

APR 27 1997  
APPROPRIATIONS CALENDAR

HOUSE FILE 730  
BY COMMITTEE ON APPROPRIATIONS

Passed House, Date <sup>(p.1510)</sup> 4/23/97 Passed Senate, Date 4/25/97 (p.1477)  
Vote: Ayes 62 Nays 38 Vote: Ayes 40 Nays 4

Approved May 23, 1997  
*[Signature]*

A BILL FOR

1 An Act relating to state government technology and operations, by  
2 making and relating to appropriations to the Iowa  
3 communications network for the connection and support of  
4 certain Part III users, making appropriations to various  
5 entities for other technology-related purposes, providing for  
6 the procurement of information technology, and providing  
7 effective dates.

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

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HF 730

DIVISION I

ICN APPROPRIATIONS

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3 Section 1. TREASURER OF STATE. There is appropriated from  
4 the general fund of the state to the office of treasurer of  
5 state for the fiscal year beginning July 1, 1997, and ending  
6 June 30, 1998, the following amount, or so much thereof as is  
7 necessary, to be used for the purpose designated:

8 For debt service:  
9 ..... \$ 12,514,756

10 Funds appropriated in this section shall be deposited in a  
11 separate fund established in the office of the treasurer of  
12 state, to be used solely for debt service for the Iowa  
13 communications network. The commission shall certify to the  
14 treasurer of state when a debt service payment is due, and  
15 upon receipt of the certification the treasurer shall make the  
16 payment. The commission shall pay any additional amount due  
17 from funds deposited in the Iowa communications network fund.

18 Sec. 2. PART III RELATED APPROPRIATIONS.

19 1. PART III AUTHORIZED USERS.

20 a. There is appropriated from the rebuild Iowa  
21 infrastructure fund created in section 8.57, subsection 5, to  
22 the Iowa communications network fund under the control of the  
23 Iowa telecommunications and technology commission for the  
24 fiscal year beginning July 1, 1997, and ending June 30, 1998,  
25 the following amount, or so much thereof as is necessary, to  
26 be used for the purpose designated:

27 For the connection of a minimum of 110 Part III authorized  
28 users as determined by the commission and communicated to the  
29 general assembly:  
30 ..... \$ 22,640,000

31 b. It is the intent of the general assembly that the  
32 connection of the authorized user sites pursuant to this  
33 subsection be awarded based upon the Part III contracts  
34 executed in 1995.

35 c. Notwithstanding the fact that funds appropriated

1 pursuant to this subsection will not be made available prior  
2 to July 1, 1997, the Iowa telecommunications and technology  
3 commission is authorized to negotiate and enter into contracts  
4 for ordering necessary equipment related to the completion of  
5 the connections authorized in paragraph "a" as deemed  
6 appropriate by the commission upon the effective date of this  
7 paragraph.

8 d. It is the intent of the general assembly that the Iowa  
9 telecommunications and technology commission review and  
10 establish hourly rates, as provided in section 8D.3,  
11 subsection 3, paragraph "i", consistent with this paragraph.  
12 It is the intent of the general assembly that the commission  
13 increase each subsidized hourly rate by one dollar for the  
14 purpose of generating additional revenue. Notwithstanding  
15 rules adopted by the commission, the general assembly expects  
16 that the commission shall annually review the rates charged  
17 and the revenue generated, and increase the subsidized hourly  
18 rates by a minimum of one dollar for the 1997-1998 fiscal year  
19 and annually thereafter increase such rates by at least twenty  
20 percent of the previous year's rate until revenue raised is  
21 sufficient to reduce subsidization of the network.

22 2. PART III NETWORK COSTS -- SUBSIDIZATION FUND. There is  
23 appropriated from the general fund of the state to the Iowa  
24 communications network fund created in section 8D.14 for the  
25 fiscal year beginning July 1, 1997, and ending June 30, 1998,  
26 the following amount, or so much thereof as is necessary, to  
27 be used for the purposes designated in this subsection:

28 For the subsidization of video rates for authorized users  
29 as determined by the commission and consistent with chapter  
30 8D:  
31 ..... \$ 3,010,000  
32 ..... FTEs 83.00

33 Sec. 3. PUBLIC BROADCASTING. There is appropriated from  
34 the general fund of the state to the public broadcasting  
35 division of the department of education for the fiscal year

1 beginning July 1, 1997, and ending June 30, 1998, the  
2 following amount, or so much thereof as is necessary, to be  
3 used for the purposes designated in subsections 1 and 2:  
4 ..... \$ 2,200,000

5 1. Of the amount appropriated, \$450,000 shall be expended  
6 by the public broadcasting division of the department of  
7 education to provide support for functions related to the  
8 network, including but not limited to the following functions:  
9 scheduling for video classrooms; development of distance  
10 learning applications; development of a central information  
11 source on the Internet relating to educational uses of the  
12 network; second-line technical support for network sites;  
13 testing and initializing sites onto the network; and  
14 coordinating the work of the education telecommunications  
15 council.

16 2. Of the amount appropriated, \$1,750,000 shall be  
17 allocated by the public broadcasting division of the  
18 department of education to the regional telecommunications  
19 councils established in section 8D.5. The regional  
20 telecommunications councils shall use the funds to provide  
21 technical assistance for network classrooms, planning and  
22 troubleshooting for local area networks, scheduling of video  
23 sites, and other related support activities.

24 Sec. 4. As a condition of the appropriations made to the  
25 Iowa telecommunications and technology commission in section  
26 2, subsection 2 of this Act, and to the public broadcasting  
27 division in section 3, of this Act, the commission and the  
28 division, in consultation with the legislative fiscal bureau,  
29 shall jointly collect information and prepare a report  
30 including the number of sites, number of programs offered at  
31 each site by type of program, and the estimated number of  
32 participants involved. The estimated number of participants  
33 will be based on the number of expected participants at each  
34 site provided by the authorized user on the request for the  
35 use of the network. The information collected and reported

1 shall be for all video uses of the network. Copies of the  
2 report shall be provided to the chairpersons and ranking  
3 members of the subcommittee on oversight and communications,  
4 and to the legislative fiscal bureau. The report shall be  
5 provided biannually with one report provided no later than  
6 January 15 for the immediately preceding six-month period  
7 beginning July 1 and ending December 31; and an annual report  
8 to be provided no later than July 15 containing information  
9 for the immediately preceding six-month period beginning  
10 January 1 and ending June 30, and also a summary of the  
11 information for the immediately preceding fiscal year.

12 Sec. 5. It is the intent of the general assembly that the  
13 Iowa telecommunications and technology commission, local  
14 exchange carriers in this state, long distance carriers  
15 providing telecommunications services in this state, internet  
16 service providers, and the Iowa utilities board establish a  
17 partnership to develop and establish a plan to provide nontoll  
18 dial-up internet access to areas of the state which currently  
19 are not served by an internet provider offering such nontoll  
20 access. The utilities board shall initiate and coordinate the  
21 establishment of the partnership and provide staffing  
22 assistance to the partnership. The utilities board shall  
23 provide a written report to the general assembly no later than  
24 January 1, 1998.

25 Sec. 6. INFORMATION TECHNOLOGY SERVICES. There is  
26 appropriated from the general fund of the state to the  
27 department of general services for the fiscal year beginning  
28 July 1, 1997, and ending June 30, 1998, the following amount,  
29 or so much thereof as is necessary, to be used for the purpose  
30 designated:

31 For the purpose of providing information technology  
32 services to state agencies:  
33 ..... \$ 4,704,962  
34 ..... FTEs 158.00

35 Sec. 7. CONVERSION OF LEASED ANALOG CIRCUITS.

1 Notwithstanding section 8.57, subsection 5, paragraph "c",  
 2 there is appropriated from the rebuild Iowa infrastructure  
 3 fund created in section 8.57, subsection 5, to the Iowa  
 4 communications network fund created in section 8D.14 for the  
 5 fiscal year beginning July 1, 1997, and ending June 30, 1998,  
 6 the following amount, or so much thereof as is necessary, to  
 7 be used for the purpose designated:

8 For the leasing of T-1 circuits for current Part III analog  
 9 technology sites until an upgrade to DS-3 circuit connections  
 10 can be made:

11 ..... \$ 61,016

12 The telecommunications and technology commission is  
 13 authorized to use Part III funding to convert any leased  
 14 analog circuit to a leased DS-3 circuit for a Part III site  
 15 when the existing contract vendor agrees to upgrade the  
 16 service.

17 Sec. 8. TECHNOLOGY PROJECTS.

18 1. Notwithstanding section 8.57, subsection 5, paragraph  
 19 "c", there is appropriated from the rebuild Iowa  
 20 infrastructure fund created in section 8.57, subsection 5, to  
 21 the department of general services for the fiscal year  
 22 beginning July 1, 1997, and ending June 30, 1998, the  
 23 following amount, or so much thereof as is necessary, to be  
 24 used for the purpose designated:

25 For purposes of implementing reengineering projects with an  
 26 emphasis on technology:

27 ..... \$ 800,000

28 The projects identified for funding from the appropriation  
 29 in this subsection shall be undertaken in consultation with  
 30 the department of management.

31 2. Notwithstanding section 8.57, subsection 5, paragraph  
 32 "c", there is appropriated from the rebuild Iowa  
 33 infrastructure fund created in section 8.57, subsection 5, to  
 34 the Iowa communications network fund under the control of the  
 35 Iowa telecommunications and technology commission for the

1 fiscal year beginning July 1, 1997, and ending June 30, 1998,  
2 the following amount, or so much thereof as is necessary, to  
3 be used for the purpose designated:

4 To match funds to make ICN connections at the Anamosa and  
5 Rockwell City institutions:

6 ..... \$ 350,000

7 Sec. 9. EFFECTIVE DATES. Section 2, subsection 1,  
8 paragraphs "c" and "d", of this division of this Act, which  
9 authorize the Iowa telecommunications and technology  
10 commission to begin negotiations for ordering necessary  
11 equipment prior to the availability of funding and direct the  
12 commission to increase rates charged for use of the network,  
13 being deemed of immediate importance, take effect upon  
14 enactment.

15 DIVISION II

16 CENTURY DATE CHANGE

17 Sec. 10. REVERSION INCENTIVE PROGRAM FUND.

18 1. The department of general services shall establish a  
19 reversion incentive program fund for purposes of supporting  
20 the implementation of century date change programming, and  
21 shall be funded as follows:

22 a. Notwithstanding the distribution formula contained in  
23 section 8.62 for an operational appropriation which remains  
24 unexpended or unencumbered for the fiscal years beginning July  
25 1, 1996, and July 1, 1997, 75 percent of the unexpended or  
26 unencumbered moneys subject to that section shall be  
27 appropriated to the reversion incentive program fund. The  
28 remaining 25 percent shall remain with the entity to which the  
29 appropriation was made. Notwithstanding section 8.33, for an  
30 appropriation other than an operational appropriation as  
31 provided in section 8.62 which remains unencumbered for the  
32 fiscal years beginning July 1, 1996, and July 1, 1997, 100  
33 percent of the unexpended or unencumbered moneys shall be  
34 appropriated to the reversion incentive program fund.

35 b. If the total of all moneys appropriated to the fund

1 from unexpended or unencumbered moneys for the fiscal year  
2 beginning July 1, 1996, pursuant to paragraph "a" is less than  
3 \$10 million, there is appropriated from the general fund of  
4 the state for the fiscal year beginning July 1, 1997, and  
5 ending June 30, 1998, to the reversion incentive program fund  
6 on October 1, 1997, an amount equal to the difference between  
7 \$10 million and such total of all moneys appropriated to the  
8 fund pursuant to paragraph "a".

9 c. Notwithstanding the fact that the total amount of funds  
10 appropriated pursuant to paragraph "b" will not be made  
11 available prior to October 1, 1997, the department of general  
12 services is authorized to negotiate and enter into contracts  
13 as necessary to begin the implementation of century date  
14 change programming.

15 d. The appropriation of moneys to the fund made pursuant  
16 to this subsection shall terminate when the total amount of  
17 moneys appropriated to the fund from all sources provided in  
18 this subsection equals 25 million dollars.

19 e. An agency expending moneys from the fund for  
20 implementing century date change programming and which  
21 receives moneys from another source, including but not limited  
22 to the United States government, for the same purpose shall  
23 deposit an amount equal to the amount received from the other  
24 source into the general fund of the state up to the amount  
25 expended from the fund.

26 f. The provisions of section 8.33 shall not apply to the  
27 moneys appropriated to the reversion incentive program fund  
28 provided in this subsection. Unencumbered or unobligated  
29 moneys remaining in the fund on June 30, 2001, shall revert to  
30 the general fund of the state on August 31, 2001.

31 2. The department shall not enter into a contract or any  
32 other obligation for the purpose of addressing the need for  
33 century date programming which would require the need for  
34 funding in excess of the amount appropriated in this section.  
35 The department shall utilize, to the greatest extent possible,



1 students and other knowledgeable persons connected with Iowa's  
2 colleges and universities in developing or acquiring hardware,  
3 software, and programming funded under this section.  
4 Otherwise, any acquisition for the purposes described in this  
5 section is subject to competitive bidding requirements in rule  
6 adopted under law and in accordance with the requirements of  
7 this section. In order to maintain maximum open and free  
8 competition among bidders, an eligible bidder shall have been  
9 organized or doing business prior to January 1, 1997. In  
10 addition, an eligible bidder shall not have a relationship  
11 with the state for assessment of bids or for preparation of a  
12 request for proposals under this section. A bidder with an  
13 actual or organizational conflict of interest shall be  
14 disqualified. A bidder shall be considered to have a conflict  
15 of interest if the organization, or a parent, subsidiary, or  
16 affiliated organization, of which the bidder is a shareholder,  
17 partner, limited partner, or member, has a conflict of  
18 interest. A bidder shall provide assurances of compliance  
19 with the requirements of this paragraph at the time of  
20 submitting a bid or proposal for any acquisition for the  
21 purposes described in this section.

22 The department shall retain outside legal counsel for the  
23 purpose of reviewing all contracts or agreements entered into  
24 associated with implementation of century date change  
25 programming.

26 3. It is the intent of the general assembly that at least  
27 50 percent of all resources committed to computing services  
28 and computer hardware and software for a department, including  
29 full-time equivalent positions, shall be used for implementing  
30 century date change programming within that department. The  
31 department of general services shall make a quarterly report  
32 concerning implementation of the century date change  
33 programming to the chairpersons and ranking members of the  
34 subcommittee on oversight and communications, and to the  
35 legislative fiscal bureau. The format for the report shall be

1 developed in consultation with the legislative fiscal bureau.  
2 A report shall be made no later than October 15, January 15,  
3 April 15, and July 15, for the three-month period immediately  
4 preceding the month in which the report is to be made.

5 Sec. 11. EFFECTIVE DATE. Section 10 of this division of  
6 this Act, being deemed of immediate importance, takes effect  
7 upon enactment.

8 DIVISION III  
9 MISCELLANEOUS

10 Sec. 12. RESTRICTION ON TRANSFERS. Notwithstanding  
11 section 8.39, funds appropriated in this Act shall not be  
12 transferred or used for any other purposes than the purposes  
13 designated in this Act.

14 Sec. 13. INTERIM STUDY. The legislative council is  
15 requested to establish an interim study committee to study  
16 issues relating to privatizing the management of the Iowa  
17 communications network, and to report its findings and  
18 recommendations to the general assembly prior to the beginning  
19 of the 1998 legislative session.

20 Sec. 14. PRIVATE COLLEGE CERTIFICATION. Notwithstanding  
21 section 8D.9, the following private colleges which have  
22 requested certification for access to the Iowa communications  
23 network are authorized for connection and use of the network  
24 upon satisfying all mandates and conditions included in  
25 section 8D.9:

- 26 1. Coe College, Cedar Rapids.
- 27 2. Cornell College, Mt. Vernon.
- 28 3. Palmer Chiropractic College, Davenport.
- 29 4. Simpson College, Indianola.

30 Sec. 15. Section 8D.13, subsection 11, Code 1997, is  
31 amended to read as follows:

32 11. The fees charged for use of the network and state  
33 communications shall be based on the ongoing operational costs  
34 of the network and of providing state communications only.  
35 For the services rendered to state agencies by the commission,

1 the commission shall prepare a statement of services rendered  
2 and the agencies shall pay in a manner consistent with  
3 procedures established by the department of revenue and  
4 finance.

5 Sec. 16. Section 18.8, unnumbered paragraph 1, Code 1997,  
6 is amended to read as follows:

7 The director shall provide necessary ~~voice-or-data~~  
8 ~~communications,-including-telephone-and-telegraph~~  
9 telecommunications cabling, lighting, fuel, and water services  
10 for the state buildings and grounds located at the seat of  
11 government, except the buildings and grounds referred to in  
12 section 216B.3, subsection 6.

13 Sec. 17. Section 29C.20, subsection 1, Code 1997, is  
14 amended to read as follows:

15 1. A contingent fund is created in the state treasury for  
16 the use of the executive council which may be expended for the  
17 purpose of paying the expenses of suppressing an insurrection  
18 or riot, actual or threatened, when state aid has been  
19 rendered by order of the governor, and for repairing,  
20 rebuilding, or restoring state property injured, destroyed, or  
21 lost by fire, storm, theft, destruction by wild animal, or  
22 unavoidable cause, and for aid to any governmental subdivision  
23 in an area declared by the governor to be a disaster area due  
24 to natural disasters or to expenditures necessitated by the  
25 governmental subdivision toward averting or lessening the  
26 impact of the potential disaster, where the effect of the  
27 disaster or action on the governmental subdivision is the  
28 immediate financial inability to meet the continuing  
29 requirements of local government. Upon application by a  
30 governmental subdivision in such an area, accompanied by a  
31 showing of obligations and expenditures necessitated by an  
32 actual or potential disaster in a form and with further  
33 information the executive council requires, the aid may be  
34 made in the discretion of the executive council and, if made,  
35 shall be in the nature of a loan up to a limit of seventy-five

1 percent of the showing of obligations and expenditures. The  
2 loan, without interest, shall be repaid by the maximum annual  
3 emergency levy authorized by section 24.6, or by the  
4 appropriate levy authorized for a governmental subdivision not  
5 covered by section 24.6. The aggregate total of loans shall  
6 not exceed one million dollars during a fiscal year. A loan  
7 shall not be for an obligation or expenditure occurring more  
8 than two years previous to the application.

9 When a state department or agency requests that moneys from  
10 the contingent fund be expended to repair, rebuild, or restore  
11 state property injured, destroyed, or lost by fire, storm,  
12 theft, destruction by wild animal, or unavoidable cause, the  
13 executive council shall consider the original source of the  
14 funds for acquisition of the property before authorizing the  
15 expenditure. If the original source was other than the  
16 general fund of the state, the department or agency shall be  
17 directed to utilize moneys from the original source if  
18 possible. The executive council shall not authorize the  
19 repairing, rebuilding, or restoring of the property from the  
20 disaster aid contingent fund if it determines that moneys from  
21 the original source are available to finance the project.

22 EXPLANATION

23 This bill relates to state government technology  
24 operations, by making appropriations to a number of entities  
25 concerned with technology.

26 Specifically, the bill does the following:

27 The bill makes appropriations for the 1997-1998 fiscal year  
28 from the general fund of the state and from the rebuild Iowa  
29 infrastructure fund. Appropriations are made to the Iowa  
30 communications network fund, to the office of the treasurer of  
31 state for debt service of the Iowa communications network, to  
32 the public broadcasting division, and to the office of  
33 information technology services, as created in the bill, and  
34 providing for the conversion of leased analog circuits.

35 The bill provides that it is the intent of the general

1 assembly that the utilities board initiate and coordinate the  
2 establishment of a partnership involving the Iowa  
3 telecommunications and technology commission, local exchange  
4 carriers, long distance carriers, internet service providers,  
5 and the board to develop and establish a plan to provide  
6 nontoll dial-up internet access to areas of the state which  
7 currently are not served by an internet provider offering such  
8 access. The utilities board is to provide a written report to  
9 the general assembly by no later than January 1, 1998.

10 The bill includes language regarding the use of moneys  
11 appropriated in the bill, including the deposit of moneys for  
12 use by the department of general services for implementation  
13 of century date change programming. It provides that at least  
14 50 percent of all resources committed to computer services and  
15 computer hardware and software for each department must be  
16 used for implementing century date change programming.

17 The bill makes a number of miscellaneous changes.

18 The bill requests that the legislative council establish an  
19 interim study committee to study issues regarding  
20 privatization of the Iowa communications network.

21 The bill provides that certain private colleges are  
22 authorized for connection to the Iowa communications network.

23 The bill amends miscellaneous codified provisions,  
24 including provisions relating to the Iowa communications  
25 network. The bill provides for the payment of services  
26 rendered by the Iowa communications network to state agencies.  
27 It provides that the department of general services may  
28 provide telecommunications cabling. It also provides that the  
29 executive council may use moneys in a contingent fund for  
30 purposes of restoring state property destroyed by wild  
31 animals.

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HOUSE FILE 730

H-1829

- 1 Amend House File 730 as follows:
- 2 1. Page 2, by striking lines 8 through 21.
- 3 2. By renumbering as necessary.

By FALCK of Fayette

H-1829 FILED APRIL 21, 1997

*(H-1829)*

*Withdrawn 4/23/97 (P. 1505)*

HOUSE FILE 730

H-1830

- 1 Amend House File 730 as follows:
- 2 1. Page 9, by striking lines 14 through 19.
- 3 2. By renumbering as necessary.

By FALCK of Fayette

H-1830 FILED APRIL 21, 1997

*Revt 4/23/97 (P. 1509)*

HOUSE FILE 730

H-1832

- 1 Amend House File 730 as follows:
- 2 1. Page 8, line 22, by inserting after the word
- 3 "shall" the following: "submit a request to the
- 4 attorney general or".

By KREIMAN of Davis

H-1832 FILED APRIL 21, 1997

**WITHDRAWN**

*4/23/97 (P. 1507)*

HOUSE FILE 730

H-1833

- 1 Amend House File 730 as follows:
- 2 1. By striking page 10, line 13, through page 11,
- 3 line 21.

By BRUNKHORST of Bremer

H-1833 FILED APRIL 21, 1997

*adopted 4/23/97*

*(P. 1510)*

## HOUSE FILE 730

H-1891

1 Amend House File 730 as follows:  
2 1. Page 2, by striking lines 12 through 14 and  
3 inserting the following: "The general assembly  
4 declares its support for, and that it is the intent of  
5 the general assembly to continue, subsidization of  
6 video rates charged to public or nonpublic schools for  
7 grades kindergarten through twelve. Notwithstanding".  
8 2. Page 2, by striking lines 17 through 21 and  
9 inserting the following: "and the revenue generated.  
10 The commission shall annually provide a written report  
11 to the general assembly by January 15 regarding  
12 whether funding available to subsidize rates, as  
13 permitted, is sufficient and an explanation as to why  
14 funding was sufficient or insufficient, for the  
15 immediately preceding fiscal year. If funding is  
16 insufficient, the commission shall refer to section  
17 8D.3, subsection 3, paragraph "i", for possible  
18 guidance in eliminating any deficit associated with  
19 the subsidization of rates. The elimination of the  
20 deficit should not, to the extent practicable, affect  
21 the rates charged to public or nonpublic schools for  
22 grades kindergarten through twelve.  
23 e. The Iowa telecommunications and technology  
24 commission shall review and determine the level of  
25 subsidization for courses offered through the use of  
26 the network which are noncredit customized courses.  
27 The commission shall evaluate the need for the  
28 subsidization of such courses. The commission shall  
29 provide a written report to the general assembly by  
30 January 1, 1998, which shall include the findings of  
31 the commission and any recommendations related to the  
32 issues reviewed."

By JACOBS of Polk

H-1891 FILED APRIL 23, 1997

*Adopted 4/23/97**(P 1505)*

HOUSE FILE 730

H-1892

1 Amend House File 730 as follows:  
2 1. Page 6, line 24, by striking the word "years"  
3 and inserting the following: "year".  
4 2. Page 6, line 25, by striking the words and  
5 figures "and July 1, 1997,".  
6 3. Page 6, by striking line 32 and inserting the  
7 following: "fiscal year beginning July 1, 1996, 100".  
8 4. Page 7, line 18, by striking the figure and  
9 words "25 million dollars" and inserting the  
10 following: "\$15 million".

By JACOBS of Polk

H-1892 FILED APRIL 23, 1997

*Adopted 4/23/97**(P 1506)*

## HOUSE FILE 730

H-1878

1 Amend House File 730 as follows:  
2 1. Page 6, line 22, by striking the word  
3 "Notwithstanding" and inserting the following:  
4 (1) "Notwithstanding".  
5 2. Page 6, by striking line 29 and inserting the  
6 following: "appropriation was made."  
7 (2) Notwithstanding subparagraph (1), prior to  
8 reverting any funds remaining unobligated or  
9 unexpended from the appropriation to the department of  
10 human services for medical assistance in 1996 Iowa  
11 Acts, chapter 1213, section 3, at the close of the  
12 fiscal year beginning July 1, 1996, the department  
13 shall retain \$1,500,000 which shall remain available  
14 to be used for the purposes designated in this section  
15 in the succeeding fiscal year. The moneys retained  
16 shall be transferred to the Iowa department of public  
17 health. Of the moneys transferred, \$1,000,000 shall  
18 be used for the public health nursing program and  
19 \$500,000 shall be used for the home care aid/chore  
20 program. Notwithstanding section 8.39, moneys  
21 transferred pursuant to this section are not subject  
22 to further transfer.  
23 (3) Notwithstanding section 8.33, for an".  
By WEIGEL of Chickasaw

H-1878 FILED APRIL 23, 1997

*Last 4/23/97 (#1506)*

## HOUSE FILE 730

H-1884

1 Amend House File 730 as follows:  
2 1. Page 7, by inserting after line 8 the  
3 following:  
4 "c. Notwithstanding paragraph "b", the first \$2.5  
5 million which would otherwise be deposited in the  
6 reversion incentive program fund shall be used for  
7 purposes other than the reversion incentive program."  
8 2. Page 7, by inserting before line 9 the  
9 following:  
10 "d. There is appropriated to the department of  
11 education for the fiscal year beginning July 1, 1997,  
12 and ending June 30, 1998, from moneys subject to  
13 reversion under section 8.33, \$2.5 million to be  
14 allocated to the child development coordinating  
15 council established in chapter 256A for the purposes  
16 set out in section 279.51, subsection 2, and section  
17 256A.3. This amount is in addition to the funds  
18 appropriated in section 279.51, subsection 1."  
19 3. By renumbering as necessary.  
By MURPHY of Dubuque

H-1884 FILED APRIL 23, 1997

*Last 4/23/97 (#1507)*



## HOUSE FILE 730

H-1894

1 Amend House File 730 as follows:

2 1. Page 9, by inserting after line 8 the  
3 following:

4 "LEGISLATIVE OVERSIGHT

5 Sec. 101. LEGISLATIVE OVERSIGHT COMMITTEE.

6 1. COMMITTEE ESTABLISHED. It is the intent of the  
7 general assembly that the legislative council  
8 establish a legislative oversight committee which  
9 shall be composed of ten members, consisting of three  
10 members of the majority party in the senate appointed  
11 by the majority leader and two members of the minority  
12 party in the senate appointed by the minority leader,  
13 and three members of the majority party and two  
14 members of the minority party in the house of  
15 representatives appointed by the speaker of the house  
16 in consultation with the minority leader. The  
17 majority leader of the senate and the speaker of the  
18 house of representatives shall each designate a co-  
19 chairperson and co-vice chairperson, and the minority  
20 leader of the senate and of the house of  
21 representatives shall each designate a co-ranking  
22 member.

23 2. POWERS AND DUTIES OF COMMITTEE.

24 a. The purpose of the legislative oversight  
25 committee is to review and analyze the structure and  
26 operations of state government and the use of  
27 information technology in providing services and  
28 enhancing the ability of the public to interact with  
29 government.

30 b. The legislative oversight committee shall be  
31 staffed by the legislative fiscal bureau and the  
32 legislative service bureau.

33 c. The legislative oversight committee may,  
34 subject to the approval of the legislative council,  
35 conduct a review of one or more programs or  
36 regulations administered or enforced by state  
37 government.

38 d. The legislative oversight committee shall  
39 prepare a final report and a summary of the report for  
40 submission to the general assembly not later than the  
41 first day of each regular session of the general  
42 assembly as provided in section 2.1. The report shall  
43 contain findings and recommendations of the  
44 legislative oversight committee, which may include  
45 proposed bills or resolutions.

46 3. COMPENSATION AND EXPENSES. Members of the  
47 legislative oversight committee who are not members of  
48 the legislative council shall be entitled to receive  
49 the same expenses and compensation provided for the  
50 members of the legislative council.

H-1894

H-1894

Page 2

1 Sec. \_\_\_\_ . EFFECTIVE DATE. Section 101, as enacted  
2 in this division of this Act, being deemed of  
3 immediate importance, take effective upon enactment.

4 DIVISION IV"

5 2. By renumbering as necessary.

By JACOBS of Polk

H-1894 FILED APRIL 23, 1997

*Adopted 4/23/97*  
*(p. 1509)*

HOUSE FILE 730

H-1895

1 Amend House File 730 as follows:

2 1. Page 9, by inserting after line 4 the  
3 following:

4 "4. This section shall not apply to moneys  
5 otherwise specifically exempted from reversion by the  
6 general assembly; moneys subject to reversion under  
7 section 8.33, the reversion of which the general  
8 assembly has specifically provided for in another Act  
9 enacted during a previous legislative session, or  
10 another Act enacted during the 1997 regular session,  
11 whether or not such Act is effective before or after  
12 the effective date of this section; moneys deposited  
13 in a separate account or fund in the state treasury,  
14 the unencumbered amounts of which are to be retained  
15 in such account or fund as provided by the general  
16 assembly; and appropriations which are item vetoed by  
17 the governor."

By JACOBS of Polk

H-1895 FILED APRIL 23, 1997

*Adopted 4/23/97*  
*(p. 1508)*

S. 4/24/97 Appropri.  
S. 4/24/97 Amend/As Pass  
W/S 3767

HOUSE FILE 730  
BY COMMITTEE ON APPROPRIATIONS

(As Amended and Passed by the House, April 23, 1997)

Passed House, Date <sup>(P. 1643)</sup> 4-28-97 Passed Senate, Date 4/25/97 (p. 1477)  
Vote: Ayes 56 Nays 41 Vote: Ayes 40 Nays 4  
*Approved* May 23, 1997  
 *veto*

A BILL FOR

1 An Act relating to state government technology and operations, by  
2 making and relating to appropriations to the Iowa  
3 communications network for the connection and support of  
4 certain Part III users, making appropriations to various  
5 entities for other technology-related purposes, providing for  
6 the procurement of information technology, and providing  
7 effective dates.

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

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House Amendments \_\_\_\_\_

Deleted Language \*

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DIVISION I  
ICN APPROPRIATIONS

Section 1. TREASURER OF STATE. There is appropriated from the general fund of the state to the office of treasurer of state for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For debt service:  
..... \$ 12,514,756

Funds appropriated in this section shall be deposited in a separate fund established in the office of the treasurer of state, to be used solely for debt service for the Iowa communications network. The commission shall certify to the treasurer of state when a debt service payment is due, and upon receipt of the certification the treasurer shall make the payment. The commission shall pay any additional amount due from funds deposited in the Iowa communications network fund.

Sec. 2. PART III RELATED APPROPRIATIONS.

1. PART III AUTHORIZED USERS.

a. There is appropriated from the rebuild Iowa infrastructure fund created in section 8.57, subsection 5, to the Iowa communications network fund under the control of the Iowa telecommunications and technology commission for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the connection of a minimum of 110 Part III authorized users as determined by the commission and communicated to the general assembly:  
..... \$ 22,640,000

b. It is the intent of the general assembly that the connection of the authorized user sites pursuant to this subsection be awarded based upon the Part III contracts executed in 1995.

c. Notwithstanding the fact that funds appropriated

1 pursuant to this subsection will not be made available prior  
2 to July 1, 1997, the Iowa telecommunications and technology  
3 commission is authorized to negotiate and enter into contracts  
4 for ordering necessary equipment related to the completion of  
5 the connections authorized in paragraph "a" as deemed  
6 appropriate by the commission upon the effective date of this  
7 paragraph.

8 d. It is the intent of the general assembly that the Iowa  
9 telecommunications and technology commission review and  
10 establish hourly rates, as provided in section 8D.3,  
11 subsection 3, paragraph "i", consistent with this paragraph.  
12 The general assembly declares its support for, and that it is  
13 the intent of the general assembly to continue, subsidization  
14 of video rates charged to public or nonpublic schools for  
15 grades kindergarten through twelve. Notwithstanding rules  
16 adopted by the commission, the general assembly expects that  
17 the commission shall annually review the rates charged and the  
18 revenue generated. The commission shall annually provide a  
19 written report to the general assembly by January 15 regarding  
20 whether funding available to subsidize rates, as permitted, is  
21 sufficient and an explanation as to why funding was sufficient  
22 or insufficient, for the immediately preceding fiscal year.  
23 If funding is insufficient, the commission shall refer to  
24 section 8D.3, subsection 3, paragraph "i", for possible  
25 guidance in eliminating any deficit associated with the  
26 subsidization of rates. The elimination of the deficit should  
27 not, to the extent practicable, affect the rates charged to  
28 public or nonpublic schools for grades kindergarten through  
29 twelve.

30 e. The Iowa telecommunications and technology commission  
31 shall review and determine the level of subsidization for  
32 courses offered through the use of the network which are  
33 noncredit customized courses. The commission shall evaluate  
34 the need for the subsidization of such courses. The  
35 commission shall provide a written report to the general

1 assembly by January 1, 1998, which shall include the findings  
2 of the commission and any recommendations related to the  
3 issues reviewed.

4 2. PART III NETWORK COSTS -- SUBSIDIZATION FUND. There is  
5 appropriated from the general fund of the state to the Iowa  
6 communications network fund created in section 8D.14 for the  
7 fiscal year beginning July 1, 1997, and ending June 30, 1998,  
8 the following amount, or so much thereof as is necessary, to  
9 be used for the purposes designated in this subsection:

10 For the subsidization of video rates for authorized users  
11 as determined by the commission and consistent with chapter  
12 8D:

13 .....	\$	3,010,000
14 .....	FTEs	83.00

15 Sec. 3. PUBLIC BROADCASTING. There is appropriated from  
16 the general fund of the state to the public broadcasting  
17 division of the department of education for the fiscal year  
18 beginning July 1, 1997, and ending June 30, 1998, the  
19 following amount, or so much thereof as is necessary, to be  
20 used for the purposes designated in subsections 1 and 2:

21 .....	\$	2,200,000
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22 1. Of the amount appropriated, \$450,000 shall be expended  
23 by the public broadcasting division of the department of  
24 education to provide support for functions related to the  
25 network, including but not limited to the following functions:

- 26 scheduling for video classrooms; development of distance
- 27 learning applications; development of a central information
- 28 source on the Internet relating to educational uses of the
- 29 network; second-line technical support for network sites;
- 30 testing and initializing sites onto the network; and
- 31 coordinating the work of the education telecommunications
- 32 council.

33 2. Of the amount appropriated, \$1,750,000 shall be  
34 allocated by the public broadcasting division of the  
35 department of education to the regional telecommunications

1 councils established in section 8D.5. The regional  
2 telecommunications councils shall use the funds to provide  
3 technical assistance for network classrooms, planning and  
4 troubleshooting for local area networks, scheduling of video  
5 sites, and other related support activities.

6 Sec. 4. As a condition of the appropriations made to the  
7 Iowa telecommunications and technology commission in section  
8 2, subsection 2 of this Act, and to the public broadcasting  
9 division in section 3, of this Act, the commission and the  
10 division, in consultation with the legislative fiscal bureau,  
11 shall jointly collect information and prepare a report  
12 including the number of sites, number of programs offered at  
13 each site by type of program, and the estimated number of  
14 participants involved. The estimated number of participants  
15 will be based on the number of expected participants at each  
16 site provided by the authorized user on the request for the  
17 use of the network. The information collected and reported  
18 shall be for all video uses of the network. Copies of the  
19 report shall be provided to the chairpersons and ranking  
20 members of the subcommittee on oversight and communications,  
21 and to the legislative fiscal bureau. The report shall be  
22 provided biannually with one report provided no later than  
23 January 15 for the immediately preceding six-month period  
24 beginning July 1 and ending December 31; and an annual report  
25 to be provided no later than July 15 containing information  
26 for the immediately preceding six-month period beginning  
27 January 1 and ending June 30, and also a summary of the  
28 information for the immediately preceding fiscal year.

29 Sec. 5. It is the intent of the general assembly that the  
30 Iowa telecommunications and technology commission, local  
31 exchange carriers in this state, long distance carriers  
32 providing telecommunications services in this state, internet  
33 service providers, and the Iowa utilities board establish a  
34 partnership to develop and establish a plan to provide nontoll  
35 dial-up internet access to areas of the state which currently

1 are not served by an internet provider offering such nontoll  
2 access. The utilities board shall initiate and coordinate the  
3 establishment of the partnership and provide staffing  
4 assistance to the partnership. The utilities board shall  
5 provide a written report to the general assembly no later than  
6 January 1, 1998.

7 Sec. 6. INFORMATION TECHNOLOGY SERVICES. There is  
8 appropriated from the general fund of the state to the  
9 department of general services for the fiscal year beginning  
10 July 1, 1997, and ending June 30, 1998, the following amount,  
11 or so much thereof as is necessary, to be used for the purpose  
12 designated:

13 For the purpose of providing information technology  
14 services to state agencies:  
15 ..... \$ 4,704,962  
16 ..... FTEs 158.00

17 Sec. 7. CONVERSION OF LEASED ANALOG CIRCUITS.  
18 Notwithstanding section 8.57, subsection 5, paragraph "c",  
19 there is appropriated from the rebuild Iowa infrastructure  
20 fund created in section 8.57, subsection 5, to the Iowa  
21 communications network fund created in section 8D.14 for the  
22 fiscal year beginning July 1, 1997, and ending June 30, 1998,  
23 the following amount, or so much thereof as is necessary, to  
24 be used for the purpose designated:

25 For the leasing of T-1 circuits for current Part III analog  
26 technology sites until an upgrade to DS-3 circuit connections  
27 can be made:  
28 ..... \$ 61,016

29 The telecommunications and technology commission is  
30 authorized to use Part III funding to convert any leased  
31 analog circuit to a leased DS-3 circuit for a Part III site  
32 when the existing contract vendor agrees to upgrade the  
33 service.

34 Sec. 8. TECHNOLOGY PROJECTS.

35 1. Notwithstanding section 8.57, subsection 5, paragraph



1 "c", there is appropriated from the rebuild Iowa  
2 infrastructure fund created in section 8.57, subsection 5, to  
3 the department of general services for the fiscal year  
4 beginning July 1, 1997, and ending June 30, 1998, the  
5 following amount, or so much thereof as is necessary, to be  
6 used for the purpose designated:

7 For purposes of implementing reengineering projects with an  
8 emphasis on technology:

9 ..... \$ 800,000

10 The projects identified for funding from the appropriation  
11 in this subsection shall be undertaken in consultation with  
12 the department of management.

13 2. Notwithstanding section 8.57, subsection 5, paragraph  
14 "c", there is appropriated from the rebuild Iowa  
15 infrastructure fund created in section 8.57, subsection 5, to  
16 the Iowa communications network fund under the control of the  
17 Iowa telecommunications and technology commission for the  
18 fiscal year beginning July 1, 1997, and ending June 30, 1998,  
19 the following amount, or so much thereof as is necessary, to  
20 be used for the purpose designated:

21 To match funds to make ICN connections at the Anamosa and  
22 Rockwell City institutions:

23 ..... \$ 350,000

24 Sec. 9. EFFECTIVE DATES. Section 2, subsection 1,  
25 paragraphs "c" and "d", of this division of this Act, which  
26 authorize the Iowa telecommunications and technology  
27 commission to begin negotiations for ordering necessary  
28 equipment prior to the availability of funding and direct the  
29 commission to increase rates charged for use of the network,  
30 being deemed of immediate importance, take effect upon  
31 enactment.

32 DIVISION II  
33 CENTURY DATE CHANGE

34 Sec. 10. REVERSION INCENTIVE PROGRAM FUND.

35 1. The department of general services shall establish a

1 reversion incentive program fund for purposes of supporting  
2 the implementation of century date change programming, and  
3 shall be funded as follows:

4 a. Notwithstanding the distribution formula contained in  
5 section 8.62 for an operational appropriation which remains  
6 unexpended or unencumbered for the fiscal year beginning July  
\* 7 1, 1996, 75 percent of the unexpended or unencumbered moneys  
8 subject to that section shall be appropriated to the reversion  
9 incentive program fund. The remaining 25 percent shall remain  
10 with the entity to which the appropriation was made.

11 Notwithstanding section 8.33, for an appropriation other than  
12 an operational appropriation as provided in section 8.62 which  
13 remains unencumbered for the fiscal year beginning July 1,  
14 1996, 100 percent of the unexpended or unencumbered moneys  
15 shall be appropriated to the reversion incentive program fund.

16 b. If the total of all moneys appropriated to the fund  
17 from unexpended or unencumbered moneys for the fiscal year  
18 beginning July 1, 1996, pursuant to paragraph "a" is less than  
19 \$10 million, there is appropriated from the general fund of  
20 the state for the fiscal year beginning July 1, 1997, and  
21 ending June 30, 1998, to the reversion incentive program fund  
22 on October 1, 1997, an amount equal to the difference between  
23 \$10 million and such total of all moneys appropriated to the  
24 fund pursuant to paragraph "a".

25 c. Notwithstanding the fact that the total amount of funds  
26 appropriated pursuant to paragraph "b" will not be made  
27 available prior to October 1, 1997, the department of general  
28 services is authorized to negotiate and enter into contracts  
29 as necessary to begin the implementation of century date  
30 change programming.

31 d. The appropriation of moneys to the fund made pursuant  
32 to this subsection shall terminate when the total amount of  
33 moneys appropriated to the fund from all sources provided in  
34 this subsection equals \$15 million.

35 e. An agency expending moneys from the fund for

1 implementing century date change programming and which  
2 receives moneys from another source, including but not limited  
3 to the United States government, for the same purpose shall  
4 deposit an amount equal to the amount received from the other  
5 source into the general fund of the state up to the amount  
6 expended from the fund.

7 f. The provisions of section 8.33 shall not apply to the  
8 moneys appropriated to the reversion incentive program fund  
9 provided in this subsection. Unencumbered or unobligated  
10 moneys remaining in the fund on June 30, 2001, shall revert to  
11 the general fund of the state on August 31, 2001.

12 2. The department shall not enter into a contract or any  
13 other obligation for the purpose of addressing the need for  
14 century date programming which would require the need for  
15 funding in excess of the amount appropriated in this section.  
16 The department shall utilize, to the greatest extent possible,  
17 students and other knowledgeable persons connected with Iowa's  
18 colleges and universities in developing or acquiring hardware,  
19 software, and programming funded under this section.  
20 Otherwise, any acquisition for the purposes described in this  
21 section is subject to competitive bidding requirements in rule  
22 adopted under law and in accordance with the requirements of  
23 this section. In order to maintain maximum open and free  
24 competition among bidders, an eligible bidder shall have been  
25 organized or doing business prior to January 1, 1997. In  
26 addition, an eligible bidder shall not have a relationship  
27 with the state for assessment of bids or for preparation of a  
28 request for proposals under this section. A bidder with an  
29 actual or organizational conflict of interest shall be  
30 disqualified. A bidder shall be considered to have a conflict  
31 of interest if the organization, or a parent, subsidiary, or  
32 affiliated organization, of which the bidder is a shareholder,  
33 partner, limited partner, or member, has a conflict of  
34 interest. A bidder shall provide assurances of compliance  
35 with the requirements of this paragraph at the time of

1 submitting a bid or proposal for any acquisition for the  
2 purposes described in this section.

3 The department shall retain outside legal counsel for the  
4 purpose of reviewing all contracts or agreements entered into  
5 associated with implementation of century date change  
6 programming.

7 3. It is the intent of the general assembly that at least  
8 50 percent of all resources committed to computing services  
9 and computer hardware and software for a department, including  
10 full-time equivalent positions, shall be used for implementing  
11 century date change programming within that department. The  
12 department of general services shall make a quarterly report  
13 concerning implementation of the century date change  
14 programming to the chairpersons and ranking members of the  
15 subcommittee on oversight and communications, and to the  
16 legislative fiscal bureau. The format for the report shall be  
17 developed in consultation with the legislative fiscal bureau.  
18 A report shall be made no later than October 15, January 15,  
19 April 15, and July 15, for the three-month period immediately  
20 preceding the month in which the report is to be made.

21 4. This section shall not apply to moneys otherwise  
22 specifically exempted from reversion by the general assembly;  
23 moneys subject to reversion under section 8.33, the reversion  
24 of which the general assembly has specifically provided for in  
25 another Act enacted during a previous legislative session, or  
26 another Act enacted during the 1997 regular session, whether  
27 or not such Act is effective before or after the effective  
28 date of this section; moneys deposited in a separate account  
29 or fund in the state treasury, the unencumbered amounts of  
30 which are to be retained in such account or fund as provided  
31 by the general assembly; and appropriations which are item  
32 vetoed by the governor.

33 Sec. 11. EFFECTIVE DATE. Section 10 of this division of  
34 this Act, being deemed of immediate importance, takes effect  
35 upon enactment.

## 1 DIVISION III

2 LEGISLATIVE OVERSIGHT3 Sec. 12. LEGISLATIVE OVERSIGHT COMMITTEE.

4 1. COMMITTEE ESTABLISHED. It is the intent of the general  
5 assembly that the legislative council establish a legislative  
6 oversight committee which shall be composed of ten members,  
7 consisting of three members of the majority party in the  
8 senate appointed by the majority leader and two members of the  
9 minority party in the senate appointed by the minority leader,  
10 and three members of the majority party and two members of the  
11 minority party in the house of representatives appointed by  
12 the speaker of the house in consultation with the minority  
13 leader. The majority leader of the senate and the speaker of  
14 the house of representatives shall each designate a co-  
15 chairperson and co-vice chairperson, and the minority leader  
16 of the senate and of the house of representatives shall each  
17 designate a co-ranking member.

18 2. POWERS AND DUTIES OF COMMITTEE.

19 a. The purpose of the legislative oversight committee is  
20 to review and analyze the structure and operations of state  
21 government and the use of information technology in providing  
22 services and enhancing the ability of the public to interact  
23 with government.

24 b. The legislative oversight committee shall be staffed by  
25 the legislative fiscal bureau and the legislative service  
26 bureau.

27 c. The legislative oversight committee may, subject to the  
28 approval of the legislative council, conduct a review of one  
29 or more programs or regulations administered or enforced by  
30 state government.

31 d. The legislative oversight committee shall prepare a  
32 final report and a summary of the report for submission to the  
33 general assembly not later than the first day of each regular  
34 session of the general assembly as provided in section 2.1.  
35 The report shall contain findings and recommendations of the

1 legislative oversight committee, which may include proposed  
2 bills or resolutions.

3 3. COMPENSATION AND EXPENSES. Members of the legislative  
4 oversight committee who are not members of the legislative  
5 council shall be entitled to receive the same expenses and  
6 compensation provided for the members of the legislative  
7 council.

8 Sec. 13. EFFECTIVE DATE. Section 12, as enacted in this  
9 division of this Act, being deemed of immediate importance,  
10 take effective upon enactment.

11 DIVISION IV  
12 MISCELLANEOUS

13 Sec. 14. RESTRICTION ON TRANSFERS. Notwithstanding  
14 section 8.39, funds appropriated in this Act shall not be  
15 transferred or used for any other purposes than the purposes  
16 designated in this Act.

17 Sec. 15. INTERIM STUDY. The legislative council is  
18 requested to establish an interim study committee to study  
19 issues relating to privatizing the management of the Iowa  
20 communications network, and to report its findings and  
21 recommendations to the general assembly prior to the beginning  
22 of the 1998 legislative session.

23 Sec. 16. PRIVATE COLLEGE CERTIFICATION. Notwithstanding  
24 section 8D.9, the following private colleges which have  
25 requested certification for access to the Iowa communications  
26 network are authorized for connection and use of the network  
27 upon satisfying all mandates and conditions included in  
28 section 8D.9:

- 29 1. Coe College, Cedar Rapids.
- 30 2. Cornell College, Mt. Vernon.
- 31 3. Palmer Chiropractic College, Davenport.
- 32 4. Simpson College, Indianola.

33 Sec. 17. Section 8D.13, subsection 11, Code 1997, is  
34 amended to read as follows:

35 11. The fees charged for use of the network and state

1 communications shall be based on the ongoing operational costs  
2 of the network and of providing state communications only.  
3 For the services rendered to state agencies by the commission,  
4 the commission shall prepare a statement of services rendered  
5 and the agencies shall pay in a manner consistent with  
6 procedures established by the department of revenue and  
7 finance.

8 Sec. 18. Section 18.8, unnumbered paragraph 1, Code 1997,  
9 is amended to read as follows:

10 The director shall provide necessary ~~voice-or-data~~  
11 ~~communications,-including-telephone-and-telegraph~~  
12 telecommunications cabling, lighting, fuel, and water services  
13 for the state buildings and grounds located at the seat of  
14 government, except the buildings and grounds referred to in  
15 section 216B.3, subsection 6.

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HOUSE FILE 730

S-3767

1 Amend House File 730, as amended, passed, and  
2 reprinted by the House, as follows:

3 1. Page 1, by inserting after line 30 the  
4 following:

5 "\_\_\_\_. There is appropriated from the rebuild Iowa  
6 infrastructure fund created in section 8.57,  
7 subsection 5, to the Iowa communications network fund  
8 under the control of the Iowa telecommunications and  
9 technology commission for the fiscal year beginning  
10 July 1, 1998, and ending June 30, 1999, the following  
11 amount, or so much thereof as is necessary, to be used  
12 for the purpose designated:

13 For the connection of Part III authorized users as  
14 determined by the commission and communicated to the  
15 general assembly:

16 ..... \$ 17,704,000"

17 2. Page 3, line 10, by striking the word "For"  
18 and inserting the following: "a. For".

19 3. Page 3, line 12, by inserting after the figure  
20 "8D" the following: ", excluding the purposes  
21 provided for in paragraph "b"".

22 4. Page 3, line 13, by striking the figure  
23 "3,010,000" and inserting the following: "2,510,000".

24 5. Page 3, by inserting after line 14 the  
25 following:

26 "b. For expansion of the Iowa communications  
27 network backbone and for the replacement of obsolete  
28 equipment:

29 ..... \$ 500,000"

30 6. Page 6, by inserting after line 12 the  
31 following:

32 "\_\_\_\_. Notwithstanding section 8.57, subsection 5,  
33 paragraph "c", there is appropriated from the rebuild  
34 Iowa infrastructure fund created in section 8.57,  
35 subsection 5, to the department of general services  
36 for the fiscal year beginning July 1, 1998, and ending  
37 June 30, 1999, the following amount, or so much  
38 thereof as is necessary, to be used for the purpose  
39 designated:

40 For purposes of implementing reengineering projects  
41 with an emphasis on technology:

42 ..... \$ 1,000,000

43 The projects identified for funding from the  
44 appropriation in this subsection shall be undertaken  
45 in consultation with the department of management."

46 7. Page 12, by inserting after line 15 the  
47 following:

48 "Sec. \_\_\_\_ . Section 29C.20, subsection 1, Code  
49 1997, is amended to read as follows:

50 1. A contingent fund is created in the state

S-3767



S-3767

Page 2

1 treasury for the use of the executive council which  
2 may be expended for the purpose of paying the expenses  
3 of suppressing an insurrection or riot, actual or  
4 threatened, when state aid has been rendered by order  
5 of the governor, and for repairing, rebuilding, or  
6 restoring state property injured, destroyed, or lost  
7 by fire, storm, theft, or unavoidable cause, and for  
8 repairing, rebuilding, or restoring state property  
9 which is fiberoptic cable and which is injured or  
10 destroyed by a wild animal, and for aid to any  
11 governmental subdivision in an area declared by the  
12 governor to be a disaster area due to natural  
13 disasters or to expenditures necessitated by the  
14 governmental subdivision toward averting or lessening  
15 the impact of the potential disaster, where the effect  
16 of the disaster or action on the governmental  
17 subdivision is the immediate financial inability to  
18 meet the continuing requirements of local government.  
19 Upon application by a governmental subdivision in such  
20 an area, accompanied by a showing of obligations and  
21 expenditures necessitated by an actual or potential  
22 disaster in a form and with further information the  
23 executive council requires, the aid may be made in the  
24 discretion of the executive council and, if made,  
25 shall be in the nature of a loan up to a limit of  
26 seventy-five percent of the showing of obligations and  
27 expenditures. The loan, without interest, shall be  
28 repaid by the maximum annual emergency levy authorized  
29 by section 24.6, or by the appropriate levy authorized  
30 for a governmental subdivision not covered by section  
31 24.6. The aggregate total of loans shall not exceed  
32 one million dollars during a fiscal year. A loan  
33 shall not be for an obligation or expenditure  
34 occurring more than two years previous to the  
35 application.

36 When a state department or agency requests that  
37 moneys from the contingent fund be expended to repair,  
38 rebuild, or restore state property injured, destroyed,  
39 or lost by fire, storm, theft, or unavoidable cause,  
40 or to repair, rebuild, or restore state property which  
41 is fiberoptic cable and which is injured or destroyed  
42 by a wild animal, the executive council shall consider  
43 the original source of the funds for acquisition of  
44 the property before authorizing the expenditure. If  
45 the original source was other than the general fund of  
46 the state, the department or agency shall be directed  
47 to utilize moneys from the original source if  
48 possible. The executive council shall not authorize  
49 the repairing, rebuilding, or restoring of the  
50 property from the disaster aid contingent fund if it

S-3767

-2-

S-3767

Page 3

1 determines that moneys from the original source are  
2 available to finance the project."  
3 8. By renumbering, relettering, or redesignating  
4 and correcting internal references as necessary.

By COMMITTEE ON APPROPRIATIONS  
DERRYL McLAREN, Chairperson

S-3767 FILED APRIL 24, 1997

*Adopted as amended 4/25/97 (p. 1477)*

HOUSE FILE 730

S-3800

1 Amend the amendment, S-3767, to House File 730, as  
2 amended, passed, and reprinted by the House, as  
3 follows:

4 1. Page 1, by striking line 5 and inserting the  
5 following:

6 "..... FTEs 83.00  
7 . There is appropriated from the rebuild Iowa".

8 2. Page 1, by inserting after line 16 the  
9 following:

10 " . Page 3, by striking lines 5 and 6 and  
11 inserting the following: "appropriated from the  
12 general fund of the state to the department of  
13 education for the ."

14 3. Page 1, by striking lines 19 through 21 and  
15 inserting the following:

16 " . Page 3, by striking lines 11 and 12 and  
17 inserting the following: "as provided in this  
18 subsection, and consistent with chapter 8D, excluding  
19 the purposes provided for in paragraph "b"."

20 4. Page 1, by striking lines 24 through 26 and  
21 inserting the following:

22 " . Page 3, by striking line 14 and inserting  
23 the following:

24 "The department of education shall establish by  
25 rule a procedure for the commission to be reimbursed  
26 for that portion of the cost of providing interactive  
27 video service to nonpublic and public schools for  
28 grades kindergarten through twelve and community  
29 colleges which is not included in the rates charged to  
30 such users for such service. The Iowa  
31 telecommunications and technology commission may  
32 submit recommendations concerning the procedure to the  
33 department.

34 Notwithstanding section 8.33 or 8.39, any balance  
35 remaining from the appropriation in this paragraph  
36 shall not revert to the general fund of the state but  
37 shall be available for expenditure during the  
38 subsequent fiscal year for the same purpose, and shall  
39 not be transferred to any other program. The  
40 department shall not be liable for reimbursing any  
41 amounts which are in excess of the appropriation made  
42 in this subsection.

43 b. For expansion of the Iowa communications".

44 5. By renumbering as necessary.

By JACK RIFE

S-3800 FILED APRIL 25, 1997

ADOPTED (p. 1476)

## HOUSE FILE 730

S-3776

1 Amend House File 730, as amended, passed, and  
2 reprinted by the House, as follows:

3 1. Page 11, by inserting after line 32 the  
4 following:

5 "Sec. \_\_\_\_ . ADDITIONAL CONNECTIONS. The general  
6 assembly finds that multidisciplinary cultural  
7 institutions, including museums and cultural  
8 organizations, offer an opportunity to provide unique  
9 educational programming to students and residents  
10 throughout the state. Access to the network shall be  
11 offered pursuant to this section to twelve  
12 multidisciplinary cultural institutions. A  
13 multidisciplinary cultural institution offered access  
14 to the network pursuant to this section is responsible  
15 for the costs associated with providing a classroom at  
16 the institution, including any equipment necessary for  
17 providing such connection.

18 Two sites per year shall be selected by the  
19 department of cultural affairs. The selection of  
20 sites shall be made by the department based on the  
21 relative scoring of 1997 grants submitted by those  
22 institutions for the cultural enrichment grant program  
23 which is based on independent review of the following  
24 criteria: programming, fiscal and managerial  
25 practices, community outreach, long-range and  
26 cooperative planning, fundraising efforts, and  
27 cultural impact.

28 Sites eligible for selection include living history  
29 farms in Urbandale; Blank park zoo in Des Moines; the  
30 state historical society of Iowa in Des Moines;  
31 Dubuque county historical society in Dubuque; Grout  
32 museum of history and science in Waterloo; Vesterheim,  
33 Norwegian-American museum in Decorah; Des Moines  
34 botanical center in Des Moines; Waterloo recreation  
35 and arts commission in Waterloo; civic center of  
36 greater Des Moines in Des Moines; Putnam museum of  
37 history and natural science in Davenport; family  
38 museum of arts and science in Bettendorf; and Sioux  
39 City public museum in Sioux City.

40 The state historical society of Iowa shall be  
41 included in the first year as one of the sites  
42 selected."

43 2. By renumbering as necessary.

By MIKE CONNOLLY

S-3776 FILED APRIL 25, 1997

LOST (p. 1476)

SENATE AMENDMENT TO HOUSE FILE 730

H-1946

1 Amend House File 730, as amended, passed, and  
2 reprinted by the House, as follows:

3 1. Page 1, by inserting after line 30 the  
4 following:

5 "..... FTEs 83.00

6 \_\_\_\_\_. There is appropriated from the rebuild Iowa  
7 infrastructure fund created in section 8.57,  
8 subsection 5, to the Iowa communications network fund  
9 under the control of the Iowa telecommunications and  
10 technology commission for the fiscal year beginning  
11 July 1, 1998, and ending June 30, 1999, the following  
12 amount, or so much thereof as is necessary, to be used  
13 for the purpose designated:

14 For the connection of Part III authorized users as  
15 determined by the commission and communicated to the  
16 general assembly:

17 ..... \$ 17,704,000"

18 2. Page 3, by striking lines 5 and 6 and  
19 inserting the following: "appropriated from the  
20 general fund of the state to the department of  
21 education for the".

22 3. Page 3, line 10, by striking the word "For"  
23 and inserting the following: "a. For".

24 4. Page 3, by striking lines 11 and 12 and  
25 inserting the following: "as provided in this  
26 subsection, and consistent with chapter 8D, excluding  
27 the purposes provided for in paragraph "b"".

28 5. Page 3, line 13, by striking the figure  
29 "3,010,000" and inserting the following: "2,510,000".

30 6. Page 3, by striking line 14 and inserting the  
31 following:

32 "The department of education shall establish by  
33 rule a procedure for the commission to be reimbursed  
34 for that portion of the cost of providing interactive  
35 video service to nonpublic and public schools for  
36 grades kindergarten through twelve and community  
37 colleges which is not included in the rates charged to  
38 such users for such service. The Iowa  
39 telecommunications and technology commission may  
40 submit recommendations concerning the procedure to the  
41 department.

42 Notwithstanding section 8.33 or 8.39, any balance  
43 remaining from the appropriation in this paragraph  
44 shall not revert to the general fund of the state but  
45 shall be available for expenditure during the  
46 subsequent fiscal year for the same purpose, and shall  
47 not be transferred to any other program. The  
48 department shall not be liable for reimbursing any  
49 amounts which are in excess of the appropriation made  
50 in this subsection.

H-1946

H-1946

Page 2

1 b. For expansion of the Iowa communications  
2 network backbone and for the replacement of obsolete  
3 equipment:

4 ..... \$ 500,000"

5 7. Page 6, by inserting after line 12 the  
6 following:

7 " . Notwithstanding section 8.57, subsection 5,  
8 paragraph "c", there is appropriated from the rebuild  
9 Iowa infrastructure fund created in section 8.57,  
10 subsection 5, to the department of general services  
11 for the fiscal year beginning July 1, 1998, and ending  
12 June 30, 1999, the following amount, or so much  
13 thereof as is necessary, to be used for the purpose  
14 designated:

15 For purposes of implementing reengineering projects  
16 with an emphasis on technology:

17 ..... \$ 1,000,000

18 The projects identified for funding from the  
19 appropriation in this subsection shall be undertaken  
20 in consultation with the department of management."

21 8. Page 12, by inserting after line 15 the  
22 following:

23 "Sec. . Section 29C.20, subsection 1, Code  
24 1997, is amended to read as follows:

25 1. A contingent fund is created in the state  
26 treasury for the use of the executive council which  
27 may be expended for the purpose of paying the expenses  
28 of suppressing an insurrection or riot, actual or  
29 threatened, when state aid has been rendered by order  
30 of the governor, and for repairing, rebuilding, or  
31 restoring state property injured, destroyed, or lost  
32 by fire, storm, theft, or unavoidable cause, and for  
33 repairing, rebuilding, or restoring state property  
34 which is fiberoptic cable and which is injured or  
35 destroyed by a wild animal, and for aid to any  
36 governmental subdivision in an area declared by the  
37 governor to be a disaster area due to natural  
38 disasters or to expenditures necessitated by the  
39 governmental subdivision toward averting or lessening  
40 the impact of the potential disaster, where the effect  
41 of the disaster or action on the governmental  
42 subdivision is the immediate financial inability to  
43 meet the continuing requirements of local government.  
44 Upon application by a governmental subdivision in such  
45 an area, accompanied by a showing of obligations and  
46 expenditures necessitated by an actual or potential  
47 disaster in a form and with further information the  
48 executive council requires, the aid may be made in the  
49 discretion of the executive council and, if made,  
50 shall be in the nature of a loan up to a limit of

H-1946

H-1946

Page 3

1 seventy-five percent of the showing of obligations and  
 2 expenditures. The loan, without interest, shall be  
 3 repaid by the maximum annual emergency levy authorized  
 4 by section 24.6, or by the appropriate levy authorized  
 5 for a governmental subdivision not covered by section  
 6 24.6. The aggregate total of loans shall not exceed  
 7 one million dollars during a fiscal year. A loan  
 8 shall not be for an obligation or expenditure  
 9 occurring more than two years previous to the  
 10 application.

11 When a state department or agency requests that  
 12 moneys from the contingent fund be expended to repair,  
 13 rebuild, or restore state property injured, destroyed,  
 14 or lost by fire, storm, theft, or unavoidable cause,  
 15 or to repair, rebuild, or restore state property which  
 16 is fiberoptic cable and which is injured or destroyed  
 17 by a wild animal, the executive council shall consider  
 18 the original source of the funds for acquisition of  
 19 the property before authorizing the expenditure. If  
 20 the original source was other than the general fund of  
 21 the state, the department or agency shall be directed  
 22 to utilize moneys from the original source if  
 23 possible. The executive council shall not authorize  
 24 the repairing, rebuilding, or restoring of the  
 25 property from the disaster aid contingent fund if it  
 26 determines that moneys from the original source are  
 27 available to finance the project."

28 9. By renumbering, relettering, or redesignating  
 29 and correcting internal references as necessary.

RECEIVED FROM THE SENATE

H-1946 FILED APRIL 28, 1997

CONCURRED

(p. 1642)

HOUSE FILE 730

H-1960

1 Amend the Senate amendment, H-1946, to House File  
 2 730, as amended, passed, and reprinted by the House,  
 3 as follows:

- 4 1. Page 2, by striking lines 5 through 20.
- 5 2. By renumbering as necessary.

By WARNSTADT of Woodbury

H-1960 FILED APRIL 28, 1997

LOST

(p. 1642)



OFFICE OF THE GOVERNOR

STATE CAPITOL  
DES MOINES, IOWA 50319  
515 281-5211

TERRY E. BRANSTAD  
GOVERNOR

May 23, 1997

MAY

The Honorable Paul Pate  
Secretary of State  
State Capitol Building  
LOCAL

Dear Mr. Secretary:

I hereby transmit House File 730, an act relating to state government technology and operations, by making and relating to appropriations to the Iowa Communications Network for the connection and support of certain part III users, making appropriations to various entities for other technology-related purposes, providing for the procurement of information technology, and providing effective dates.

House File 730 is, therefore, approved on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the item designated as section 10, subsection 2, unnumbered and unlettered paragraph 2, in its entirety. This item would require the Department of General Services to retain outside legal counsel to review agency agreements relating to Year 2000 compliance. Executive branch agencies enter into hundreds of technology agreements every year. Many of these agreements include programs that have a component related to Year 2000 compliance. Retaining outside legal counsel to review these agency agreements is unnecessary and would add significantly to the cost of technology products and services.

I am unable to approve the item designated as section 10, subsection 3, in its entirety. This item would require state agencies to use at least fifty percent of their resources committed to information technology to implement Year 2000 programming. All executive branch agencies are encouraged to maximize their resources to make the modifications required by the Year 2000. I am committed to assuring that state agencies report on the progress made towards meeting Year 2000 compliance and the resources used to achieve this purpose.

The Honorable Paul Pate  
May 23, 1997  
Page 2

For the above reasons, I hereby respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in House File 730 are hereby approved as of this date.

Sincerely,

A handwritten signature in cursive script that reads "Terry E. Branstad". The signature is written in dark ink and is positioned above the printed name and title.

Terry E. Branstad  
Governor

TEB/ps

cc Secretary of the Senate  
Chief Clerk of the House



HOUSE FILE 730

AN ACT

RELATING TO STATE GOVERNMENT TECHNOLOGY AND OPERATIONS, BY MAKING AND RELATING TO APPROPRIATIONS TO THE IOWA COMMUNICATIONS NETWORK FOR THE CONNECTION AND SUPPORT OF CERTAIN PART III USERS, MAKING APPROPRIATIONS TO VARIOUS ENTITIES FOR OTHER TECHNOLOGY-RELATED PURPOSES, PROVIDING FOR THE PROCUREMENT OF INFORMATION TECHNOLOGY, AND PROVIDING EFFECTIVE DATES.

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

DIVISION I  
ICN APPROPRIATIONS

Section 1. TREASURER OF STATE. There is appropriated from the general fund of the state to the office of treasurer of state for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For debt service:

..... \$ 12,514,756

Funds appropriated in this section shall be deposited in a separate fund established in the office of the treasurer of state, to be used solely for debt service for the Iowa communications network. The commission shall certify to the treasurer of state when a debt service payment is due, and upon receipt of the certification the treasurer shall make the

payment. The commission shall pay any additional amount due from funds deposited in the Iowa communications network fund.

Sec. 2. PART III RELATED APPROPRIATIONS.

1. PART III AUTHORIZED USERS.

a. There is appropriated from the rebuild Iowa infrastructure fund created in section 8.57, subsection 5, to the Iowa communications network fund under the control of the Iowa telecommunications and technology commission for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the connection of a minimum of 110 Part III authorized users as determined by the commission and communicated to the general assembly:

..... \$ 22,640,000  
..... FTEs 81.00

b. There is appropriated from the rebuild Iowa infrastructure fund created in section 8.57, subsection 5, to the Iowa communications network fund under the control of the Iowa telecommunications and technology commission for the fiscal year beginning July 1, 1998, and ending June 30, 1999, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the connection of Part III authorized users as determined by the commission and communicated to the general assembly:

..... \$ 17,704,000

c. It is the intent of the general assembly that the connection of the authorized user sites pursuant to this subsection be awarded based upon the Part III contracts executed in 1995.

d. Notwithstanding the fact that funds appropriated pursuant to this subsection will not be made available prior to July 1, 1997, the Iowa telecommunications and technology commission is authorized to negotiate and enter into contracts for ordering necessary equipment related to the completion of

The connections authorized in paragraph "a" as deemed appropriate by the commission upon the effective date of this paragraph.

e. It is the intent of the general assembly that the Iowa telecommunications and technology commission review and establish hourly rates, as provided in section 8D.3, subsection 3, paragraph "i", consistent with this paragraph. The general assembly declares its support for, and that it is the intent of the general assembly to continue, subsidization of video rates charged to public or nonpublic schools for grades kindergarten through twelve. Notwithstanding rules adopted by the commission, the general assembly expects that the commission shall annually review the rates charged and the revenue generated. The commission shall annually provide a written report to the general assembly by January 15 regarding whether funding available to subsidize rates, as permitted, is sufficient and an explanation as to why funding was sufficient or insufficient, for the immediately preceding fiscal year. If funding is insufficient, the commission shall refer to section 8D.3, subsection 3, paragraph "i", for possible guidance in eliminating any deficit associated with the subsidization of rates. The elimination of the deficit should not, to the extent practicable, affect the rates charged to public or nonpublic schools for grades kindergarten through twelve.

f. The Iowa telecommunications and technology commission shall review and determine the level of subsidization for courses offered through the use of the network which are noncredit customized courses. The commission shall evaluate the need for the subsidization of such courses. The commission shall provide a written report to the general assembly by January 1, 1998, which shall include the findings of the commission and any recommendations related to the issues reviewed.

2. PART III NETWORK COSTS -- SUBSIDIZATION FUND. There is appropriated from the general fund of the state to the

department of education for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amount, or so much thereof as is necessary, to be used for the purposes designated in this subsection:

a. For the subsidization of video rates for authorized users as provided in this subsection, and consistent with chapter 8D, excluding the purposes provided for in paragraph "b":

..... \$ 2,510,000

The department of education shall establish by rule a procedure for the commission to be reimbursed for that portion of the cost of providing interactive video service to nonpublic and public schools for grades kindergarten through twelve and community colleges which is not included in the rates charged to such users for such service. The Iowa telecommunications and technology commission may submit recommendations concerning the procedure to the department.

Notwithstanding section 8.33 or 8.39, any balance remaining from the appropriation in this paragraph shall not revert to the general fund of the state but shall be available for expenditure during the subsequent fiscal year for the same purpose, and shall not be transferred to any other program. The department shall not be liable for reimbursing any amounts which are in excess of the appropriation made in this subsection.

b. For expansion of the Iowa communications network backbone and for the replacement of obsolete equipment: .....

\$ 500,000

Sec. 3. PUBLIC BROADCASTING. There is appropriated from the general fund of the state to the public broadcasting division of the department of education for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amount, or so much thereof as is necessary, to be used for the purposes designated in subsections 1 and 2:

..... \$ 2,200,000

1. Of the amount appropriated, \$450,000 shall be expended by the public broadcasting division of the department of education to provide support for functions related to the network, including but not limited to the following functions: scheduling for video classrooms; development of distance learning applications; development of a central information source on the Internet relating to educational uses of the network; second-line technical support for network sites; testing and initializing sites onto the network; and coordinating the work of the education telecommunications council.

2. Of the amount appropriated, \$1,750,000 shall be allocated by the public broadcasting division of the department of education to the regional telecommunications councils established in section 80.5. The regional telecommunications councils shall use the funds to provide technical assistance for network classrooms, planning and troubleshooting for local area networks, scheduling of video sites, and other related support activities.

Sec. 4. As a condition of the appropriations made to the Iowa telecommunications and technology commission in section 2, subsection 2 of this Act, and to the public broadcasting division in section 3, of this Act, the commission and the division, in consultation with the legislative fiscal bureau, shall jointly collect information and prepare a report including the number of sites, number of programs offered at each site by type of program, and the estimated number of participants involved. The estimated number of participants will be based on the number of expected participants at each site provided by the authorized user on the request for the use of the network. The information collected and reported shall be for all video uses of the network. Copies of the report shall be provided to the chairpersons and ranking members of the subcommittee on oversight and communications, and to the legislative fiscal bureau. The report shall be provided biannually with one report provided no later than

January 15 for the immediately preceding six-month period beginning July 1 and ending December 31; and an annual report to be provided no later than July 15 containing information for the immediately preceding six-month period beginning January 1 and ending June 30, and also a summary of the information for the immediately preceding fiscal year.

Sec. 5. It is the intent of the general assembly that the Iowa telecommunications and technology commission, local exchange carriers in this state, long distance carriers providing telecommunications services in this state, internet service providers, and the Iowa utilities board establish a partnership to develop and establish a plan to provide nontoll dial-up internet access to areas of the state which currently are not served by an internet provider offering such nontoll access. The utilities board shall initiate and coordinate the establishment of the partnership and provide staffing assistance to the partnership. The utilities board shall provide a written report to the general assembly no later than January 1, 1998.

Sec. 6. INFORMATION TECHNOLOGY SERVICES. There is appropriated from the general fund of the state to the department of general services for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the purpose of providing information technology services to state agencies:	
.....	\$ 4,704,962
.....	PTES 158.00

Sec. 7. CONVERSION OF LEASED ANALOG CIRCUITS. Notwithstanding section 8.57, subsection 5, paragraph "c", there is appropriated from the rebuild Iowa infrastructure fund created in section 8.57, subsection 5, to the Iowa communications network fund created in section 80.14 for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the leasing of T-1 circuits for current Part III analog technology sites until an upgrade to DS-3 circuit connections can be made:

..... \$ 61,016

The telecommunications and technology commission is authorized to use Part III funding to convert any leased analog circuit to a leased DS-3 circuit for a Part III site when the existing contract vendor agrees to upgrade the service.

Sec. 8. TECHNOLOGY PROJECTS.

1. Notwithstanding section 8.57, subsection 5, paragraph "c", there is appropriated from the rebuild Iowa infrastructure fund created in section 8.57, subsection 5, to the department of general services for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For purposes of implementing reengineering projects with an emphasis on technology:  
..... \$ 800,000

The projects identified for funding from the appropriation in this subsection shall be undertaken in consultation with the department of management.

2. Notwithstanding section 8.57, subsection 5, paragraph "c", there is appropriated from the rebuild Iowa infrastructure fund created in section 8.57, subsection 5, to the department of general services for the fiscal year beginning July 1, 1998, and ending June 30, 1999, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For purposes of implementing reengineering projects with an emphasis on technology:  
..... \$ 1,000,000

The projects identified for funding from the appropriation in this subsection shall be undertaken in consultation with the department of management.

3. Notwithstanding section 8.57, subsection 5, paragraph "c", there is appropriated from the rebuild Iowa infrastructure fund created in section 8.57, subsection 5, to the Iowa communications network fund under the control of the Iowa telecommunications and technology commission for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

To match funds to make ICN connections at the Anamosa and Rockwell City institutions:  
..... \$ 350,000

Sec. 9. EFFECTIVE DATES. Section 2, subsection 1, paragraphs "d" and "e", of this division of this Act, which authorize the Iowa telecommunications and technology commission to begin negotiations for ordering necessary equipment prior to the availability of funding and direct the commission to increase rates charged for use of the network, being deemed of immediate importance, take effect upon enactment.

DIVISION II  
CENTURY DATE CHANGE

Sec. 10. REVERSION INCENTIVE PROGRAM FUND.

1. The department of general services shall establish a reversion incentive program fund for purposes of supporting the implementation of century date change programming, and shall be funded as follows:

a. Notwithstanding the distribution formula contained in section 8.62 for an operational appropriation which remains unexpended or unencumbered for the fiscal year beginning July 1, 1996, 75 percent of the unexpended or unencumbered moneys subject to that section shall be appropriated to the reversion incentive program fund. The remaining 25 percent shall remain with the entity to which the appropriation was made. Notwithstanding section 8.33, for an appropriation other than an operational appropriation as provided in section 8.62 which remains unencumbered for the fiscal year beginning July 1,

1996, 100 percent of the unexpended or unencumbered moneys shall be appropriated to the reversion incentive program fund.

b. If the total of all moneys appropriated to the fund from unexpended or unencumbered moneys for the fiscal year beginning July 1, 1996, pursuant to paragraph "a" is less than \$10 million, there is appropriated from the general fund of the state for the fiscal year beginning July 1, 1997, and ending June 30, 1998, to the reversion incentive program fund on October 1, 1997, an amount equal to the difference between \$10 million and such total of all moneys appropriated to the fund pursuant to paragraph "a".

c. Notwithstanding the fact that the total amount of funds appropriated pursuant to paragraph "b" will not be made available prior to October 1, 1997, the department of general services is authorized to negotiate and enter into contracts as necessary to begin the implementation of century date change programming.

d. The appropriation of moneys to the fund made pursuant to this subsection shall terminate when the total amount of moneys appropriated to the fund from all sources provided in this subsection equals \$15 million.

e. An agency expending moneys from the fund for implementing century date change programming and which receives moneys from another source, including but not limited to the United States government, for the same purpose shall deposit an amount equal to the amount received from the other source into the general fund of the state up to the amount expended from the fund.

f. The provisions of section 8.33 shall not apply to the moneys appropriated to the reversion incentive program fund provided in this subsection. Unencumbered or unobligated moneys remaining in the fund on June 30, 2001, shall revert to the general fund of the state on August 31, 2001.

2. The department shall not enter into a contract or any other obligation for the purpose of addressing the need for century date programming which would require the need for

funding in excess of the amount appropriated in this section. The department shall utilize, to the greatest extent possible, students and other knowledgeable persons connected with Iowa's colleges and universities in developing or acquiring hardware, software, and programming funded under this section. Otherwise, any acquisition for the purposes described in this section is subject to competitive bidding requirements in rule adopted under law and in accordance with the requirements of this section. In order to maintain maximum open and free competition among bidders, an eligible bidder shall have been organized or doing business prior to January 1, 1997. In addition, an eligible bidder shall not have a relationship with the state for assessment of bids or for preparation of a request for proposals under this section. A bidder with an actual or organizational conflict of interest shall be disqualified. A bidder shall be considered to have a conflict of interest if the organization, or a parent, subsidiary, or affiliated organization, of which the bidder is a shareholder, partner, limited partner, or member, has a conflict of interest. A bidder shall provide assurances of compliance with the requirements of this paragraph at the time of submitting a bid or proposal for any acquisition for the purposes described in this section.

The department shall retain outside legal counsel for the purpose of reviewing all contracts or agreements entered into associated with implementation of century date change programming.

3. It is the intent of the general assembly that at least 50 percent of all resources committed to computing services and computer hardware and software for a department, including full-time equivalent positions, shall be used for implementing century date change programming within that department. The department of general services shall make a quarterly report concerning implementation of the century date change programming to the chairpersons and ranking members of the subcommittee on oversight and communications, and to the

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legislative fiscal bureau. The format for the report shall be developed in consultation with the legislative fiscal bureau. A report shall be made no later than October 15, January 15, April 15, and July 15, for the three-month period immediately preceding the month in which the report is to be made.

4. This section shall not apply to moneys otherwise specifically exempted from reversion by the general assembly; moneys subject to reversion under section 8.31, the reversion of which the general assembly has specifically provided for in another Act enacted during a previous legislative session, or another Act enacted during the 1997 regular session, whether or not such Act is effective before or after the effective date of this section; moneys deposited in a separate account or fund in the state treasury, the unencumbered amounts of which are to be retained in such account or fund as provided by the general assembly; and appropriations which are item vetoed by the governor.

Sec. 11. EFFECTIVE DATE. Section 10 of this division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION III  
LEGISLATIVE OVERSIGHT

Sec. 12. LEGISLATIVE OVERSIGHT COMMITTEE.

1. COMMITTEE ESTABLISHED. It is the intent of the general assembly that the legislative council establish a legislative oversight committee which shall be composed of ten members, consisting of three members of the majority party in the senate appointed by the majority leader and two members of the minority party in the senate appointed by the minority leader, and three members of the majority party and two members of the minority party in the house of representatives appointed by the speaker of the house in consultation with the minority leader. The majority leader of the senate and the speaker of the house of representatives shall each designate a co-chairperson and co-vice chairperson, and the minority leader of the senate and of the house of representatives shall each designate a co-ranking member.

2. POWERS AND DUTIES OF COMMITTEE.

a. The purpose of the legislative oversight committee is to review and analyze the structure and operations of state government and the use of information technology in providing services and enhancing the ability of the public to interact with government.

b. The legislative oversight committee shall be staffed by the legislative fiscal bureau and the legislative service bureau.

c. The legislative oversight committee may, subject to the approval of the legislative council, conduct a review of one or more programs or regulations administered or enforced by state government.

d. The legislative oversight committee shall prepare a final report and a summary of the report for submission to the general assembly not later than the first day of each regular session of the general assembly as provided in section 2.1. The report shall contain findings and recommendations of the legislative oversight committee, which may include proposed bills or resolutions.

3. COMPENSATION AND EXPENSES. Members of the legislative oversight committee who are not members of the legislative council shall be entitled to receive the same expenses and compensation provided for the members of the legislative council.

Sec. 13. EFFECTIVE DATE. Section 12, as enacted in this division of this Act, being deemed of immediate importance, take effective upon enactment.

DIVISION IV  
MISCELLANEOUS

Sec. 14. RESTRICTION ON TRANSFERS. Notwithstanding section 8.39, funds appropriated in this Act shall not be transferred or used for any other purposes than the purposes designated in this Act.

Sec. 15. INTERIM STUDY. The legislative council is requested to establish an interim study committee to study

issues relating to privatizing the management of the Iowa communications network, and to report its findings and recommendations to the general assembly prior to the beginning of the 1998 legislative session.

Sec. 16. PRIVATE COLLEGE CERTIFICATION. Notwithstanding section 8D.9, the following private colleges which have requested certification for access to the Iowa communications network are authorized for connection and use of the network upon satisfying all mandates and conditions included in section 8D.9:

1. Coe College, Cedar Rapids.
2. Cornell College, Mt. Vernon.
3. Palmer Chiropractic College, Davenport.
4. Simpson College, Indianola.

Sec. 17. Section 8D.13, subsection 11, Code 1997, is amended to read as follows:

11. The fees charged for use of the network and state communications shall be based on the ongoing operational costs of the network and of providing state communications only. For the services rendered to state agencies by the commission, the commission shall prepare a statement of services rendered and the agencies shall pay in a manner consistent with procedures established by the department of revenue and finance.

Sec. 18. Section 18.3, unnumbered paragraph 1, Code 1997, is amended to read as follows:

The director shall provide necessary ~~voice-or-data communications; including telephone and telegraph telecommunications cabling,~~ lighting, fuel, and water services for the state buildings and grounds located at the seat of government, except the buildings and grounds referred to in section 216B.3, subsection 6.

Sec. 19. Section 29C.20, subsection 1, Code 1997, is amended to read as follows:

1. A contingent fund is created in the state treasury for the use of the executive council which may be expended for the

purpose of paying the expenses of suppressing an insurrection or riot, actual or threatened, when state aid has been rendered by order of the governor, and for repairing, rebuilding, or restoring state property injured, destroyed, or lost by fire, storm, theft, or unavoidable cause, and for repairing, rebuilding, or restoring state property which is fiberoptic cable and which is injured or destroyed by a wild animal, and for aid to any governmental subdivision in an area declared by the governor to be a disaster area due to natural disasters or to expenditures necessitated by the governmental subdivision toward averting or lessening the impact of the potential disaster, where the effect of the disaster or action on the governmental subdivision is the immediate financial inability to meet the continuing requirements of local government. Upon application by a governmental subdivision in such an area, accompanied by a showing of obligations and expenditures necessitated by an actual or potential disaster in a form and with further information the executive council requires, the aid may be made in the discretion of the executive council and, if made, shall be in the nature of a loan up to a limit of seventy-five percent of the showing of obligations and expenditures. The loan, without interest, shall be repaid by the maximum annual emergency levy authorized by section 24.6, or by the appropriate levy authorized for a governmental subdivision not covered by section 24.6. The aggregate total of loans shall not exceed one million dollars during a fiscal year. A loan shall not be for an obligation or expenditure occurring more than two years previous to the application.

When a state department or agency requests that moneys from the contingent fund be expended to repair, rebuild, or restore state property injured, destroyed, or lost by fire, storm, theft, or unavoidable cause, or to repair, rebuild, or restore state property which is fiberoptic cable and which is injured or destroyed by a wild animal, the executive council shall consider the original source of the funds for acquisition of

the property before authorizing the expenditure. If the original source was other than the general fund of the state, the department or agency shall be directed to utilize moneys from the original source if possible. The executive council shall not authorize the repairing, rebuilding, or restoring of the property from the disaster aid contingent fund if it determines that moneys from the original source are available to finance the project.

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RON J. CORBETT  
Speaker of the House

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MARY E. KRAMER  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 730, Seventy-seventh General Assembly.

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ELIZABETH ISAACSON  
Chief Clerk of the House

*Item veto*  
Approved May 23, 1997

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TERRY E. BRANSTAD  
Governor