

**House File 848 - Introduced**

HOUSE FILE 848

BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HF 796)

(SUCCESSOR TO HSB 133)

**A BILL FOR**

1 An Act relating to broadband service, including matters under  
2 the purview of the office of the chief information officer,  
3 the empower rural Iowa broadband grant fund, and including  
4 effective date and applicability provisions.

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

1 Section 1. Section 8B.1, subsections 5, 13, and 14, Code  
2 2021, are amended to read as follows:

3 5. "*Facilitate*" means a communication service provider's  
4 ability to provide broadband service at or above the download  
5 and upload speeds specified in the definition of targeted  
6 service area in this section ~~or section 8B.11, subsection~~  
7 ~~5, paragraph "a", if applicable,~~ to a home, farm, school,  
8 or business within a commercially reasonable time and at a  
9 commercially reasonable price upon request by a consumer.

10 13. "*Targeted service area*" means any of the following:

11 a. A United States census bureau census block located in  
12 this state, including any crop operation located within the  
13 census block, or other geographic unit the office sets by  
14 rule, within which no communications service provider offers  
15 or facilitates broadband service at or above the tier 1, tier  
16 2, or tier 3 download and upload speeds ~~identified by the~~  
17 ~~federal communications commission pursuant to section 706 of~~  
18 ~~the federal Telecommunications Act of 1996, as amended.~~ As  
19 used in this subsection:

20 (1) "Tier 1" means a maximum download speed of less than  
21 twenty-five megabits per second and a maximum upload speed of  
22 less than three megabits per second.

23 (2) "Tier 2" means a minimum download speed of greater than  
24 or equal to twenty-five megabits per second but less than fifty  
25 megabits per second.

26 (3) "Tier 3" means a minimum download speed of greater than  
27 or equal to fifty megabits per second but less than eighty  
28 megabits per second.

29 b. Any geographic area, as the office sets by rule, that  
30 is materially underserved by broadband service such that  
31 ~~the download and upload speeds identified by the federal~~  
32 ~~communications commission pursuant to section 706 of the~~  
33 ~~federal Telecommunications Act of 1996, as amended, of the~~  
34 ~~broadband service in the geographic area~~ tier 1, tier 2,  
35 and tier 3 download and upload speeds are not meaningfully

1 available. The office's power to determine the geographic  
2 area by rule under this paragraph includes the power to define  
3 and interpret standards as to whether a geographic area is  
4 materially underserved and broadband service is meaningfully  
5 available.

6 14. "*Underserved area*" means any portion of a targeted  
7 service area within which no communications service provider  
8 facilitates broadband service meeting the tier 1 download and  
9 upload speeds specified in the definition of targeted service  
10 area in [this section](#).

11 Sec. 2. Section 8B.10, subsection 1, Code 2021, is amended  
12 to read as follows:

13 1. The determination of whether a communications service  
14 provider facilitates broadband service meeting the tier  
15 1, tier 2, or tier 3 download and upload speeds specified  
16 in the definition of targeted service area in [section 8B.1](#)  
17 shall be determined or ascertained by reference to broadband  
18 availability maps or data sources that are identified by  
19 the office by rule. The office shall periodically make  
20 renewed determinations of whether a communications service  
21 provider facilitates broadband service at or above the tier  
22 1, tier 2, or tier 3 download and upload speeds specified  
23 in the definition of targeted service area in [section 8B.1](#),  
24 which shall, to the extent updated maps and data sources are  
25 available at the time, include making such determinations prior  
26 to each round of grant applications solicited by the office  
27 pursuant to [section 8B.11](#). The office is not required to make  
28 renewed determinations of whether a communications service  
29 provider facilitates broadband service at or above the tier  
30 1, tier 2, or tier 3 download and upload speeds specified in  
31 the definition of targeted service area in section 8B.1 more  
32 frequently than once in any calendar year.

33 Sec. 3. Section 8B.11, Code 2021, is amended to read as  
34 follows:

35 **8B.11 Empower rural Iowa — broadband grants — fund.**

1 1. The office shall administer a broadband grant program  
2 designed to reduce or eliminate unserved and underserved  
3 areas in the state, leveraging federal funds and public and  
4 private partnerships where possible, by awarding grants to  
5 communications service providers that reduce or eliminate  
6 targeted service areas by installing broadband infrastructure  
7 that facilitates broadband service ~~in targeted service areas at~~  
8 ~~or above the download and upload speeds specified in subsection~~  
9 ~~5, in accordance with this section in accordance with the~~  
10 following:

11 a. The broadband infrastructure facilitates broadband  
12 service that provides a minimum download speed of one hundred  
13 megabits per second and a minimum upload speed of one hundred  
14 megabits per second in a targeted service area within which no  
15 communications service provider offers or facilitates broadband  
16 service that provides download and upload speeds less than or  
17 equal to the tier 1 download and upload speeds specified in the  
18 definition of targeted service area in section 8B.1.

19 b. The broadband infrastructure facilitates broadband  
20 service that provides a minimum download speed of one hundred  
21 megabits per second and a minimum upload speed of one hundred  
22 megabits per second in a targeted service area within which no  
23 communications service provider offers or facilitates broadband  
24 service that provides any of the following:

25 (1) Download speeds less than or equal to the tier 2  
26 download speed specified in the definition of targeted service  
27 area in section 8B.1.

28 (2) Download speeds less than or equal to the tier 3  
29 download speed specified in the definition of targeted service  
30 area in section 8B.1.

31 2. a. An empower rural Iowa broadband grant fund is  
32 established in the state treasury under the authority of the  
33 office. The fund shall consist of moneys available to and  
34 obtained or accepted by the office. Moneys in the fund are  
35 appropriated to the office to be used for the grant program,

1 including for broadband mapping and the administration and  
2 operation of the grant program, and for the fiberoptic network  
3 conduit installation program established in section 8B.25.

4 *b.* The office shall use moneys in the fund to provide  
5 grants to communications service providers pursuant to this  
6 section and to lead and coordinate the fiberoptic network  
7 conduit installation program pursuant to section 8B.25. The  
8 office may use not more than ~~one~~ two and one-half percent of  
9 the moneys in the fund at the beginning of the fiscal year to  
10 pay the costs and expenses associated with the administration  
11 and operation of the grant program and the fiberoptic network  
12 conduit installation program. The office shall use moneys in  
13 the fund to leverage available federal moneys if possible.

14 *c.* Notwithstanding [section 8.33](#), moneys in the fund  
15 that remain unencumbered or unobligated at the close of the  
16 fiscal year shall not revert but shall remain available for  
17 expenditure for the purposes designated until three years  
18 following the last day of the fiscal year in which the funds  
19 were originally appropriated.

20 *d.* Notwithstanding paragraph "c" or any provision to the  
21 contrary, moneys in the fund that have been awarded but not  
22 paid to a communications service provider shall not revert  
23 but shall remain available to the office for purposes of  
24 administering the award in a manner consistent with the terms  
25 and conditions of any corresponding contract or grant agreement  
26 governing the administration of the award.

27 3. Communications service providers may apply to the office  
28 for a grant pursuant to [this section](#) for the installation of  
29 broadband infrastructure that facilitates broadband service  
30 in targeted service areas ~~at or above the download and upload~~  
31 ~~speeds specified in [subsection 5](#).~~ The office shall include  
32 ~~representatives from schools, communities, agriculture,~~  
33 ~~industry, and other areas as appropriate to review and~~  
34 ~~recommend grant awards.~~ The office shall conduct an open  
35 ~~application review process that includes the opportunity~~

1 ~~for the public to submit factual information as part of a~~  
2 ~~validation process to address claims that a targeted service~~  
3 ~~area is currently served with broadband service at or above the~~  
4 ~~download and upload speeds specified in [subsection 5](#).~~ Upon  
5 ~~completion of the validation process, the office may modify~~  
6 ~~a proposed targeted service area to account for information~~  
7 ~~received during the validation process.~~ The office shall make  
8 available a public internet site identifying all publicly  
9 available information contained in the applications, ~~the~~  
10 ~~members of the review committee, a summary of the review~~  
11 ~~committee's recommended results, and any results of performance~~  
12 ~~testing conducted after the project is completed.~~ The office  
13 shall devote one full-time equivalent position to evaluate  
14 applications submitted under this section and provide technical  
15 assistance to communications service providers in completing  
16 applications for federal funds, or any other funds from any  
17 public or private sources, related to improving broadband  
18 infrastructure.

19 4. a. The office shall award grants on a competitive  
20 basis for the installation of broadband infrastructure that  
21 facilitates broadband service as provided in subsection 3 in  
22 targeted service areas ~~at or above the download and upload~~  
23 ~~speeds specified in [subsection 5](#),~~ after considering the  
24 following:

25 (1) The relative need for broadband infrastructure in the  
26 area and the existing broadband service speeds, including  
27 whether the project serves a rural area or areas.

28 (2) The applicant's total proposed budget for the project,  
29 including all of the following:

30 (a) The amount or percentage of local or federal matching  
31 funds, if any, and any funding obligations shared between  
32 public and private entities.

33 (b) The percentage of funding provided directly from the  
34 applicant, including whether the applicant requested from the  
35 office an amount less than the maximum amount the office could

1 award pursuant to subsection 5 and, if so, the percentage of  
2 the project cost that the applicant is requesting.

3 (3) The relative download and upload speeds of proposed  
4 projects for all applicants.

5 (4) The specific product attributes resulting from the  
6 proposed project, including technologies that provide higher  
7 qualities of service, such as service levels, latency, and  
8 other service attributes as determined by the office.

9 (5) The percentage of the homes, farms, schools, and  
10 businesses in the targeted service area that will be provided  
11 access to broadband service.

12 ~~(6) The geographic diversity of the project areas of all the~~  
13 ~~applicants.~~

14 ~~(7) The economic impact of the project to the area.~~

15 (6) The proportion of proposed projects that will result  
16 in the installation of broadband infrastructure in a targeted  
17 service area within which the only broadband service available  
18 provides the tier 1 download and upload speeds specified in the  
19 definition of targeted service area in section 8B.1.

20 ~~(8)~~ (7) Other factors the office deems relevant.

21 *b.* In considering the factors listed in paragraph "a"  
22 for awarding grants pursuant to this section, the office  
23 shall afford the greatest weight to the factors described in  
24 paragraph "a", subparagraphs (1) through (3), and subparagraph  
25 (6).

26 ~~*c.* Except as otherwise provided in this section, the office~~  
27 ~~shall not evaluate applications based on the office's knowledge~~  
28 ~~of the applicant except for information obtained by the office~~  
29 ~~during the application process or period for public comment.~~

30 5. ~~The office shall not award a grant pursuant to this~~  
31 ~~section that exceeds thirty five percent of the communications~~  
32 ~~service provider's project cost. The total amount of the~~  
33 ~~grants the office awards from the empower rural Iowa broadband~~  
34 ~~grant fund pursuant to this section shall be as follows not~~  
35 ~~exceed any of the following amounts:~~

1     ~~a. For Seventy-five percent of a communications service~~  
2 ~~provider's project costs for projects that will result in the~~  
3 ~~installation of broadband infrastructure that will facilitate~~  
4 ~~broadband service providing a minimum download speed less than~~  
5 ~~one hundred megabits per second but greater than or equal to~~  
6 ~~the download speed specified in the definition of targeted~~  
7 ~~service area in section 8B.1, and a minimum upload speed less~~  
8 ~~than twenty megabits per second but greater than or equal~~  
9 ~~to the upload speed specified in the definition of targeted~~  
10 ~~service area in section 8B.1, the total amount of the grants~~  
11 ~~the office awards shall not exceed fifty percent of the moneys~~  
12 ~~in the fund at the beginning of the fiscal year. However, if~~  
13 ~~the amount requested for projects that facilitate broadband~~  
14 ~~service at the speeds described in paragraph "b" for the fiscal~~  
15 ~~year is less than the amount reserved for projects under~~  
16 ~~paragraph "b", the office may award the difference to projects~~  
17 ~~under this paragraph for the same fiscal year in a targeted~~  
18 ~~service area within which no communications service provider~~  
19 ~~offers or facilitates broadband service that provides download~~  
20 ~~and upload speeds less than or equal to the tier 1 download and~~  
21 ~~upload speeds specified in the definition of targeted service~~  
22 ~~area in section 8B.1.~~

23     ~~b. For Fifty percent of a communications service provider's~~  
24 ~~project costs for projects that will result in the installation~~  
25 ~~of broadband infrastructure that will facilitate broadband~~  
26 ~~service providing a minimum download speed of one hundred~~  
27 ~~megabits per second and a minimum upload speed of twenty~~  
28 ~~megabits per second, the total amount of the grants the office~~  
29 ~~awards shall not exceed fifty percent of the moneys in the fund~~  
30 ~~at the beginning of the fiscal year. However, if the amount~~  
31 ~~requested for projects that facilitate broadband service at~~  
32 ~~the speeds described in paragraph "a" for the fiscal year is~~  
33 ~~less than the amount reserved for projects under paragraph~~  
34 ~~"a", the office may award the difference to projects under~~  
35 ~~this paragraph for the same fiscal year in a targeted service~~



1 area within which no communications service provider offers or  
2 facilitates broadband service that provides download and upload  
3 speeds less than or equal to the tier 2 download and upload  
4 speeds specified in the definition of targeted service area in  
5 section 8B.1.

6 c. Thirty-five percent of a communications service  
7 provider's project costs for projects that will result in the  
8 installation of broadband infrastructure in a targeted service  
9 area within which no communications service provider offers or  
10 facilitates broadband service that provides download speeds  
11 less than or equal to the tier 3 download speed specified in  
12 the definition of targeted service area in section 8B.1.

13 6. Notwithstanding subsections 3 and 5, communications  
14 service providers may apply to the office for a grant  
15 pursuant to this section for the installation of broadband  
16 infrastructure that facilitates broadband service providing a  
17 minimum download speed of one hundred megabits per second and a  
18 minimum upload speed of twenty megabits per second in targeted  
19 service areas pursuant to this subsection. The office shall  
20 make available a public internet site identifying all publicly  
21 available information contained in the applications and any  
22 results of performance testing conducted after the project is  
23 completed.

24 a. The office shall award grants under this subsection on  
25 a competitive basis after considering the factors provided in  
26 subsection 4 and affording weight to the factors pursuant to  
27 subsection 4, paragraph "b".

28 b. The total amount of the grants the office shall award  
29 pursuant to this subsection shall not exceed fifty percent  
30 of a communications service provider's project costs for  
31 projects that will result in the installation of broadband  
32 infrastructure in a targeted service area within which no  
33 communications service provider offers or facilitates broadband  
34 service that provides download and upload speeds less than or  
35 equal to the tier 1 download and upload speeds specified in the

1 definition of targeted service area in section 8B.1.

2 7. Notwithstanding subsections 5 and 6, at least twenty  
3 percent of the total amount of the grants the office awards  
4 from the empower rural Iowa broadband grant fund pursuant to  
5 this section shall be allocated to projects that will result  
6 in the installation of broadband infrastructure in difficult  
7 to serve targeted service areas within which no communications  
8 service provider offers or facilitates broadband service that  
9 provides download and upload speeds less than or equal to the  
10 tier 1 download and upload speeds specified in the definition  
11 of targeted service area in section 8B.1. For purposes of this  
12 subsection, a targeted service area is difficult to serve if  
13 the soil conditions, topography, or other local conditions make  
14 the installation of broadband infrastructure in the targeted  
15 service area more time-consuming or labor-intensive compared to  
16 other areas of the state.

17 ~~6. 8.~~ The office shall provide public notice regarding the  
18 application process and receipt of funding.

19 ~~7. The office shall not award a grant pursuant to this~~  
20 ~~section on or after July 1, 2025.~~

21 ~~8. 9.~~ The office may adopt rules pursuant to [chapter 17A](#)  
22 interpreting [this chapter](#) or necessary for administering this  
23 chapter, including but not limited to rules relating to the  
24 broadband grant program process, management, and measurements  
25 as deemed necessary by the office.

26 ~~9. 10.~~ The office shall adopt rules establishing procedures  
27 to allow aggrieved applicants an opportunity to challenge the  
28 office's award of grants under [this section](#).

29 Sec. 4. EMERGENCY RULES. The office of the chief  
30 information officer may adopt emergency rules under section  
31 17A.4, subsection 3, and section 17A.5, subsection 2, paragraph  
32 "b", to implement the provisions of this Act and the rules  
33 shall be effective immediately upon filing unless a later  
34 date is specified in the rules, unless the effective date of  
35 the rules is delayed or the applicability of the rules is

1 suspended by the administrative rules review committee. Any  
2 rules adopted in accordance with this section shall not take  
3 effect before the rules are reviewed by the administrative  
4 rules review committee. The delay authority provided to  
5 the administrative rules review committee under section  
6 17A.4, subsection 7, and section 17A.8, subsection 9,  
7 shall be applicable to a delay imposed under this section,  
8 notwithstanding a provision in those sections making them  
9 inapplicable to section 17A.5, subsection 2, paragraph "b".  
10 Any rules adopted in accordance with the provisions of this  
11 section shall also be published as a notice of intended action  
12 as provided in section 17A.4.

13 Sec. 5. EFFECTIVE DATE. This Act, being deemed of immediate  
14 importance, takes effect upon enactment.

15 Sec. 6. APPLICABILITY. This Act applies to applications  
16 for grants submitted pursuant to section 8B.11 on or after the  
17 effective date of this Act.

18 EXPLANATION

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

21 This bill relates to broadband service, including  
22 facilitating the availability of broadband service in unsecured  
23 and underserved areas, and administration of the empower rural  
24 Iowa broadband grant fund.

25 The bill modifies the definition of "facilitate" for  
26 purposes of Code chapter 8B to mean a communications service  
27 provider's ability to provide broadband service at or above  
28 the download and upload speeds specified in the definition  
29 of a targeted service area to a home, farm, school, or  
30 business within a commercially reasonable time and at a  
31 commercially reasonable price upon request. The bill modifies  
32 the definition of "targeted service area" to mean either of  
33 the following: a United States census bureau census block  
34 located in this state, including any crop operation located  
35 within the census block, or other geographic unit the office

1 of the chief information officer sets by rule, within which no  
2 communications service provider offers or facilitates broadband  
3 service at or above the tier 1, tier 2, or tier 3 download and  
4 upload speeds enumerated in the bill; or any geographic area,  
5 as the office sets by rule, that is materially underserved by  
6 broadband service such that tier 1, tier 2, and tier 3 download  
7 and upload speeds are not meaningfully available. The bill  
8 defines "tier 1" as a maximum download speed of less than 25  
9 megabits per second and a maximum upload speed of less than  
10 three megabits per second. The bill defines "tier 2" as a  
11 minimum download speed of greater than or equal to 25 megabits  
12 per second but less than 50 megabits per second. The bill  
13 defines "tier 3" as a minimum download speed of greater than or  
14 equal to 50 megabits per second but less than 80 megabits per  
15 second. The bill modifies the definition of "underserved area"  
16 to mean any portion of a targeted service area within which no  
17 communications service provider facilitates broadband service  
18 meeting the tier 1 speeds.

19 The bill provides that the determination of whether  
20 a communications service provider facilitates broadband  
21 service meeting the tier 1, tier 2, or tier 3 download and  
22 upload speeds shall be determined by reference to broadband  
23 availability maps or data sources that are identified by the  
24 office by rule. The bill requires the office to periodically  
25 make renewed determinations as to whether a communications  
26 service provider facilitates broadband service at or above  
27 those download and upload speeds. The bill establishes that  
28 the office is not required to make renewed determinations more  
29 frequently than once in any calendar year.

30 The bill provides that, except as described below, grants  
31 from the empower rural Iowa broadband grant fund shall only  
32 be made to communications service providers that reduce or  
33 eliminate targeted service areas by installing broadband  
34 infrastructure that facilitates broadband service providing a  
35 minimum download speed of 100 megabits per second and a minimum

1 upload speed of 100 megabits per second in targeted service  
2 areas.

3 Current law requires the office to use the moneys in the  
4 fund for the grant program, including broadband mapping and  
5 administration. The bill requires that the office also use  
6 the moneys in the fund for the fiberoptic network conduit  
7 installation program established in Code section 8B.25. The  
8 bill provides that the office may use not more than 2.5 percent  
9 of the moneys in the fund at the beginning of the fiscal year  
10 to pay the costs associated with the administration of the  
11 grant program and the fiberoptic network conduit installation  
12 program. The bill requires the office to devote one full-time  
13 equivalent position to evaluate applications for grant awards  
14 under the fund.

15 The bill strikes provisions relating to the application  
16 review process for applications for grants under the fund.  
17 Additionally, the bill strikes provisions relating to a review  
18 committee for the review and recommendation of grant awards.  
19 The bill also makes certain changes to what the office is  
20 to consider when reviewing an application for a grant from  
21 the fund and the weight the office is to afford to certain  
22 considerations.

23 The bill provides a framework to determine the maximum  
24 amount of a grant that the office may award from the fund.  
25 The bill establishes that the amount of a grant awarded  
26 from the fund is a percentage of the communications service  
27 provider's project costs, and the percentage is determined by  
28 the broadband service that is available in the targeted service  
29 area.

30 The bill also authorizes the office to award grants from  
31 the fund to communications service providers that reduce or  
32 eliminate targeted service areas by installing broadband  
33 infrastructure that facilitates broadband service providing a  
34 minimum download speed of 100 megabits per second and a minimum  
35 upload speed of 20 megabits per second. The bill requires

1 that these projects result in the installation of broadband  
2 infrastructure in a targeted service area within which no  
3 communications service provider offers broadband service that  
4 provides download and upload speeds less than or equal to the  
5 tier 1 download and upload speeds.

6 The bill requires at least 20 percent of the total amount  
7 of the grants the office awards from the fund to be allocated  
8 to projects that will result in the installation of broadband  
9 infrastructure in difficult to serve targeted service areas  
10 within which no communications service provider offers  
11 broadband service that provides download and upload speeds less  
12 than or equal to the tier 1 download and upload speeds.

13 The bill authorizes the office to adopt emergency rules to  
14 implement the provisions of the bill.

15 The bill strikes Code section 8B.11, subsection 7, which  
16 prohibits the office from awarding a grant from the fund on or  
17 after July 1, 2025.

18 The bill takes effect upon enactment and applies to  
19 applications for grants submitted pursuant to Code section  
20 8B.11 on or after the effective date of the bill.