

To: ICA Members  
Re: General Legislative Talking Points  
Date: January 13, 2025

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The goal of interacting with legislators at receptions is not to convince them to pass your policies, or even educate them on the finer points of internet and connectivity. The goal is to develop quality lines of communication and familiarity that can be used to accomplish more meaningful policy in the future.

Thank your legislators for being accessible and open public servants. Ask for their business cards and hand them yours. And do follow up when you return home with a text message, an email, or handwritten thank you note to continue that connection.

However, many legislators will ask “what are you working on this session” or “tell me a little about your company” as a conversation starter and obviously it’s appropriate to provide more detail. Just remember that every legislator will have a similar conversation with hundreds of people this week, so following up on your conversation outside of Des Moines will be helpful. Remember to pose these questions back to the legislators, too.

**1.) ICA Members have a proven track record of connecting a largely rural customer base with future-proof broadband. We connect farms and homesteads. We invest in places others do not.**

- Fiber connections are the fastest and most reliable internet and every ICA member utilizes it. Many ICA members do offer an alternative when fiber cannot be deployed.
- Our neighbors and family are the ones we serve and so customer service is at the front of every ICA member’s business. We stand apart from out-of-state companies who see Iowans as customers, not as neighbors.

**2.) Invest in Broadband takes many forms, and the State of Iowa has done it right, while federal investment has been frustrating.**

- After 8 rounds of funding from State and Federal sources, we can say that Iowa’s dollars were efficient and effective in connecting Iowans to highspeed internet.
- Federal programs are often encumbered by requirements or strings that reduce the impact of the investment or make administering the grants a burden.
- THANK YOU for designing Iowa’s Broadband Grants in a way that benefits Iowans, Iowa companies, and efficiently and effectively put the money to work. We hope to work with you to fill future needs in rural connectivity.

**3.) ICA member companies are internet providers, but they are also economic development engines of the state.**

- Because ICA members are family, neighbors, and community members, many of the employees and companies are actively engaged in local placemaking, manage local revolving loan funds, or improving life in their communities.
- Community Based Broadband Providers do so much more for Iowa than simply selling internet. We don’t brag a lot about this, but we should.

To: ICA Members  
Re: Legislative Talking Points – potential NG911 legislation  
Date: January 13, 2025

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Background:

While legislation has not been introduced yet, we are expecting to see a proposal in the 2025 session to start Iowa down the path of Next Generation 911 technology that uses IP-based infrastructure and phases out the legacy TDM infrastructure. This proposal will come from Iowa Homeland Security and Emergency Management. ICA members are integral providers of 911 services and we support the transition to NG911. However, we are concerned about the potential unfunded mandates that come with this change.

Within this proposal, it is expected that the wireless and wireline surcharges for 911 will be increased from \$1, to \$1.25. This increase will likely fund some of the required equipment upgrades incurred by the State and by local Public Safety Answering Points (PSAPs) but will most likely not cover all the expense, specifically for the Originating Service Providers (aka ICA members).

In addition to the required equipment upgrades, there will be costs associated with transporting this new IP-based data because it is likely that special trunks and networks will be required. Within the existing framework of 911 service, the OSP currently receives reimbursement for this transport costs from the PSAPs. We expect Homeland Security's proposal to shift all transport costs onto the OSP .

ICA's request:

Similar to how wireless carriers received a percent of wireless surcharge fees in order to cover the increased costs to deliver E911 traffic (see Code of Iowa 34A.7A paragraph 2 (c) , we ask that ICA members be eligible to receive similar reimbursement for actual costs of required equipment.

Additionally, we ask that the costs of transporting the NG911 IP-based traffic be included in the surcharge fee increase.

- 911 traffic is unique, requires more stable and reliable circuits than run of the mill traffic. This special network comes at a cost.
- FCC mandate grants State's the authority to arrange for these costs to be recuperated and decide how best to do so.
- The NG911 transition is important for Iowans and will lead to better public safety services.
- The cost of this better service should be shouldered by the increase in fee, and not hidden in unfunded mandates on the OSP.

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### Background

In 2024, the Iowa House introduced, considered, and passed a change to Code of Iowa Chapter 423.3 paragraph 47A which grants a sales tax exemption for central office equipment used primarily for the furnishing of telecommunications service on a commercial basis. The change was to strike the word “primarily” from this section. The Senate did not pass the same legislation.

In other states, auditors have interpreted this language in different ways, sometimes a single company will have several interpretations implemented on them. Additionally, the language reflects an outdated understanding of telecommunications, and the technology that telecommunications relies on.

### ICA’s request:

Strike the word primarily from 423.3 paragraph 47A.

- Thank you to our friends in the Iowa House who passed this proposal in 2024 unanimously.
- Special thanks to the Ways & Means Committee in the House and Senate for taking this issue up.
- This change has very little fiscal impact to the state, just \$800k annually per LSA fiscal note.