

# House Study Bill 655

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PROPOSED  
TELECOMMUNICATIONS AND  
TECHNOLOGY COMMISSION  
BILL)

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

## A BILL FOR

1 An Act relating to the provision of services over certain Iowa  
2 communications network connection facilities under specified  
3 circumstances.

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

5 TLSB 5502XD 82

6 rn/nh/8

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1 1 Section 1. Section 8D.13, subsection 5, Code 2007, is  
1 2 amended to read as follows:

1 3 5. a. The Except as provided in paragraph "b", the state  
1 4 shall lease all fiberoptic cable facilities or facilities with  
1 5 minimum DS=3 capacity for Part III connections for which state  
1 6 funding is provided. The state shall lease all fiberoptic  
1 7 cable facilities or facilities with minimum DS=3 or DS=1  
1 8 capacity for the judicial branch, judicial district department  
1 9 of correctional services, and state agency connections for  
1 10 which state funding is provided. Such facilities shall be  
~~1 11 leased from qualified providers. The state shall not own such~~  
~~1 12 facilities, except for those facilities owned by the state as~~  
~~1 13 of January 1, 1994.~~

1 14 The lease provisions of this ~~subsection~~ paragraph "a" do  
1 15 not apply to a school district ~~which that~~ elects to provide  
1 16 one hundred percent of the financing for the district's  
1 17 connection.

1 18 b. (1) Notwithstanding paragraph "a", the state may  
1 19 provide fiberoptic cable facilities or other facilities with  
1 20 minimum DS=3 or DS=1 capacity in a manner other than pursuant  
1 21 to a lease if any of the following apply:

1 22 (a) An incumbent provider providing a leased connection  
1 23 terminates ownership of an existing leased connection.

1 24 (b) An incumbent provider providing a leased connection  
1 25 ceases to provide the necessary level of maintenance service  
1 26 to an existing leased connection.

1 27 (c) The commission determines that it is in the long-term  
1 28 best interest of the state to provide an existing or otherwise  
1 29 authorized network connection in a manner other than pursuant  
1 30 to a lease. In making this determination, the commission, at  
1 31 a minimum, shall consider the cost to taxpayers and the  
1 32 ability of the network to provide a level of service necessary  
1 33 to meet the demands of network users.

1 34 (2) Prior to proceeding as permitted under subparagraph  
1 35 (1), the commission shall make a determination that an  
2 1 alternative cost-effective solution other than proceeding  
2 2 under subparagraph (1) is not available from a private sector  
2 3 qualified provider. For purposes of state ownership of a  
2 4 network connection, the commission shall also make a  
2 5 determination that utilization of a competitive bidding  
2 6 process would not be effective and is not in the best interest  
2 7 of the state.

2 8 (3) The commission shall by rule establish procedures and  
2 9 criteria for proceeding as permitted under subparagraph (1).  
2 10 The commission shall publish network connection changes made  
2 11 pursuant to this paragraph "b" in the commission's annual  
2 12 report related to the network.

2 13 EXPLANATION

2 14 This bill relates to the provision of services over  
2 15 presently leased Iowa communications network connection  
2 16 facilities. Currently, the state is required to lease all

2 17 connections that apply to part III connections, the judicial  
2 18 branch, the judicial district department of correctional  
2 19 services, and state agencies that are paid for with state  
2 20 funding from qualified providers and is prohibited from owning  
2 21 such connections except for facilities owned by the state as  
2 22 of January 1, 1994. The bill authorizes the state to provide  
2 23 fiberoptic cable facilities or other facilities supplying a  
2 24 minimum of DS=3 or DS=1 capacity in a manner other than  
2 25 through a lease under specified circumstances. Provision  
2 26 other than through leasing will be permitted when an incumbent  
2 27 connection qualified provider terminates ownership of a leased  
2 28 connection, or ceases to provide the necessary level of  
2 29 maintenance service to an existing leased connection.  
2 30 Provision other than through leasing will also be permitted  
2 31 when the state telecommunications and technology commission  
2 32 determines that such provision is in the best interest of the  
2 33 state.

2 34 Prior to proceeding with an alternative connection to an  
2 35 existing or otherwise authorized network connection, the  
3 1 commission shall determine that an alternate cost-effective  
3 2 solution is not available from a private sector qualified  
3 3 provider. The commission shall also determine that  
3 4 utilization of a competitive bidding process will not be  
3 5 effective and is not in the best interest of the state for  
3 6 providing an existing or otherwise authorized network  
3 7 connection. The commission is directed to establish by rule  
3 8 procedures and criteria for the process and to publish notice  
3 9 of the changes contained in the bill in the commission's  
3 10 annual report related to the network.

3 11 The bill additionally changes references to DS=3 and DS=1  
3 12 facility capacity to refer to such capacity as minimum DS=3 or  
3 13 DS=1 in nature.

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