

SENATE FILE 355
BY McLAREN

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the Iowa communications network by requesting
2 certain information of Part III users which are school
3 districts, accredited nonpublic schools, and public libraries,
4 requiring certain costs to be the basis for rates charged to
5 certain authorized users, requiring the development of
6 requests for proposals, limiting access to the network under
7 certain agreements, and requiring certain information to be
8 provided to the general assembly.

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

- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

S.F. 355

1 Section 1. Section 8D.13, subsection 11, Code 1995, is
2 amended to read as follows:

3 11. a. The fees charged for use of the network to a
4 private or public agency which is not a hospital or physician
5 clinic, an agency of the federal government, or a United
6 States post office shall be based on the ongoing operational
7 costs of the network only.

8 b. The fees charged for use of the network to a hospital
9 or physician clinic, an agency of the federal government, or a
10 United States post office shall be based on the total costs of
11 providing the network, including construction, operational,
12 and maintenance costs, and the financing costs associated with
13 the construction of the network.

14 Sec. 2. The Iowa telecommunications and technology
15 commission shall request that each school district, accredited
16 nonpublic school, and public library submit a usage plan which
17 shall include the anticipated date by which the user intends
18 to be connected to the network, the anticipated number of
19 hours of usage during the calendar year following the
20 connection, the anticipated uses of the network and the type
21 of programming which will be utilized by the user, the
22 anticipated number of individuals who will participate in the
23 programs, and any other information which the commission deems
24 necessary. The commission shall solicit the recommendations
25 of the education telecommunications council regarding
26 additional criteria to be used or information to be solicited
27 pursuant to this section.

28 The commission shall request that each Part III user
29 identified pursuant to this section which is connected to the
30 network agree to use the network for a minimum number of hours
31 for the calendar year following the completion of the
32 connection. The agreement shall provide that a user will
33 guarantee a minimum of three hundred seventy-five hours of
34 usage during the year or the number of hours of use which
35 could be purchased for the amount of the lease divided by an

1 eight dollar per hour network charge, whichever is less.

2 Sec. 3. Notwithstanding contrary provisions of chapter 8D,
3 access shall not be provided to the network to any other
4 entity pursuant to a new or existing chapter 28E or other
5 agreement.

6 Sec. 4. The Iowa telecommunications and technology
7 commission shall develop and issue for response a request for
8 proposals for the construction, installation, repair,
9 maintenance, or acquisition of equipment and parts necessary
10 for the connection of Part III authorized users to the Iowa
11 communications network as provided in this section. The
12 request for proposals shall allow flexibility for proposals to
13 be submitted on a site-by-site basis, or defined geographic
14 area basis which may include parts of one or more merged
15 areas. The request for proposals shall provide that the terms
16 of a bid shall be based upon a ten-year level payment lease
17 and shall not include front loaded lease payments.

18 Sec. 5. Notwithstanding contrary provisions of chapter 8D,
19 the Iowa telecommunications and technology commission shall
20 develop and issue for response a request for proposals for the
21 sale of the Iowa communications network. The commission shall
22 review and determine the impact of federal and state
23 regulatory laws and current bond obligations on such sale.
24 The request for proposals shall allow flexibility for
25 proposals to be submitted such that a bid may be submitted for
26 all or a portion of the network. The commission shall not
27 enter into any agreement related to a proposal submitted in
28 response to the request for proposals without the prior
29 authorization by a constitutional majority of each house of
30 the general assembly and approval by the governor as provided
31 in section 8D.12.

32 Sec. 6. The Iowa telecommunications and technology
33 commission shall file a written report with the general
34 assembly on or before September 1, 1995, regarding the results
35 of the June 30, 1995, network audit. The report shall be

1 provided to each member of the general assembly.

2 EXPLANATION

3 This bill relates to the expansion and future of the Iowa
4 communications network.

5 Section 8D.13 is amended to provide that fees charged for
6 use of the network to a private or public agency which is not
7 a hospital or physician clinic, an agency of the federal
8 government, or a United States post office are to be based on
9 the ongoing operational costs of the network only. The fees
10 charged for use of the network to a hospital or physician
11 clinic, an agency of the federal government, or a United
12 States post office are to be based on the total costs of
13 providing the network, including construction, operational,
14 and maintenance costs, and the financing costs associated with
15 the construction of the network.

16 Section 2 directs the commission to request that each
17 school district, accredited nonpublic school, and public
18 library submit a usage plan which shall include the
19 anticipated date by which the user intends to be connected to
20 the network, the anticipated number of hours of usage during
21 the calendar year following the connection, the anticipated
22 uses of the network and the type of programming which will be
23 utilized by the user, the anticipated number of individuals
24 who will participate in the programs, and any other
25 information which the commission deems necessary. The
26 commission is to solicit recommendations for additional
27 information and criteria from the education telecommunications
28 council which should be included in this request.

29 Section 3 provides that access is not to be provided to the
30 network to any additional entities pursuant to a new or
31 existing chapter 28E or other agreement.

32 Section 4 directs the commission to develop and release a
33 request for proposals for the connection of Part III sites.
34 The request for proposals is to allow flexibility for
35 proposals to be submitted on a site-by-site basis, or defined

1 geographic area basis which may include parts of one or more
2 merged areas.

3 Section 5 directs the commission to develop and release a
4 request for proposals for the sale of the network. The
5 commission is to review and determine the impact of federal
6 and state regulatory laws and current bond obligations on such
7 sale. The commission is prohibited from entering into any
8 agreement related to a proposal submitted in response to the
9 request for proposals without the prior authorization by a
10 constitutional majority of each house of the general assembly
11 and approval by the governor as provided in section 8D.12.

12 Section 6 directs the commission to file a written report
13 with the general assembly on or before September 1, 1995,
14 regarding the results of the June 30, 1995, network audit.
15 The report shall be provided to each member of the general
16 assembly.

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35