency serving territory within the county. Each private safety agency operating within the area is entitled to nonvoting membership on the board.

(2) A township that does not operate its own public safety agency, but contracts for the provision of public safety services, is not entitled to membership on the joint ~~E911~~ 911 service board, but its contractor is entitled to membership according to the contractor's status as a public or private safety agency.

b. The joint ~~E911~~ 911 service board shall maintain ~~an enhanced~~ a 911 service plan encompassing at minimum the entire county, unless an exemption is granted by the program manager permitting a smaller ~~E911~~ 911 service area.

(1) The program manager may grant a discretionary exemption from the single county minimum service area requirement based upon a joint ~~E911~~ 911 service board's or other ~~E911~~ 911 service plan operating authority's presentation of evidence which supports the requested exemption if the program manager finds

that local conditions make adherence to the minimum standard unreasonable or technically infeasible and that the purposes of this chapter would be furthered by granting an exemption. The minimum size requirement is intended to prevent unnecessary duplication of public safety answering points and minimize other administrative, personnel, and equipment expenses.

(2) The program manager may order the inclusion of a specific territory in an adjoining ~~E911~~ 911 service plan area to avoid the creation by exclusion of a territory smaller than a single county not serviced by surrounding ~~E911~~ 911 service plan areas upon request of the joint ~~E911~~ 911 service board representing the territory.

c. The ~~E911~~ 911 service plan operating authority shall submit proposed changes to the plan to all of the following:

(1) The program manager.

(2) Public and private safety agencies in the ~~enhanced~~ 911 service area.

(3) Local exchange service providers affected by the ~~enhanced~~ 911 service plan.

2. *Compliance waivers available in limited circumstances.*

a. The program manager may extend the time period for plan implementation by issuing a compliance waiver.

b. The compliance waiver shall be based upon a joint ~~E911~~ 911 service board's presentation of evidence which supports an extension if the program manager finds that local conditions make implementation financially unreasonable or technically infeasible by the originally scheduled plan of implementation.

c. The compliance waiver shall be for a set period of time, and subject to review and renewal or denial of renewal upon its expiration.

d. The waiver may cover all or a portion of a 911 service plan's ~~enhanced~~ 911 service area to facilitate phased implementation when possible.

e. The granting of a compliance waiver does not create a presumption that the identical or similar waiver will be extended in the future.

f. Consideration of compliance waivers shall be on a case-by-case basis.

3. *Chapter 28E agreement — alternative to joint ~~E911~~ 911*

service board.

a. A legal entity created pursuant to chapter 28E by a county or counties, other political divisions, and public or private agencies to jointly plan, implement, and operate a countywide, or larger, ~~enhanced~~ 911 service system may be substituted for the joint ~~E911~~ 911 service board required under subsection 1. An alternative legal entity created pursuant to chapter 28E as a substitute for a joint ~~E911~~ 911 service board, as permitted by this subsection, may be created by either:

(1) Agreement of the parties entitled to voting membership on a joint ~~E911~~ 911 service board.

(2) Agreement of the members of a joint ~~E911~~ 911 service board.

b. An alternative chapter 28E entity has all of the powers of a joint ~~E911~~ 911 service board and any additional powers granted by the agreement. As used in this chapter, "*joint ~~E911~~ 911 service board*" includes an alternative chapter 28E entity created for that purpose, except as specifically limited by the chapter 28E agreement or unless clearly provided otherwise in this chapter. A chapter 28E agreement related to ~~E911~~ 911 service shall permit the participation of a private safety agency or other persons allowed to participate in a joint ~~E911~~ 911 service board, but the terms, scope, and conditions of participation are subject to the chapter 28E agreement.

4. *Participation in joint ~~E911~~ 911 service board required.* A political subdivision having a public or private safety agency within its territory or jurisdiction shall participate in a joint ~~E911~~ 911 service board and cooperate in maintaining the ~~E911~~ 911 service plan.

Sec. 6. Section 34A.4, Code 2017, is amended to read as follows:

34A.4 Requirements of pay telephones and other telecommunications devices to allow 911 calls without depositing coins or other charge.

In an ~~enhanced~~ a 911 service area, a person shall not install or offer for use within the ~~enhanced~~ 911 service area a pay station telephone or other fixed device unless the telephone or device is capable of making a 911 call without prior insertion of a coin or payment of any other charge, and unless the

telephone or device displays notice of free 911 service.

Sec. 7. Section 34A.5, Code 2017, is amended to read as follows:

34A.5 Private listing subscribers and 911 service.

Private listing subscribers in an ~~enhanced~~ a 911 service area waive the privacy afforded by nonlisted or nonpublished numbers to the extent that the name and address associated with the telephone number may be furnished to the ~~enhanced~~ 911 service system, for all routing, for automatic retrieval of location information, and for associated emergency services.

Sec. 8. Section 34A.7, Code 2017, is amended to read as follows:

34A.7 Funding — wire-line ~~E911~~ 911 service surcharge.

When an ~~E911~~ a 911 service plan is implemented, the costs of providing ~~E911~~ 911 service within an ~~E911~~ a 911 service area are the responsibility of the joint ~~E911~~ 911 service board and the member political subdivisions. Costs in excess of the amount raised by imposition of the ~~E911~~ 911 service surcharge provided for under subsection 1 shall be paid by the joint ~~E911~~ 911 service board from such revenue sources allocated among the member political subdivisions as determined by the joint ~~E911~~ 911 service board. Funding is not limited to the surcharge, and surcharge revenues may be supplemented by other permissible local and state revenue sources. A joint ~~E911~~ 911 service board shall not commit a political subdivision to appropriate property tax revenues to fund an ~~E911~~ a 911 service plan without the consent of the political subdivision. A joint ~~E911~~ 911 service board may approve an ~~E911~~ a 911 service plan, including a funding formula requiring appropriations by participating political subdivisions, subject to the approval of the funding formula by each political subdivision. However, a political subdivision may agree in advance to appropriate property tax revenues or other moneys according to a formula or plan developed by an alternative chapter 28E entity.

1. Local wire-line ~~E911~~ 911 service surcharge imposition.

a. To encourage local implementation of ~~E911~~ 911 service, one source of funding for ~~E911~~ 911 emergency communication systems shall come from a surcharge per month, per access line on each access line subscriber, of one dollar.

b. The surcharge shall be imposed by order of the program manager as follows:

(1) The program manager shall notify a local exchange service provider scheduled to provide exchange access line service to an ~~E911~~ a 911 service area that implementation of an ~~E911~~ a 911 service plan has been approved by the joint ~~E911~~ 911 service board and that collection of the surcharge is to begin within sixty days.

(2) The program manager shall also provide notice to all affected public safety answering points.

2. *Surcharge collected by local exchange service providers.*

a. The surcharge shall be collected as part of the access line service provider's periodic billing to a subscriber. In compensation for the costs of billing and collection, the local exchange service provider may retain one percent of the gross surcharges collected. If the compensation is insufficient to fully recover a local exchange service provider's costs for billing and collection of the surcharge, the deficiency shall be included in the local exchange service provider's costs for ratemaking purposes to the extent it is reasonable and just under section 476.6. The surcharge shall be remitted to the ~~E911~~ 911 service operating authority for deposit into the ~~E911~~ 911 service fund quarterly by the local exchange service provider. The total amount for multiple exchanges may be combined.

b. A local exchange service provider is not liable for an uncollected surcharge for which the local exchange service provider has billed a subscriber but not been paid. The surcharge shall appear as a single line item on a subscriber's periodic billing entitled, "~~E911~~ 911 emergency communications service surcharge".

c. The joint ~~E911~~ 911 service board may request, not more than once each quarter, the following information from the local exchange service provider:

(1) The identity of the exchange from which the surcharge is collected.

(2) The number of lines to which the surcharge was applied for the quarter.

(3) The number of refusals to pay per exchange if

applicable.

(4) Write-offs applied per exchange if applicable.

(5) The number of lines exempt per exchange.

(6) The amount retained by the local exchange service provider generated from the one percent administration fee.

d. Access line counts and surcharge remittances are confidential public records as provided in section 34A.8.

3. *Maximum limit per subscriber billing for surcharge.* An individual subscriber shall not be required to pay on a single periodic billing the surcharge on more than one hundred access lines, or their equivalent, in an ~~E911~~ 911 service area. A subscriber shall pay the surcharge in each ~~E911~~ 911 service area in which the subscriber receives access line service.

4. ~~E911~~ 911 *service fund.* Each joint ~~E911~~ 911 service board shall establish and maintain as a separate account an ~~E911~~ 911 service fund. Any funds remaining in the account at the end of each fiscal year shall not revert to the general funds of the member political subdivisions, except as provided in subsection 5, but shall remain in the ~~E911~~ 911 service fund. Moneys in an ~~E911~~ 911 service fund may only be used for nonrecurring and recurring costs of the ~~E911~~ 911 service plan as approved by the program manager, as those terms are defined by section 34A.2.

5. *Use of moneys in fund — priority and limitations on expenditure.*

a. Moneys deposited in the ~~E911~~ 911 service fund shall be used for the repayment of any bonds issued for the benefit of or loan made to the joint ~~E911~~ 911 service board pursuant to sections 34A.20 through 34A.22, and as long as any such bond or loan remains unpaid the surcharge shall not be reduced or eliminated. Moneys deposited in the fund shall be subject to such terms and conditions as may be contained in the relevant bond documents, trust indenture, resolution, loan agreement, or other instrument pursuant to which bonds are issued or a loan is made, without regard to any limitation otherwise provided by law.

b. Moneys deposited in the ~~E911~~ 911 service fund shall be used for the following, in order of priority if paragraph "a" does not apply:

(1) Money shall first be spent for actual recurring costs of operating the ~~E911~~ 911 service plan.

(2) If money remains in the fund after fully paying for recurring costs incurred in the preceding year, the remainder may be spent to pay for nonrecurring costs, not to exceed actual nonrecurring costs as approved by the program manager.

(3) If money remains in the fund after fully paying obligations under subparagraphs (1) and (2), the remainder may be accumulated in the fund as a carryover operating surplus.

6. *Limitation of actions — provider not liable on cause of action related to provision of 911 services.* A claim or cause of action does not exist based upon or arising out of an act or omission in connection with a land-line or wireless provider's participation in an ~~E911~~ a 911 service plan or provision of 911 or local exchange access service, unless the act or omission is determined to be willful and wanton negligence.

Sec. 9. Section 34A.7A, Code 2017, is amended to read as follows:

34A.7A Emergency communications service surcharge — fund established — distribution and permissible expenditures.

1. *a.* The director shall adopt by rule a monthly surcharge of one dollar to be imposed on each ~~communications~~ originating service number provided in this state. The surcharge shall be imposed uniformly on a statewide basis and simultaneously on all ~~communications~~ originating service numbers as provided by rule of the director. The surcharge shall not be imposed on wire-line-based communications or prepaid wireless telecommunications service.

b. The program manager shall provide no less than sixty days' notice of the surcharge to be imposed to each ~~communications~~ originating service provider.

c. (1) The surcharge shall be collected as part of the ~~communications~~ originating service provider's periodic billing to a subscriber. The surcharge shall appear as a single line item on a subscriber's periodic billing indicating that the surcharge is for ~~E911~~ 911 emergency communications service.

(2) In compensation for the costs of billing and collection, the ~~communications~~ originating service provider may retain one percent of the gross surcharges collected.

(3) The surcharges shall be remitted quarterly by the ~~communications~~ originating service provider to the program manager for deposit into the fund established in subsection 2.

(4) ~~A communications~~ An originating service provider is not liable for an uncollected surcharge for which the ~~communications~~ originating service provider has billed a subscriber but which has not been paid.

2. Moneys collected pursuant to subsection 1 and section 34A.7B, subsection 2, shall be deposited in a separate ~~E911~~ 911 emergency communications fund within the state treasury under the control of the program manager. Section 8.33 shall not apply to moneys in the fund. Moneys earned as income, including as interest, from the fund shall remain in the fund until expended as provided in this section. Moneys in the fund shall be expended and distributed in the following priority order:

a. An amount as appropriated by the general assembly to the director shall be allocated to the director and program manager for implementation, support, and maintenance of the functions of the director and program manager and to employ the auditor of state to perform an annual audit of the ~~E911~~ 911 emergency communications fund.

b. (1) The program manager shall allocate to each joint ~~E911~~ 911 service board and to the department of public safety a minimum of one thousand dollars per calendar quarter for each public safety answering point within the service area of the department of public safety or joint ~~E911~~ 911 service board that has submitted an annual written request to the program manager in a form approved by the program manager by May 15 of each year.

(2) The amount allocated under this paragraph "b" shall be sixty percent of the total amount of surcharge generated per calendar quarter allocated as follows:

(a) Sixty-five percent of the total dollars available for allocation shall be allocated in proportion to the square miles of the service area to the total square miles in this state.

(b) Thirty-five percent of the total dollars available for allocation shall be allocated in proportion to the wireless ~~E911~~ 911 calls taken at the public safety answering point in

the service area to the total number of wireless ~~E911~~ 911 calls originating in this state.

(c) Notwithstanding subparagraph divisions (a) and (b), the minimum amount allocated to each joint ~~E911~~ 911 service board and to the department of public safety shall be no less than one thousand dollars for each public safety answering point within the service area of the department of public safety or joint ~~E911~~ 911 service board.

(3) The funds allocated in this paragraph "b" shall be used by the public safety answering points for the receipt and disposition of 911 calls.

c. From July 1, 2013, until June 30, 2026, the program manager shall allocate ten percent of the total amount of surcharge generated to wireless carriers to recover their costs to deliver E911 phase 1 services. If the allocation in this paragraph is insufficient to reimburse all wireless carriers for such carrier's eligible expenses, the program manager shall allocate a prorated amount to each wireless carrier equal to the percentage of such carrier's eligible expenses as compared to the total of all eligible expenses for all wireless carriers for the calendar quarter during which such expenses were submitted. When prorated expenses are paid, the remaining unpaid expenses shall no longer be eligible for payment under this paragraph.

d. (1) The program manager shall reimburse ~~communications~~ originating service providers on a calendar quarter basis for carriers' eligible expenses for transport costs between the selective router and the public safety answering points related to the delivery of wireless E911 phase 1 services and the integration of ~~an internet protocol-enabled~~ the next generation 911 network.

(2) The program manager may also provide grants to joint 911 service boards and the department of public safety for the purpose of developing and maintaining GIS data to be used in support of the next generation 911 network.

e. The program manager shall reimburse wire-line carriers and third-party ~~E911~~ 911 automatic location ~~information~~ identification database providers on a calendar quarterly basis for the costs of maintaining and upgrading the ~~E911~~ 911

components and functionalities beyond the input to the ~~E911~~ 911 selective router, including the ~~E911~~ 911 selective router and the automatic location ~~information~~ identification database.

f. The department of homeland security and emergency management may, in a reserve account established within the ~~E911~~ 911 emergency communications fund, credit each fiscal year an amount of up to twelve and one-half percent of the annual 911 emergency communications service surcharge collected pursuant to subsection 1 and the prepaid wireless ~~E911~~ 911 surcharge collected pursuant to section 34A.7B, subsection 2. However, the moneys contained in such reserve account shall not exceed twelve and one-half percent of the total surcharges collected for each fiscal year. Moneys credited to the reserve account shall only be used by the department for the purpose of repairing or replacing equipment in the event of a catastrophic equipment failure, as determined by the director.

~~*g.* The program manager shall allocate four million three hundred eighty-three thousand dollars to the department of public safety in the fiscal year beginning July 1, 2016, and ending June 30, 2017, for payments and other costs due under a financing agreement entered into by the treasurer of state for building the statewide interoperable communications system pursuant to section 29C.23, subsection 2.~~

~~*h.*~~ *g.* (1) If moneys remain in the fund after fully paying all obligations under paragraphs "*a*", "*b*", "*c*", "*d*", "*e*", and "*f*", and "~~*g*~~", an amount of up to ~~four~~ seven million ~~four hundred thousand~~ dollars shall, for the fiscal year beginning July 1, ~~2016~~ 2017, and ending June 30, ~~2017~~ 2018, be expended and distributed in the following priority order:

(a) (i) The director, in consultation with the program manager and the ~~E911~~ 911 communications council, may provide grants to any public safety answering point agreeing to consolidate. For purposes of this subparagraph division, "*consolidate*" means the consolidation of all public safety answering point systems, functions, ~~enhanced~~ 911 service areas, and physical facilities of two or more public safety answering points, resulting in the consolidated public safety answering point being responsible for all call answering and dispatch functions for the combined ~~enhanced~~ 911 service area, ~~or the~~

~~consolidation of two or more public safety answering points utilizing shared services technology to combine public safety answering point systems, including but not limited to 911 call processing equipment, computer-aided dispatch, mapping, radio, and logging recorders.~~ Such a grant to a public safety answering point shall not exceed one-half of the projected cost of consolidation, or two hundred thousand dollars, whichever is less.

(ii) Grants provided under this subparagraph may, subject to available funding, be provided until June 30, 2022.

(iii) The director, in consultation with the program manager and the ~~E911~~ 911 communications council, shall adopt rules governing the eligibility for and the ~~E911~~ 911 communications council's distribution of grants to public safety answering points pursuant to this subparagraph division.

(b) The program manager, in consultation with the ~~E911~~ 911 communications council, shall allocate an amount, not to exceed one hundred thousand dollars per fiscal year, for development of public awareness and educational programs related to the use of 911 by the public, educational programs for personnel responsible for the maintenance, operation, and upgrading of local ~~E911~~ 911 systems, and the expenses of members of the ~~E911~~ 911 communications council for travel, monthly meetings, and training, provided, however, that the members have not received reimbursement funds for such expenses from another source.

(c) The program manager shall allocate an equal amount of moneys to each public safety answering point for ~~the following costs:~~ related to the receipt and disposition of 911 calls, including hardware and software for the next generation 911 network and local costs related to accessing the state's interoperable communications system.

~~(i) Costs related to the receipt and disposition of 911 calls, including hardware and software for an internet protocol-enabled next generation 911 network.~~

~~(ii) Local costs related to access the state's interoperable communications system.~~

(2) Notwithstanding section 8.33, any moneys remaining in the fund at the end of each fiscal year shall not revert to the general fund of the state but shall remain available for the

purposes of the fund.

i. The director, in consultation with the program manager and the ~~E911~~ 911 communications council, shall adopt rules pursuant to chapter 17A governing the distribution of the surcharge collected and distributed pursuant to this subsection. The rules shall include provisions that all joint ~~E911~~ 911 service boards and the department of public safety which answer or service wireless ~~E911~~ 911 calls are eligible to receive an equitable portion of the receipts.

3. *a.* The program manager shall submit an annual report by January 15 of each year to the general assembly's standing committees on government oversight advising the general assembly of the status of ~~E911~~ 911 implementation and operations, including both wire-line and wireless services, the distribution of surcharge receipts, and an accounting of the revenues and expenses of the ~~E911~~ 911 program.

b. The program manager shall submit a calendar quarter report of the revenues and expenses of the ~~E911~~ 911 program to the fiscal services division of the legislative services agency.

c. The general assembly's standing committees on government oversight shall review the priorities of distribution of funds under this chapter at least every two years.

4. The amount collected from ~~a communications~~ an originating service provider and deposited in the fund, pursuant to section 22.7, subsection 6, information provided by ~~a communications~~ an originating service provider to the program manager consisting of trade secrets, pursuant to section 22.7, subsection 3, and other financial or commercial operations information provided by ~~a communications~~ an originating service provider to the program manager, shall be kept confidential as provided under section 22.7. This subsection does not prohibit the inclusion of information in any report providing aggregate amounts and information which does not identify numbers of accounts or customers, revenues, or expenses attributable to an individual ~~communications~~ originating service provider.

5. *a.* The program manager, in consultation with the ~~E911~~ 911 communications council and the auditor of state, shall establish a methodology for determining and collecting

comprehensive public safety answering point cost and expense data through the county joint ~~E911~~ 911 service boards. The methodology shall include the collection of data for all costs and expenses related to the operation of a public safety answering point and account for the extent to which identified costs and expenses are compensated for or addressed through ~~E911~~ 911 surcharges versus other sources of funding.

b. Data collection pursuant to paragraph "a" shall commence no later than January 1, 2014, and shall be subject to an audit by the auditor of state beginning July 1, 2014. The program manager shall prepare a report detailing the methodology developed and the data collected after such data has been collected for a two-year period. The report and the results of the initial audit shall be submitted to the general assembly by March 1, 2016. A new report regarding data collection and the results of an ongoing audit for each successive two-year period shall be submitted by March 1 every two years thereafter. Expenses associated with the audit shall be paid to the auditor of state by the program manager from the ~~E911~~ 911 emergency communications fund established in subsection 2.

c. A county joint ~~E911~~ 911 service board which fails to submit expenses and costs pursuant to the methodology developed pursuant to paragraph "a" by March 31 of each year shall be allocated sixty-five cents out of the one dollar 911 emergency communications service surcharge until March 31 of the following year. Remaining funds shall be held in the carryover operating surplus fund until the expenses and cost report is submitted by the county joint ~~E911~~ 911 service board. If the county joint ~~E911~~ 911 service board submits the expense and cost report before March 30 of the following year, the set aside funds shall be provided to the county joint ~~E911~~ 911 service board. If the county joint ~~E911~~ 911 service board fails to submit the expense and cost report within one year, funds shall revert to the carryover operating surplus fund and be used in accordance with subsection 2, paragraph "h" "g".

Sec. 10. Section 34A.7B, Code 2017, is amended to read as follows:

34A.7B Prepaid wireless ~~E911~~ 911 surcharge.

1. As used in this section, unless the context otherwise

requires:

a. "Consumer" means a person who purchases prepaid wireless telecommunications service in a retail transaction.

b. "Department" means the department of revenue.

c. "Prepaid wireless ~~E911~~ 911 surcharge" means the surcharge that is required to be collected by a seller from a consumer in the amount established under this section.

d. "Provider" means a person who provides prepaid wireless telecommunications service pursuant to a license issued by the federal communications commission.

e. "Retail transaction" means the purchase of prepaid wireless telecommunications service from a seller for any purpose other than resale.

f. "Seller" means a person who sells prepaid wireless telecommunications service to another person.

2. There is imposed a prepaid wireless ~~E911~~ 911 surcharge of thirty-three cents on each retail transaction or, on or after the determination of an adjusted rate as determined pursuant to subsection 7, the adjusted rate.

3. The prepaid wireless ~~E911~~ 911 surcharge shall be collected by the seller from the consumer with respect to each retail transaction occurring in this state. The amount of the prepaid wireless ~~E911~~ 911 surcharge shall be either separately stated on an invoice, receipt, or other similar document that is provided to the consumer by the seller, or otherwise disclosed to the consumer.

4. For purposes of subsection 3, a retail transaction that is effected in person by a consumer at a business location of the seller shall be treated as occurring in this state if that business location is in this state, and any other retail transaction shall be treated as occurring in this state if the retail transaction is treated as occurring in this state for purposes of section 423.20 as that section applies to sourcing of a prepaid wireless calling service.

5. The prepaid wireless ~~E911~~ 911 surcharge is the liability of the consumer and not of the seller or of any provider, except that the seller shall be liable to remit all prepaid wireless ~~E911~~ 911 surcharges that the seller collects from consumers as provided in subsection 3, including all such

surcharges that the seller is deemed to collect where the amount of the surcharge has not been separately stated on an invoice, receipt, or other similar document provided to the consumer by the seller.

6. The amount of the prepaid wireless ~~911~~ 911 surcharge that is collected by a seller from a consumer, if such amount is separately stated on an invoice, receipt, or other similar document provided to the consumer by the seller, shall not be included in the base for measuring any tax, fee, other surcharge, or other charge that is imposed by this state, any political subdivision of this state, or any intergovernmental agency.

7. The prepaid wireless ~~911~~ 911 surcharge shall be increased or reduced, as applicable, in an amount proportionate to any change to the surcharge imposed under section 34A.7A, subsection 1. The proportional increase or reduction shall be effective on the first day of the calendar month after the effective date of the change to the surcharge imposed under section 34A.7A, subsection 1. The department shall provide not less than thirty days' advance notice of such increase or reduction on the department's internet site.

8. If a minimal amount of prepaid wireless telecommunications service is sold with a prepaid wireless device for a single, nonitemized price, the seller may elect not to apply the prepaid wireless ~~911~~ 911 surcharge to the retail transaction. For purposes of this subsection, an amount of service denominated as ten minutes or less, or five dollars or less, shall be regarded as a minimal amount of service.

9. Prepaid wireless ~~911~~ 911 surcharges collected by sellers shall be remitted to the department at the times and in the manner provided by chapter 423 with respect to the sales and use tax. The department shall establish registration and payment procedures that substantially coincide with the registration and payment procedures that apply to sellers under chapter 423.

10. A seller may deduct and retain three percent of prepaid wireless ~~911~~ 911 surcharges that are collected by the seller from consumers.

11. The audit, appeal, collection, and enforcement

procedures and other pertinent provisions applicable to the sales and use tax imposed under chapter 423 shall apply to prepaid wireless ~~E911~~ 911 surcharges.

12. The department shall establish procedures by which a seller of prepaid wireless telecommunications service may document that a sale is not a retail transaction, which procedures shall substantially coincide with the procedures for documenting sale for resale transactions under chapter 423.

13. The department shall transfer all remitted prepaid wireless ~~E911~~ 911 surcharges to the treasurer of state for deposit in the ~~E911~~ 911 emergency communications fund created under section 34A.7A, subsection 2, within thirty days of receipt after deducting an amount, not to exceed two percent of collected surcharges, that shall be retained by the department to reimburse its direct costs of administering the collection and remittance of prepaid wireless ~~E911~~ 911 surcharges.

14. The limitation of actions provisions under section 34A.7, subsection 6, shall apply to providers and sellers of prepaid wireless telecommunications service. In addition, a provider or seller of prepaid wireless telecommunications service shall not be liable for damages to any person resulting from or incurred in connection with the provision of any lawful assistance to any investigative or law enforcement officer of the United States, this or any other state, or any political subdivision of this or any other state, in connection with any lawful investigation or other law enforcement activity by such investigative or law enforcement officer.

15. The prepaid wireless ~~E911~~ 911 surcharge imposed pursuant to this section shall be the only ~~E911~~ 911 funding obligation imposed with respect to prepaid wireless telecommunications service in this state, and no tax, fee, surcharge, or other charge shall be imposed by this state, any political subdivision of this state, or any intergovernmental agency, for ~~E911~~ 911 funding purposes, upon any provider, seller, or consumer with respect to the sale, purchase, use, or provision of prepaid wireless telecommunications service.

Sec. 11. Section 34A.8, Code 2017, is amended to read as follows:

34A.8 Local exchange service information — penalty.

1. A local exchange service provider shall furnish to the ~~E911~~ 911 service provider, designated by the joint ~~E911~~ 911 service board, all names, addresses, and telephone number information concerning its subscribers which will be served by the ~~E911~~ 911 system and shall periodically update the local exchange service information. The ~~E911~~ 911 service provider shall furnish the addresses and telephone number information received from the local exchange service provider to the director for use in the mass notification and emergency messaging system as defined in section 29C.2. The local exchange service provider shall receive as compensation for the provision of local exchange service information charges according to its tariffs on file with and approved by the Iowa utilities board. The tariff charges shall be the same whether or not the local exchange service provider is designated as the ~~E911~~ 911 service provider by the joint ~~E911~~ 911 service board.

2. *a.* Subscriber information remains the property of the local exchange service provider.

b. The director, program manager, joint ~~E911~~ 911 service board, local emergency management commission established pursuant to section 29C.9, the designated ~~E911~~ 911 service provider, and the public safety answering point, their agents, employees, and assigns shall use local exchange service information provided by the local exchange service provider solely for the purposes of providing ~~E911~~ 911 emergency telephone service or providing related mass notification and emergency messaging services as described in section 29C.17A utilizing only the subscriber's information, and it shall otherwise be kept confidential. A person who violates this section is guilty of a simple misdemeanor.

c. This chapter does not require a local exchange service provider to sell or provide its subscriber names, addresses, or telephone number information to any person other than the ~~E911~~ 911 service provider designated by the joint ~~E911~~ 911 service board.

Sec. 12. Section 34A.10, Code 2017, is amended to read as follows:

34A.10 ~~E911 selective router~~ Next generation 911 network access.

On and after July 1, ~~2004~~ 2017, only the program manager shall approve access to the ~~E911 selective router~~ next generation 911 network.

Sec. 13. Section 34A.11, Code 2017, is amended to read as follows:

34A.11 Communications — single point-of-contact.

1. The joint ~~E911~~ 911 service board in each ~~enhanced~~ 911 service area shall designate a person to serve as a single point-of-contact to facilitate the communication of needs, issues, or concerns regarding emergency communications, interoperability, and other matters applicable to emergency ~~E911~~ 911 communications and migration to ~~an internet protocol-enabled~~ the next generation 911 network. The person designated as the single point-of-contact shall be responsible for facilitating the communication of such needs, issues, or concerns between public or private safety agencies within the service area, the ~~E911~~ 911 program manager, the ~~E911~~ 911 communications council, the statewide interoperable communications system board established in section 80.28, and any other person, entity, or agency the person deems necessary or appropriate. The person designated shall also be responsible for responding to surveys or requests for information applicable to the service area received from a federal, state, or local agency, entity, or board.

2. In the event a joint ~~E911~~ 911 service board fails to designate a single point-of-contact by November 1, 2013, the chairperson of the joint ~~E911~~ 911 service board shall serve in that capacity. The ~~E911~~ 911 service board shall submit the name and contact information for the person designated as the single point-of-contact to the ~~E911~~ 911 program manager by January 1 annually.

3. The provisions of this section shall be equally applicable to an alternative legal entity created pursuant to chapter 28E if such an entity is established as an alternative to a joint ~~E911~~ 911 service board as provided in section 34A.3. If such an entity is established, the governing body of that entity shall designate the single point-of-contact for the entity, and the chairperson or representative official of the governing body shall serve in the event a single

point-of-contact is not designated.

Sec. 14. Section 34A.15, subsection 1, unnumbered paragraph 1, Code 2017, is amended to read as follows:

An ~~E911~~ A 911 communications council is established. The council consists of the following ~~thirteen~~ fourteen members:

Sec. 15. Section 34A.15, subsection 1, Code 2017, is amended by adding the following new paragraph:

NEW PARAGRAPH. 1. One person appointed by the Iowa geographic information council established by executive order of the governor.

Sec. 16. Section 34A.20, Code 2017, is amended to read as follows:

34A.20 ~~E911~~ 911 financing program — definitions — funding — bonds and notes.

1. As used in this subchapter, unless the context otherwise requires, "authority" means the Iowa finance authority.

2. The authority shall cooperate with the director in the creation, administration, and funding of the ~~E911~~ 911 program established in subchapter I.

3. The authority may issue its bonds and notes for the purpose of funding ~~E911~~ 911 nonrecurring and recurring costs of one or more ~~E911~~ 911 service areas.

4. The authority may issue its bonds and notes for the purposes of this chapter and may enter into one or more lending agreements or purchase agreements with one or more bondholders or noteholders containing the terms and conditions of the repayment of and the security for the bonds or notes. The authority and the bondholders or noteholders or a trustee agent designated by the authority may enter into agreements to provide for any of the following:

a. That the proceeds of the bonds and notes and the investments of the proceeds may be received, held, and disbursed by the authority or by a trustee or agent designated by the authority.

b. That the bondholders or noteholders or a trustee or agent designated by the authority may collect, invest, and apply the amount payable under the loan agreements or any other instruments securing the debt obligations under the loan agreements.

c. That the bondholders or noteholders may enforce the remedies provided in the loan agreements or other instruments on their own behalf without the appointment or designation of a trustee. If there is a default in the principal of or interest on the bonds or notes or in the performance of any agreement contained in the loan agreements or other instruments, the payment or performance may be enforced in accordance with the loan agreement or other instrument.

d. Other terms and conditions as deemed necessary or appropriate by the authority.

5. The powers granted the authority under this section are in addition to other powers contained in chapter 16. All other provisions of chapter 16, except section 16.28, subsection 4, apply to bonds or notes issued and powers granted to the authority under this section, except to the extent they are inconsistent with this section.


6. All bonds or notes issued by the authority in connection with the program are exempt from taxation by this state and the interest on the bonds or notes is exempt from state income tax, both personal and corporate.

Sec. 17. Section 34A.21, subsection 1, paragraph c, Code 2017, is amended to read as follows:


c. The amounts on deposit in the ~~E911~~ 911 service fund of a joint ~~E911~~ 911 service board, including, but not limited to revenues from a local option ~~E911~~ 911 service surcharge.

Sec. 18. PLAN FOR CONSOLIDATION OF NEXT GENERATION 911 NETWORK. The department of homeland security and emergency management shall develop a plan that identifies the process required to combine the wireline 911 network with the next generation 911 network. The plan shall describe anticipated costs associated with the development, deployment, operation, and maintenance of the combined next generation 911 network, and how the surcharges provided in chapter 34A may support implementation of such plan. The plan shall provide for the combined next generation 911 system to utilize shared services technology for the virtual consolidation of public safety answering point call processing equipment. The plan shall include suggested amendments to chapter 34A that may be needed to allow the implementation of the plan. The department shall

submit the plan to the general assembly no later than January 15, 2018.

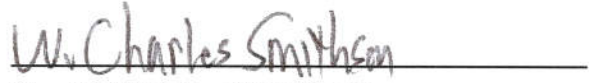


JACK WHITVER
President of the Senate



LINDA UPMEYER
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 500, Eighty-seventh General Assembly.



W. CHARLES SMITHSON
Secretary of the Senate

Approved May 11, 2017



TERRY E. BRANSTAD
Governor