

Red Tape Review Rule Report (Due: September 1, 20 26)

Department Name:	Iowa Communications Network (ICN)	Date:	5/13/2026	Total Rule Count:	4
IAC #:	751	Chapter/ SubChapter/ Rule(s):	Chapter 11	Iowa Code Section Authorizing Rule:	8D.3
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PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE

What is the intended benefit of the rule?

The chapter describes the asset allocation and ownership framework under which the statewide network is administered, establishing clear operational boundaries for network infrastructure, demarcation points, and equipment liability.

Is the benefit being achieved? Please provide evidence.

Yes. The qualitative impact is positive; the rulemaking simplifies the regulatory environment by removing obsolete language and providing highly transparent guidance on asset allocation and ownership. It successfully establishes precise legal clarity regarding state-owned backbone infrastructure versus leased or user-owned last-mile connections, explicitly defines the physical demarcation point where state responsibility ends and authorized user responsibility begins, and identifies necessary protections for state-owned equipment residing on user premises.

What are the costs incurred by the public to comply with the rule?

There is no direct cost associated with the proposed rulemaking.

What are the costs to the agency or any other agency to implement/enforce the rule?

There are no costs to the State or the agency associated with this rulemaking.

Do the costs justify the benefits achieved? Please explain.

Yes. This rulemaking ensures the agency has a basic structure and has no costs associated with it.

Are there less restrictive alternatives to accomplish the benefit? YES NO

If YES, please list alternative(s) and provide analysis of less restrictive alternatives from other states, if applicable. If NO, please explain.

The agency seeks to implement these rules in a minimally intrusive and minimally prescriptive manner while still fulfilling the responsibilities of maintaining a well-run state communications network. No other methods were considered as the proposed rulemaking is necessary to comply with Executive Order 10's mandate to streamline and modernize existing rules.

Does this chapter/rule(s) contain language that is obsolete, outdated, inconsistent, redundant, or unnecessary language, including instances where rule language is duplicative of statutory language? [list chapter/rule number(s) that fall under any of the above categories]

Yes. 751—Chapter 11 (Entire legacy chapter). The previous iteration of the chapter contained obsolete accounting concepts, legacy terminology regarding network tiers, and overly restrictive operational text. The new chapter eliminates unnecessary legalese to provide highly streamlined asset and demarcation rules.

RULES PROPOSED FOR REPEAL (list rule number[s]):

Rescind 751—Chapter 11 in its entirety

RULES PROPOSED FOR RE-PROMULGATION (list rule number[s] or include rule text if available):

Adopt the following new chapter in lieu thereof:

CHAPTER 11 Asset Ownership And Demarcation

751—11.1(8D) Asset ownership.

11.1(1) *Network backbone.* The network backbone (Part I) and the regional aggregation points (Part II) are the property of the state of Iowa and are managed and maintained by the commission.

11.1(2) *Last mile connections.* Part III connections (the "last mile" to the authorized user) may be owned by the state, leased from private telecommunications providers, or owned by the authorized user.

a. *State-owned.* Where the commission has constructed and owns the Part III connection, the commission is responsible for maintenance up to the demarcation point.

b. *Leased.* Where the commission leases the Part III connection from a third-party provider, maintenance and repair responsibilities are governed by the terms of the lease agreement between the commission and the provider.

c. *User-owned.* Where the authorized user owns the connection (e.g., fiber installed by a school district), the authorized user is solely responsible for maintenance and repair.

751—11.2(8D) Demarcation point.

11.2(1) *Definition.* The demarcation point (demarc) is the physical point where the commission's responsibility for the network ends and the authorized user's responsibility begins.

11.2(2) *Location.* Unless otherwise specified in a service agreement:

a. *Fiber Connections.* The demarc is the termination panel or optical network terminal (ONT) installed by the commission at the authorized user's facility.

b. *Equipment.* The commission retains ownership and maintenance responsibility for the electronics (routers, switches) provided by the commission to deliver service, up to the hand-off port on that device.

11.2(3) *Internal wiring.* The authorized user is responsible for all internal building wiring, cabling, cross-connects, and power beyond the demarcation point.

751—11.3(8D) Equipment return and liability.

11.3(1) Access. Upon the termination of service, the authorized user shall permit the commission reasonable access to the premises to remove state-owned equipment.

11.3(2) Liability. The authorized user constitutes a bailee of state property located on the user's premises. The authorized user shall be liable for the cost of repair or replacement of any state-owned equipment that is lost, stolen, or damaged due to the negligence or willful misconduct of the user or its agents.

751—11.4(8D) Surplus property. The commission shall dispose of obsolete or excess network assets in accordance with 751—17.3.

These rules are intended to implement section 8D.3

****For rules being re-promulgated with changes, you may attach a document with suggested changes.***

METRICS

Total number of rules repealed:	2
Proposed word count reduction after repeal and/or re-promulgation	372
Proposed number of restrictive terms eliminated after repeal and/or re-promulgation	4

ARE THERE ANY STATUTORY CHANGES YOU WOULD RECOMMEND INCLUDING CODIFYING ANY RULES?

Yes. We recommend a comprehensive update to Iowa Code Chapter 8D to modernize the statute, streamline legacy code, and align the agency's authorizing framework with current technology and state government structures.