

FEB 25 2003  
ECONOMIC GROWTH

HOUSE FILE **288**  
BY QUIRK

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act providing internet access through the Iowa communications  
2 network for rural communities meeting specified criteria.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 288

1 Section 1. Section 8D.2, subsection 5, paragraph a, Code  
2 2003, is amended to read as follows:

3 a. "Public agency" means a state agency, an institution  
4 under the control of the board of regents, the judicial branch  
5 as provided in section 8D.13, subsection 17, a school  
6 corporation, a city library, a library service area as  
7 provided in chapter 256, a county library as provided in  
8 chapter 336, or a judicial district department of correctional  
9 services established in section 905.2, to the extent provided  
10 in section 8D.13, subsection 15, an agency of the federal  
11 government, ~~or~~ a United States post office which receives a  
12 federal grant for pilot and demonstration projects, or a  
13 community participating in the rural communities internet  
14 access program pursuant to section 15.372.

15 Sec. 2. Section 8D.3, subsection 3, paragraph i, Code  
16 2003, is amended to read as follows:

17 i. Evaluate existing and projected rates for use of the  
18 system and ensure that rates are sufficient to pay for the  
19 operation of the system excluding the cost of construction and  
20 lease costs for Parts I, II, and III. The commission shall  
21 establish all hourly rates to be charged to all authorized  
22 users for the use of the network. A fee established by the  
23 commission to be charged to a hospital licensed pursuant to  
24 chapter 135B, a physician clinic, ~~or~~ the federal government,  
25 or a community participating in the rural communities internet  
26 access program pursuant to section 15.372 shall be at an  
27 appropriate rate so that, at a minimum, there is no state  
28 subsidy related to the costs of the connection or use of the  
29 network related to such user.

30 Sec. 3. Section 8D.11, subsection 4, Code 2003, is amended  
31 to read as follows:

32 4. A political subdivision receiving communications  
33 services from the state as of April 1, 1986, may continue to  
34 do so but communications services shall not be provided or  
35 resold to additional political subdivisions other than a

1 school corporation, a city library, a library service area as  
2 provided in chapter 256, and a county library as provided in  
3 chapter 336, or a community participating in the rural  
4 communities internet access program pursuant to section  
5 15.372. The rates charged to the political subdivision shall  
6 be the same as the rates charged to state agencies.

7 Sec. 4. Section 8D.13, subsection 2, paragraph c, Code  
8 2003, is amended to read as follows:

9 c. "Part III" means the communications connection between  
10 the secondary switching centers and the agencies defined in  
11 section 8D.2, subsections 4 and 5, excluding state agencies,  
12 institutions under the control of the board of regents,  
13 nonprofit institutions of higher education eligible for  
14 tuition grants, and the judicial branch, judicial district  
15 departments of correctional services, hospitals and physician  
16 clinics, agencies of the federal government, and post offices,  
17 and communities participating in the rural communities  
18 internet access program pursuant to section 15.372.

19 Sec. 5. Section 8D.13, Code 2003, is amended by adding the  
20 following new subsection:

21 NEW SUBSECTION. 20. Access shall be offered to qualifying  
22 communities pursuant to the rural communities internet access  
23 program established in section 15.372. A community  
24 participating in the program shall be responsible for all  
25 costs associated with becoming a part of the network.

26 Sec. 6. NEW SECTION. 15.371 SHORT TITLE.

27 This part shall be known and may be cited as the "Rural  
28 Communities Internet Access Program".

29 Sec. 7. NEW SECTION. 15.372 RURAL COMMUNITIES INTERNET  
30 ACCESS PROGRAM.

31 1. The department shall establish a program to provide  
32 internet access to the Iowa communications network for  
33 businesses in communities lacking affordable, high-speed  
34 broadband internet access. For purposes of this section,  
35 "community" means a city, unincorporated area, or township.

1 To participate in the program, a community shall:

2 a. Have a population of twenty thousand or fewer  
3 individuals.

4 b. Possess less than a T2 capability. For purposes of  
5 this section, "T2" means a telecommunications transmission  
6 system operating at a bandwidth capacity of three and one-  
7 hundred-fifty-two thousandths megabits per second.

8 c. Agree to utilize the Iowa communications network for  
9 internet access strictly by community businesses for economic  
10 development purposes.

11 2. A community meeting the requirements of subsection 1  
12 may submit an application to the board. Each application  
13 shall include an assessment of the length of time anticipated  
14 before the community will have high-speed broadband internet  
15 access, efforts by the community to acquire such access, and a  
16 plan specifying the economic development activities for which  
17 community businesses envision utilizing the Iowa  
18 communications network for internet access. If granted, an  
19 application shall provide for nonsubsidized access to the Iowa  
20 communications network until such time as it is determined by  
21 the board that the community either possesses or is capable of  
22 acquiring high-speed broadband internet access. Each  
23 community participating in the program shall annually submit  
24 to the board a report detailing progress made regarding the  
25 economic development activities specified in the plan  
26 originally submitted with the community's application, and an  
27 updated assessment of the length of time anticipated before  
28 the community will have high-speed broadband internet access  
29 and efforts by the community to acquire such access.

30 3. The department shall adopt rules pursuant to section  
31 17A to administer this section.

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#### EXPLANATION

33 This bill provides for the establishment of a rural  
34 community internet access program for businesses in  
35 communities lacking affordable, high-speed broadband internet

1 access. The bill provides that to participate in the program,  
2 a community, defined as a city, unincorporated area, or  
3 township, shall have a population of 20,000 or fewer  
4 individuals, possess less than a T2 capability, and agree to  
5 utilize the Iowa communications network for internet access  
6 strictly for economic development activities by community  
7 businesses. The bill defines "T2" as a telecommunications  
8 transmission system operating at a bandwidth capacity of 3.152  
9 megabits per second. The bill provides that to participate in  
10 the program, a community shall submit an application to the  
11 Iowa economic development board. The bill provides that an  
12 application shall include an assessment of the length of time  
13 anticipated before the community will have high-speed  
14 broadband internet access, efforts by the community to acquire  
15 such access, and a plan specifying the economic development  
16 activities for which community businesses envision utilizing  
17 the Iowa communications network for internet access. The bill  
18 also provides that if granted, an application shall provide  
19 for nonsubsidized access to the Iowa communications network  
20 until it is determined by the board that the community either  
21 possesses or is capable of acquiring high-speed broadband  
22 internet access. The bill provides that a community  
23 participating in the program shall annually submit to the  
24 board a report detailing progress made regarding the economic  
25 development activities accomplished and an updated time  
26 estimate for acquiring high-speed broadband internet access.  
27 The bill provides for conforming changes to Code chapter 8D  
28 regarding access to the Iowa communications network on a  
29 nonsubsidized basis by a community participating in the  
30 program.

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