

**House Study Bill 104 - Introduced**

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PROPOSED GOVERNOR BILL)

**A BILL FOR**

1 An Act relating to and providing for the facilitation of  
2 broadband access in targeted areas of the state, including  
3 property tax incentives for broadband infrastructure  
4 installation, a broadband grant program and fund, making  
5 appropriations, and including applicability provisions.  
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

LEGISLATIVE INTENT

Section 1. SHORT TITLE. This Act shall be known and may be cited as the "Connecting Iowa Farms, Schools, and Communities Act".

Sec. 2. LEGISLATIVE INTENT. The general assembly finds and declares that increasing the extent and availability of broadband infrastructure throughout the state facilitates the provision of internet access to citizens, farms, businesses, and communities at speeds that promote economic development, employment, enhanced access to goods and services, increased educational and training opportunities, faster access to government services and health care, and improved overall information and community access.

DIVISION II

STATEWIDE BROADBAND COORDINATION

Sec. 3. Section 8B.1, Code 2015, is amended by adding the following new subsections:

NEW SUBSECTION. 01. "*Broadband*" means a high-speed, high-capacity electronic transmission medium that can carry data signals from multiple independent network sources by establishing different bandwidth channels and that is commonly used to deliver internet services to the public.

NEW SUBSECTION. 001. "*Broadband infrastructure*" means the physical infrastructure used for the transmission of data via broadband, including but not limited to any equipment, systems, switches, routers, wire, cable, satellite, conduits, servers, software, technology, base transceiver station sites, or other means of transmission or communication. "*Broadband infrastructure*" does not include land, buildings, structures, improvements, or equipment not directly used in the transmission of data via broadband.

NEW SUBSECTION. 0001. "*Communications service provider*" means a service provider that provides broadband service.

NEW SUBSECTION. 00001. "*Crop operation*" means the same as

1 defined in section 717A.1.

2 NEW SUBSECTION. 7A. *"Targeted service area"* means a United  
3 States census bureau census block located in this state,  
4 including any crop operation located within the census block,  
5 within which no communications service provider offers or  
6 facilitates broadband service at or above twenty-five megabits  
7 per second of download speed and three megabits per second of  
8 upload speed.

9 Sec. 4. Section 8B.1, subsection 1, Code 2015, is amended  
10 to read as follows:

11 1. *"Information technology"* means computing and electronics  
12 applications used to process and distribute information in  
13 digital and other forms and includes information technology  
14 devices, information technology services, infrastructure  
15 services, broadband and broadband infrastructure, and  
16 value-added services.

17 Sec. 5. Section 8B.3, subsection 1, Code 2015, is amended  
18 to read as follows:

19 1. The office is created for the purpose of leading,  
20 directing, managing, coordinating, and providing accountability  
21 for the information technology resources of state government  
22 and for coordinating statewide broadband availability and  
23 access.

24 Sec. 6. Section 8B.4, Code 2015, is amended by adding the  
25 following new subsections:

26 NEW SUBSECTION. 14A. Streamline, consolidate, and  
27 coordinate the access to and availability of broadband and  
28 broadband infrastructure throughout the state, including but  
29 not limited to the facilitation of public-private partnerships,  
30 ensuring that all state agencies' broadband and broadband  
31 infrastructure policies and procedures are aligned, resolving  
32 issues which arise with regard to implementation efforts,  
33 and collecting data and developing metrics or standards  
34 against which the data may be measured and evaluated regarding  
35 broadband infrastructure installation and deployment.

1 NEW SUBSECTION. 14B. Establish and administer the  
2 broadband grant program pursuant to section 8B.11.

3 NEW SUBSECTION. 14C. Coordinate the fiberoptic network  
4 conduit installation program established in section 8B.25.

5 Sec. 7. Section 8B.9, Code 2015, is amended by adding the  
6 following new subsection:

7 NEW SUBSECTION. 5. An annual report regarding the status  
8 of broadband expansion and coordination and the connecting  
9 Iowa farms, schools, and communities broadband grant program  
10 established under section 8B.11.

11 Sec. 8. NEW SECTION. **8B.10 Targeted service areas —**  
12 **determination — criteria.**

13 1. The determination of whether a communications service  
14 provider offers or facilitates broadband service meeting the  
15 download or upload speeds specified in the definition of  
16 targeted service area in section 8B.1 shall be determined or  
17 ascertained by reference to broadband availability maps or data  
18 sources that are widely accepted for accuracy and available for  
19 public review and comment and that are identified by the office  
20 by rule.

21 2. The office shall establish procedures to allow  
22 challenges to claims that an area meets the definition of a  
23 targeted service area.

24 Sec. 9. NEW SECTION. **8B.11 Connecting Iowa farms, schools,**  
25 **and communities — broadband grants — fund.**

26 1. The office shall establish and administer a broadband  
27 grant program to award grants to communication service  
28 providers that reduce or eliminate targeted service areas.

29 2. a. A connecting Iowa farms, schools, and communities  
30 broadband grant fund is established in the state treasury under  
31 the authority of the office. The fund shall consist of moneys  
32 appropriated to the fund or appropriated to the office for  
33 purposes of the grant program, or other funds available to  
34 the office for purposes of the grant program. Moneys in the  
35 fund are appropriated to the office to be used for the grant

1 program.

2     **b.** Notwithstanding section 8.33, moneys in the fund  
3 that remain unencumbered or unobligated at the close of the  
4 fiscal year shall not revert but shall remain available for  
5 expenditure for the purposes designated until the close of the  
6 succeeding fiscal year.

7     3. The office shall use moneys in the fund to provide grants  
8 to communication service providers for purposes of reducing or  
9 eliminating targeted service areas.

10     4. Communication service providers may apply to the office  
11 for a grant pursuant to this section. The office shall award  
12 grants on a competitive basis using criteria established by the  
13 office by rule.

14     5. The office shall adopt rules pursuant to chapter 17A  
15 including but not limited to the broadband grant program  
16 process, management, and measurements as deemed necessary by  
17 the office.

18     Sec. 10. NEW SECTION. **8B.25 Fiberoptic network conduit**  
19 **installation program.**

20     1. For the purposes of this section, "*fiberoptic network*  
21 *conduit*" means a pipe or duct used to enclose fiberoptic cable  
22 facilities buried alongside a roadway or surface mounted on  
23 a bridge, overpass, or other facility where placement below  
24 ground is impossible or impractical.

25     2. The office shall lead and coordinate a program to  
26 provide for the installation of fiberoptic network conduit  
27 where such conduit does not exist. The chief information  
28 officer shall consult and coordinate with the department of  
29 administrative services, the department of transportation, the  
30 Iowa communications network, and other agencies and entities  
31 as determined appropriate to ensure that the opportunity is  
32 provided to lay or install fiberoptic network conduit wherever  
33 a state-funded construction project involves trenching, boring,  
34 a bridge, a roadway, or opening of the ground, or alongside any  
35 state-owned infrastructure.

1 3. Contingent upon the provision of funding for such  
2 purposes by the general assembly, the office may contract with  
3 a third party to manage, lease, install, or otherwise provide  
4 fiberoptic network conduit access for projects described in  
5 this section. This section shall not prohibit the office from  
6 purchasing or installing fiberoptic cable within any fiberoptic  
7 network conduit installed pursuant to the program.

8 Sec. 11. NEW SECTION. **8B.26 Broadband permitting process**  
9 **— expeditious response.**

10 Notwithstanding any other provision to the contrary, a  
11 political subdivision vested with permitting authority shall  
12 approve, approve with modification, or disapprove nonwireless,  
13 broadband-related permits within sixty business days following  
14 the submission of a permit application and fee. In the event  
15 that no action is taken during the sixty-day period, the  
16 application shall be deemed approved.

17 Sec. 12. Section 8D.3, subsection 2, paragraph a, Code 2015,  
18 is amended to read as follows:

19 a. The commission is composed of five voting members  
20 appointed by the governor and subject to confirmation by the  
21 senate. ~~Members~~ Voting members of the commission shall not  
22 serve in any manner or be employed by an authorized user of the  
23 network or by an entity seeking to do or doing business with  
24 the network.

25 (1) The governor shall appoint a voting member as the  
26 chairperson of the commission from the five voting members  
27 ~~appointed by the governor~~, subject to confirmation by the  
28 senate.

29 (2) ~~Members~~ Voting members of the commission shall serve  
30 six-year staggered terms as designated by the governor and  
31 appointments to the commission are subject to the requirements  
32 of sections 69.16, 69.16A, and 69.19. Vacancies shall be  
33 filled by the governor for the duration of the unexpired term.

34 (3) The salary of the voting members of the commission shall  
35 be twelve thousand dollars per year, except that the salary

1 of the chairperson shall be seventeen thousand dollars per  
2 year. ~~Members~~ Voting members of the commission shall also be  
3 reimbursed for all actual and necessary expenses incurred in  
4 the performance of duties as members. The benefits and salary  
5 paid to the voting members of the commission shall be adjusted  
6 annually equal to the average of the annual pay adjustments,  
7 expense reimbursements, and related benefits provided under  
8 collective bargaining agreements negotiated pursuant to chapter  
9 20.

10 Sec. 13. Section 8D.3, subsection 2, paragraph b, Code 2015,  
11 is amended to read as follows:

12 ~~b. In addition to the members appointed by the governor,~~  
13 ~~the~~ The auditor of state or the auditor's designee and the  
14 chief information officer appointed pursuant to section 8B.2  
15 or the chief information officer's designee shall serve as a  
16 nonvoting, ex officio ~~member~~ members of the commission.

17 Sec. 14. Section 8D.4, Code 2015, is amended to read as  
18 follows:

19 **8D.4 Executive director appointed.**

20 The commission, ~~in consultation with the director of~~  
21 ~~the department of administrative services and the chief~~  
22 ~~information officer,~~ shall appoint an executive director of  
23 the commission, subject to confirmation by the senate. Such  
24 individual shall not serve as a member of the commission.  
25 The executive director shall serve at the pleasure of the  
26 commission. The executive director shall be selected primarily  
27 for administrative ability and knowledge in the field, without  
28 regard to political affiliation. The governor shall establish  
29 the salary of the executive director within range nine as  
30 established by the general assembly. The salary and support of  
31 the executive director shall be paid from funds deposited in  
32 the Iowa communications network fund.

33 Sec. 15. Section 80.28, subsection 2, Code 2015, is amended  
34 to read as follows:

35 2. The board shall consist of ~~fifteen~~ seventeen voting

1 members, as follows:

2 a. The following members representing state agencies:

3 (1) One member representing the department of public  
4 safety.

5 (2) One member representing the state department of  
6 transportation.

7 (3) One member representing the department of homeland  
8 security and emergency management.

9 (4) One member representing the department of corrections.

10 (5) One member representing the department of natural  
11 resources.

12 (6) One member representing the Iowa department of public  
13 health.

14 (7) One member representing the office of the chief  
15 information officer created in section 8B.2.

16 b. The governor shall solicit and consider recommendations  
17 from professional or volunteer organizations in appointing the  
18 following members:

19 (1) Two members who are representatives from municipal  
20 police departments.

21 (2) Two members who are representatives of sheriff's  
22 offices.

23 (3) Two members who are representatives from fire  
24 departments. One of the members shall be a volunteer fire  
25 fighter and the other member shall be a paid fire fighter.

26 (4) Two members who are law communication center managers  
27 employed by state or local government agencies.

28 (05) One member who is an emergency medical care provider  
29 as defined in section 147A.1.

30 (5) One at-large member.

31 Sec. 16. BOND REPAYMENT FUND BROADBAND GRANT  
32 TRANSFER. Notwithstanding section 8.57F, subsection 1,  
33 paragraphs a, b, and c, for the fiscal year beginning July 1,  
34 2015, and ending June 30, 2016, the department of management  
35 shall transfer three million dollars from the state bond



1 repayment fund created in section 8.57F to the office of chief  
2 information officer for deposit in the connecting Iowa farms,  
3 schools, and communities broadband grant fund created under  
4 section 8B.11 to be used for the purposes of the broadband  
5 grant program.

6 Sec. 17. Rebuild Iowa infrastructure fund broadband grant  
7 transfer. For the fiscal year beginning July 1, 2015, and  
8 ending June 30, 2016, through the fiscal year beginning July 1,  
9 2016, and ending June 30, 2017, the department of management  
10 shall transfer two million dollars each year from the rebuild  
11 Iowa infrastructure fund created in section 8.57 to the office  
12 of the chief information officer for deposit in the connecting  
13 Iowa farms, schools, and communities broadband grant fund  
14 created under section 8B.11 to be used for the purposes of the  
15 broadband grant program.

16 Sec. 18. EMERGENCY RULES. The office of the chief  
17 information officer may adopt emergency rules under section  
18 17A.4, subsection 3, and section 17A.5, subsection 2, paragraph  
19 "b", to implement the provisions of this division of this Act  
20 and the rules shall be effective immediately upon filing unless  
21 a later date is specified in the rules. Any rules adopted  
22 in accordance with this section shall also be published as a  
23 notice of intended action as provided in section 17A.4.

24 DIVISION III

25 PROPERTY TAX INCENTIVES AND ASSESSMENT

26 Sec. 19. Section 421.1A, subsection 3, Code 2015, is amended  
27 to read as follows:

28 3. At the election of a property owner or aggrieved taxpayer  
29 or an appellant described in section 441.42, the property  
30 assessment appeal board shall review any final decision,  
31 finding, ruling, determination, or order of a local board of  
32 review relating to protests of an assessment, valuation, or  
33 application of an equalization order, or any final decision  
34 of the county board of supervisors relating to denial of an  
35 application for a property tax exemption pursuant to section

1 427.1, subsection 40.

2 Sec. 20. Section 421.1A, subsection 4, Code 2015, is amended  
3 by adding the following new paragraph:

4 NEW PARAGRAPH. *Ob.* Affirm or reverse a final decision  
5 of a county board of supervisors relating to denial of an  
6 application for a property tax exemption under section 427.1,  
7 subsection 40.

8 Sec. 21. Section 427.1, Code 2015, is amended by adding the  
9 following new subsection:

10 NEW SUBSECTION. 40. *Broadband infrastructure.*

11 *a.* The owner of broadband infrastructure shall be entitled  
12 to an exemption from taxation to the extent provided in this  
13 subsection. For the purposes of this subsection, "*broadband*  
14 *infrastructure*" and "*targeted service area*" mean the same as  
15 defined in section 8B.1.

16 *b.* The exemption shall apply to the installation of  
17 broadband infrastructure commenced and completed on or  
18 after July 1, 2014, in a targeted service area, and used to  
19 deliver internet services to the public. A person claiming  
20 an exemption under this subsection shall certify to the local  
21 assessor prior to commencement of the installation that the  
22 broadband installation will take place within a targeted  
23 service area.

24 *c.* The tax exemption shall be a one hundred percent  
25 exemption from taxation for a period of three years in an  
26 amount equal to the actual value added by installation of the  
27 broadband infrastructure.

28 *d.* For companies assessed by the department of revenue  
29 pursuant to chapter 433, the exemption shall be limited to  
30 an amount equal to the actual value added by installation of  
31 the broadband infrastructure as of the assessment date as  
32 determined by the department and the exemption shall be applied  
33 prior to any other exemption applicable to the unit value, as  
34 determined under that chapter.

35 *e.* (1) An application for an exemption shall be filed by

1 the owner of the property with the county board of supervisors  
2 of each county in which the property is located by February  
3 1 of the year in which the broadband infrastructure is first  
4 assessed for taxation, or the following two assessment years,  
5 and in each case the exemption is allowed for three years.

6 (2) In lieu of subparagraph (1), and notwithstanding any  
7 provision in this subsection to the contrary, an owner may at  
8 any time before completion of the project submit a proposal to  
9 the board of supervisors requesting that the board allow the  
10 owner to file an application for exemption by February 1 of  
11 any other assessment year following completion of the project,  
12 which year shall be selected by the board. If the board, by  
13 resolution, approves the proposal, the exemption is allowed for  
14 three years.

15 f. (1) The application shall be made on forms prescribed by  
16 the director of revenue. The application shall contain but not  
17 be limited to the following information:

18 (a) The nature of the broadband infrastructure  
19 installation.

20 (b) The actual cost of installing the broadband  
21 infrastructure under the project, if available. The  
22 application shall contain supporting documents demonstrating  
23 the actual cost.

24 (c) Certification from the office of the chief information  
25 officer pursuant to section 8B.10 that the installation is  
26 being performed or was completed in a targeted service area  
27 and certification of the date of commencement and actual or  
28 estimated date of completion.

29 (d) A copy of any nonwireless broadband-related permit  
30 issued by a political subdivision.

31 (e) If applying pursuant to paragraph "e", subparagraph (2),  
32 the actual cost already incurred for installation of broadband  
33 infrastructure, if any, the estimated costs for project  
34 completion, and the estimated date of project completion. The  
35 application shall contain supporting documents demonstrating

1 the actual cost.

2 (2) The board of supervisors shall forward all approved  
3 applications and any necessary information regarding the  
4 applications to the appropriate local assessor or to the  
5 department of revenue, as applicable, by March 1 annually.  
6 After the tax exemption is granted, the local assessor shall  
7 continue to grant the tax exemption for three years, and  
8 applications for exemption for succeeding years shall not be  
9 required.

10 (3) An applicant for a property tax exemption under this  
11 subsection may appeal the decision of the board of supervisors  
12 regarding denial of the application to the property assessment  
13 appeal board.

14 *g.* (1) If a company whose property in the county is not  
15 assessed by the department of revenue is approved to receive a  
16 property tax exemption pursuant to this subsection, the actual  
17 value added by installation of the broadband infrastructure  
18 shall be determined by the local assessor who shall certify the  
19 amount of exemption determined to the county auditor at the  
20 time of transmitting the assessment rolls.

21 (2) Notwithstanding any other provision of law to the  
22 contrary, if a company in which all or a portion of the  
23 company's property in the county is assessed by the department  
24 pursuant to chapter 433 and the company's property in the  
25 county is approved to receive a property tax exemption  
26 pursuant to this subsection, the department shall assess  
27 all the company's property in the county used for operating  
28 telegraph and telephone lines, broadband, or cable systems for  
29 each assessment year the company receives the exemption, for  
30 purposes of determining the actual value added by installation  
31 of the broadband infrastructure.

32 (3) (a) If assessing property pursuant to subparagraph (2),  
33 the department shall certify the assessment value and exemption  
34 amounts for all property used for the operation of providing  
35 cable and broadband services and generally not assessed by

1 the department to the local assessor for inclusion on the  
2 assessment rolls as provided in section 433.8, subsection 2.

3 (b) A company whose property is assessed by the department  
4 pursuant to subparagraph (2) shall follow the appeal procedures  
5 in chapter 429 for appealing any part of the assessment on  
6 all the company's property, including the company's property  
7 that would have been valued by the local assessor but for  
8 subparagraph (2). For appeal proceedings for assessed values  
9 submitted pursuant to subparagraph division (a), the department  
10 shall notify the taxpayer of the right to appeal pursuant to  
11 chapter 429.

12 h. The director of revenue may adopt rules pursuant to  
13 chapter 17A for the interpretation and proper administration of  
14 the exemption provided in this subsection.

15 Sec. 22. Section 433.8, Code 2015, is amended to read as  
16 follows:

17 **433.8 Assessment in each county — how certified.**

18 1. The director of revenue shall, for the purpose of  
19 determining what amount shall be assessed to each company  
20 in each county of the state into which the line of the said  
21 company extends, certify to the several county auditors of the  
22 respective counties into, over, or through which said line  
23 extends the number of miles of line in the county for that  
24 company, the actual value per mile of line for that company,  
25 and the exemption value per mile of line for that company for  
26 exemptions received pursuant to section 427.1, subsection 40,  
27 section 433.4, or any other exemptions. In no case, however,  
28 shall the taxable value of the property be reduced below zero.

29 2. If assessing all of the property of a company pursuant to  
30 section 427.1, subsection 40, paragraph "g", subparagraph (2),  
31 the director shall also certify such amounts to the assessor  
32 for inclusion on the assessment rolls.

33 Sec. 23. IMPLEMENTATION. Section 25B.7 shall not apply to  
34 this division of this Act.

35 Sec. 24. IMPLEMENTATION. Notwithstanding section 427.1,

1 subsection 40, paragraph "b", as enacted in this division  
2 of this Act, owners of broadband infrastructure seeking an  
3 exemption for the installation of broadband infrastructure  
4 commenced between July 1, 2014, and the effective date of this  
5 division of this Act, shall certify to the local assessor that  
6 the broadband infrastructure installation took place within  
7 a targeted service area prior to applying for an exemption  
8 pursuant to this division of this Act.

9 Sec. 25. APPLICABILITY.

10 1. This division of this Act applies to assessment years  
11 beginning on or after January 1, 2016.

12 2. Notwithstanding section 427.1, subsection 40, paragraph  
13 "e", subparagraph (1), as enacted in this division of this  
14 Act, in the case of projects commenced and completed between  
15 July 1, 2014, and December 31, 2014, an owner seeking an  
16 exemption shall first file an application for an exemption with  
17 the county board of supervisors of each county in which the  
18 property is located by February 1, 2016, or the following two  
19 assessment years, and in each case the exemption is allowed for  
20 three years.

21 DIVISION IV

22 INFORMATION TECHNOLOGY INFRASTRUCTURE FOR EDUCATION

23 Sec. 26. Section 423F.3, subsection 6, Code 2015, is amended  
24 by adding the following new paragraph:

25 NEW PARAGRAPH. *0c.* Additionally, "school infrastructure"  
26 includes the acquisition or installation of information  
27 technology infrastructure. For purposes of this paragraph,  
28 "information technology infrastructure" means the basic,  
29 underlying physical framework or system necessary to deliver  
30 technology connectivity to a school district and to network  
31 school buildings within a school district.

32 EXPLANATION

33 The inclusion of this explanation does not constitute agreement with  
34 the explanation's substance by the members of the general assembly.

35 This bill relates to and provides for the facilitation

1 of broadband access in targeted service areas of the state.  
2 The bill is titled the "Connect Iowa Farms, Schools, and  
3 Communities Act".

4 DIVISION I — LEGISLATIVE INTENT. The division provides  
5 that the general assembly finds and declares that increasing  
6 the extent and availability of broadband infrastructure  
7 throughout the state facilitates the provision of internet  
8 access to citizens, businesses, farms, and communities at  
9 speeds that promote economic development, employment, enhanced  
10 access to goods and services, increased educational and  
11 training opportunities, faster access to government services  
12 and health care, and improved overall information and community  
13 access for citizens.

14 DIVISION II — STATEWIDE BROADBAND COORDINATION. The  
15 division modifies provisions in Code chapter 8B, relating to  
16 the office of the chief information officer. The division adds  
17 several definitions to the Code chapter for use in the Code  
18 chapter and in other related provisions. The division defines  
19 "broadband" to mean a high-speed, high-capacity electronic  
20 transmission medium that can carry data signals from multiple  
21 independent network sources by establishing different bandwidth  
22 channels and that is commonly used to deliver internet services  
23 to the public. The division defines "broadband infrastructure"  
24 to mean the physical infrastructure used for the transmission  
25 of data via broadband, including but not limited to any  
26 equipment, systems, switches, routers, wire, cable, satellite,  
27 conduits, servers, software, technology, base transceiver  
28 station sites, or other means of transmission or communication  
29 via broadband. The division defines "communications service  
30 provider" to mean a service provider that provides broadband  
31 service. The division defines "targeted service area" to  
32 mean a United States census bureau census block located in  
33 Iowa, including any crop operation located within the census  
34 block, within which no communications service provider offers  
35 or facilitates broadband service at or above 25 megabits per

1 second of download speed and 3 megabits per second of upload  
2 speed. The division defines "crop operation" by referencing  
3 a definition contained in Code section 717A.1 as meaning  
4 a commercial enterprise where a crop is maintained on the  
5 property of the commercial enterprise. Additionally, the  
6 division adds broadband and broadband infrastructure to an  
7 existing definition of "information technology".

8 The division adds to the powers and duties of the chief  
9 information officer streamlining, consolidating, and  
10 coordinating access to and availability of broadband and  
11 broadband infrastructure throughout Iowa.

12 The division provides that the determination of whether  
13 a provider's download and upload speeds are being met for  
14 purposes of the definition of "targeted service area" shall be  
15 by reference to broadband availability maps or data sources  
16 identified by the office by rule. The division directs the  
17 office to establish procedures to allow challenges to claims  
18 that the threshold download or upload speeds are being met.

19 The division establishes a connecting Iowa farms, schools,  
20 and communities grant program and fund. The division requires  
21 the office of the chief information officer to establish a  
22 broadband grant program to award grants to communication  
23 service providers that reduce or eliminate targeted service  
24 areas. The division establishes a fund, consisting of moneys  
25 appropriated to it or appropriated to the office or otherwise  
26 available to the office for purposes of the grant program. The  
27 moneys in the fund are appropriated to the office of the chief  
28 information officer. The bill provides that communication  
29 service providers may apply to the office for a grant. The  
30 division requires the office to award grants on a competitive  
31 basis using criteria established by the office by rule.

32 The division also adds to the powers and duties of the chief  
33 information officer the responsibility for coordinating a new  
34 fiberoptic network conduit installation program to facilitate  
35 incorporation of fiberoptic network conduit installations, as



1 defined by the bill, into state-funded construction projects  
2 or by state-owned infrastructure. The division provides that,  
3 subject to funding from the general assembly, the office  
4 may contract with a third party to manage, lease, install,  
5 or otherwise provide fiberoptic network conduit access, and  
6 the program shall not prohibit the office from purchasing or  
7 installing fiberoptic cable within fiberoptic network conduit  
8 installed pursuant to the program.

9 Additionally, the division specifies expeditious response  
10 requirements regarding the approval, modification, or  
11 disapproval of nonwireless broadband-related permits. The  
12 division provides that, notwithstanding any other provision to  
13 the contrary, a political subdivision vested with permitting  
14 authority shall approve, approve with modification, or  
15 disapprove nonwireless broadband-related permits within 60  
16 business days following the submission of a permit application  
17 and fee. In the event that no action is taken during the 60-day  
18 period, the application shall be deemed approved.

19 The division also requires the chief information  
20 officer to prepare an annual report regarding the status of  
21 broadband expansion and coordination, and adds the chief  
22 information officer to the Iowa telecommunications and  
23 technology commission which oversees the operation of the Iowa  
24 communications network and to the statewide interoperable  
25 communications system board established in Code section  
26 80.28. The division makes corresponding changes. Further,  
27 the division adds an additional member to the board who is an  
28 emergency medical care provider, and eliminates a provision  
29 that required the commission to consult with the director  
30 of the department of administrative services and the chief  
31 information officer when appointing the commission's executive  
32 director.

33 For fiscal year 2015-2016, the bill requires the department  
34 of management to transfer \$3 million from the state bond  
35 repayment fund to the connecting Iowa farms, schools, and

1 communities broadband grant fund. For fiscal years 2015-2016  
2 and 2016-2017, the bill requires the department of management  
3 to transfer \$2 million each year from the rebuild Iowa  
4 infrastructure fund to the connecting Iowa farms, schools, and  
5 communities broadband grant fund.

6 DIVISION III — PROPERTY TAX INCENTIVES AND ASSESSMENT. The  
7 division provides a property tax exemption for installation  
8 of broadband infrastructure within a targeted service area,  
9 which installation is commenced and completed on or after July  
10 1, 2014. The exemption shall be a 100 percent exemption from  
11 taxation for a period of three years based on the actual value  
12 added by the installation of the broadband infrastructure.  
13 The division specifies procedures relating to applying for  
14 the tax exemption with the county board of supervisors within  
15 which the broadband infrastructure is located, granting the tax  
16 exemption, and assessing the property of companies receiving  
17 the exemption.

18 The division applies to assessment years beginning on or  
19 after January 1, 2016. The division provides that property  
20 owners seeking an exemption for installation of broadband  
21 infrastructure commenced between July 1, 2014, and the  
22 effective date of the division of the bill must certify to  
23 the local assessor that the installation of the broadband  
24 infrastructure took place within a targeted service area prior  
25 to applying for an exemption. All other property owners  
26 must certify to the local assessor prior to commencement of  
27 the installation. The division also provides that property  
28 owners seeking an exemption for the installation of broadband  
29 infrastructure commenced and completed between July 1, 2014,  
30 and December 31, 2014, shall first file an application for an  
31 exemption with the county board of supervisors by February 1,  
32 2016, or the following two assessment years. An exemption  
33 filed pursuant to this provision of the division is allowed for  
34 three years.

35 Code section 25B.7 provides that for a property tax credit

1 or exemption enacted on or after January 1, 1997, if a state  
2 appropriation made to fund the credit or exemption is not  
3 sufficient to fully fund the credit or exemption, the political  
4 subdivision shall be required to extend to the taxpayer only  
5 that portion of the credit or exemption estimated by the  
6 department of revenue to be funded by the state appropriation.  
7 The division provides that Code section 25B.7 does not apply to  
8 the property tax exemption created under this division.

9       DIVISION IV — INFORMATION TECHNOLOGY INFRASTRUCTURE FOR  
10 EDUCATION. The division provides that school infrastructure  
11 for purposes of statewide school infrastructure funding  
12 includes the acquisition or installation of information  
13 technology, as defined in the division.