

HOUSE COMMITTEE OF REFERENCE REPORT

Chair of Committee

Date

June 7, 2021

Committee on Finance.

After consideration on the merits, the Committee recommends the following:

SB21-060 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend reengrossed bill, strike everything below the enacting clause and
2 substitute:

3 **"SECTION 1. Legislative declaration.** (1) The general
4 assembly hereby finds and declares that, pursuant to 31 CFR 35.6 (b)(8),
5 providing financial assistance for broadband service to low-income
6 households affected by the COVID-19 public health emergency is an
7 eligible use of money received by the state under the federal "American
8 Rescue Plan Act of 2021", Pub.L. 117-2. For this purpose, Senate Bill
9 21-291 creates the economic recovery and relief cash fund to appropriate
10 money to departments or transfer money to another cash fund for uses to
11 address the negative impacts of COVID-19, including using the money
12 for assistance to individuals and households.

13 (2) The general assembly further finds and declares that, pursuant
14 to subsection (1) of this section, the general assembly may appropriate
15 money from the economic recovery and relief cash fund created in section
16 24-75-228 (2)(a) to the office of the governor for use by the office of
17 information technology to provide financial assistance to income-eligible
18 households for broadband service.

19 **SECTION 2.** In Colorado Revised Statutes, 24-37.5-904, as
20 **added by House Bill 21-1289, amend** (1)(b)(II); and **add** (1.5) as
21 follows:

22 **24-37.5-904. Digital inclusion grant program - income-eligible**
23 **household reimbursement program - creation - award criteria -**

1 **digital inclusion grant program fund - definition - reporting - repeal.**

2 (1) (b) The Colorado broadband office shall implement the grant
3 program. During the 2020-21 state fiscal year, the broadband office shall
4 award:

5 (II) Grants totaling up to ~~fifteen~~ TEN million dollars to one or
6 more providers of telehealth services; EXCEPT THAT, IF PURSUANT TO
7 SUBSECTION (1.5)(e) OF THIS SECTION, THE BROADBAND OFFICE DOES NOT
8 IMPLEMENT THE REIMBURSEMENT PROGRAM CREATED IN SUBSECTION (1.5)
9 OF THIS SECTION, THE BROADBAND OFFICE SHALL AWARD GRANTS
10 TOTALING UP TO FIFTEEN MILLION DOLLARS TO ONE OR MORE PROVIDERS
11 OF TELEHEALTH SERVICES.

12 (1.5) (a) ON OR BEFORE JANUARY 1, 2022, AND SUBJECT TO
13 SUBSECTIONS (1.5)(d) AND (1.5)(e) OF THIS SECTION, THE BROADBAND
14 OFFICE SHALL CONTRACT WITH A NONPROFIT ORGANIZATION, PREFERABLY
15 A NONPROFIT ORGANIZATION THAT HAS AN EXISTING PLATFORM OR
16 SYSTEM FOR ADMINISTERING GRANT MONEY, HAS EXPERIENCE IN
17 ADMINISTERING INCOME-QUALIFIED UTILITY ASSISTANCE PROGRAMS, AND
18 HAS EXPERIENCE IN VERIFYING INCOME FOR STATEWIDE ASSISTANCE
19 PROGRAMS, TO DEVELOP A PROGRAM, REFERRED TO IN THIS SUBSECTION
20 (1.5) AS THE "PROGRAM", TO MAKE ACCESS TO BROADBAND SERVICE MORE
21 AFFORDABLE BY REIMBURSING COLORADO SUBSCRIBERS FOR COSTS
22 INCURRED IN ACCESSING BROADBAND SERVICE. IN CHOOSING A NONPROFIT
23 ORGANIZATION WITH WHICH TO CONTRACT, THE BROADBAND OFFICE NEED
24 NOT COMPLY WITH THE "PROCUREMENT CODE", ARTICLES 101 TO 112 OF
25 THIS TITLE 24. HOUSEHOLDS THAT ARE INCOME ELIGIBLE TO PARTICIPATE
26 IN THE PROGRAM ARE THOSE HOUSEHOLDS THAT:

27 (I) HAVE A HOUSEHOLD INCOME THAT DOES NOT EXCEED THE
28 HIGHER OF TWO HUNDRED PERCENT OF THE FEDERAL POVERTY LEVEL OR
29 EIGHTY PERCENT OF THE AREA MEDIAN INCOME; OR

30 (II) ARE LOCATED IN CRITICALLY UNSERVED AREAS OF THE STATE.
31 A HOUSEHOLD IS ELIGIBLE FOR REIMBURSEMENT UNDER THIS SUBSECTION
32 (1.5)(a)(II) ONLY:

33 (A) FOR BROADBAND SERVICE PROVIDED BY A SATELLITE
34 PROVIDER; AND

35 (B) WITH RESPECT TO THE HOUSEHOLD'S PRIMARY RESIDENCE.

36 (b) A HOUSEHOLD MEETING THE CRITERIA SET FORTH IN
37 SUBSECTION (1.5)(a) OF THIS SECTION MAY APPLY TO THE PROGRAM
38 ANNUALLY IN THE FORM AND MANNER DETERMINED BY THE BROADBAND
39 OFFICE TO REQUEST REIMBURSEMENT TO COVER UP TO ONE-HALF OF THE
40 COST OF BROADBAND SERVICE, NOT TO EXCEED A TOTAL REIMBURSEMENT
41 OF SIX HUNDRED DOLLARS PER YEAR. A HOUSEHOLD THAT RECEIVES



1 REIMBURSEMENT PURSUANT TO THIS SUBSECTION (1.5)(b) MUST
2 DEMONSTRATE THAT IT STILL MEETS THE CRITERIA SET FORTH IN
3 SUBSECTION (1.5)(a) OF THIS SECTION TO RECEIVE REIMBURSEMENT IN A
4 SUBSEQUENT YEAR.

5 (c) WITH REGARD TO THE NONPROFIT ORGANIZATION WITH WHICH
6 THE BROADBAND OFFICE CONTRACTS TO ADMINISTER THE PROGRAM, THE
7 BROADBAND OFFICE SHALL DIRECT THAT THE NONPROFIT ORGANIZATION:

8 (I) USE A PORTION OF THE MONEY TRANSMITTED TO THE
9 NONPROFIT ORGANIZATION FOR IMPLEMENTING THE PROGRAM TO COVER
10 ITS DIRECT AND INDIRECT COSTS IN ADMINISTERING THE PROGRAM; AND

11 (II) PERIODICALLY REPORT TO THE BROADBAND OFFICE, IN A FORM
12 AND MANNER DETERMINED BY THE BROADBAND OFFICE, REGARDING ITS
13 ADMINISTRATION OF THE PROGRAM.

14 (d) THE BROADBAND OFFICE, IN CONSULTATION WITH THE
15 NONPROFIT ORGANIZATION WITH WHICH IT CONTRACTS TO IMPLEMENT THE
16 PROGRAM, MAY EXPLORE ALTERNATIVE MECHANISMS FOR PAYMENT
17 ASSISTANCE FOR INCOME-ELIGIBLE HOUSEHOLDS IF THE BROADBAND
18 OFFICE DETERMINES THAT A REIMBURSEMENT PROGRAM IS NOT
19 COST-EFFECTIVE. IF THE BROADBAND OFFICE ADOPTS AN ALTERNATIVE
20 MECHANISM FOR PROVIDING PAYMENT ASSISTANCE UNDER THIS
21 SUBSECTION (1.5)(d), THE BROADBAND OFFICE SHALL INCLUDE A
22 DESCRIPTION OF THE MECHANISM CHOSEN AS PART OF ITS REPORTING
23 REQUIREMENTS UNDER SUBSECTION (1.5)(g) OF THIS SECTION.

24 (e) IF THE BROADBAND OFFICE DOES NOT FIND A NONPROFIT
25 ORGANIZATION WITH WHICH TO CONTRACT TO IMPLEMENT THE PROGRAM,
26 THE PROGRAM SHALL NOT BE IMPLEMENTED AND THE BROADBAND OFFICE
27 SHALL USE THE MONEY ALLOCATED FOR IMPLEMENTATION OF THE
28 PROGRAM TO AWARD ADDITIONAL GRANTS FOR TELEHEALTH SERVICES
29 UNDER SUBSECTION (1)(b)(II) OF THIS SECTION.

30 (f) (I) THE BROADBAND OFFICE AND THE NONPROFIT WITH WHICH
31 IT CONTRACTS MAY USE UP TO FIVE MILLION DOLLARS OF THE MONEY
32 TRANSFERRED PURSUANT TO SUBSECTION (1)(e) OF THIS SECTION TO THE
33 DIGITAL INCLUSION GRANT PROGRAM FUND FROM THE ECONOMIC
34 RECOVERY AND RELIEF CASH FUND CREATED IN SECTION 24-75-228 (2)(a)
35 TO IMPLEMENT THE PROGRAM, INCLUDING THE MONEY REQUIRED TO
36 COVER THE BROADBAND OFFICE'S AND THE NONPROFIT ORGANIZATION'S
37 ADMINISTRATIVE COSTS INCURRED IN IMPLEMENTING THE PROGRAM. THE
38 BROADBAND OFFICE AND THE NONPROFIT ORGANIZATION MAY USE UP TO
39 FIVE HUNDRED THOUSAND DOLLARS PER YEAR TO COVER THEIR DIRECT
40 AND INDIRECT COSTS IN ADMINISTERING THE PROGRAM.

41 (II) ALL MONEY USED FOR IMPLEMENTATION OF THE PROGRAM



1 MUST BE OBLIGATED BY DECEMBER 31, 2024.

2 (g) ON OR BEFORE FEBRUARY 1, 2022, AND ON OR BEFORE
3 FEBRUARY 1 EACH YEAR THEREAFTER, THE BROADBAND OFFICE SHALL
4 SUBMIT A WRITTEN REPORT TO THE GOVERNOR AND THE GENERAL
5 ASSEMBLY'S JOINT BUDGET COMMITTEE AND JOINT TECHNOLOGY
6 COMMITTEE REGARDING THE BROADBAND OFFICE'S IMPLEMENTATION OF
7 THE PROGRAM. REPORTS SUBMITTED PURSUANT TO THIS SUBSECTION
8 (1.5)(g) MUST INCLUDE:

9 (I) THE NUMBER OF HOUSEHOLDS RECEIVING ASSISTANCE UNDER
10 THE PROGRAM IN THE PREVIOUS CALENDAR YEAR; AND

11 (II) RECOMMENDATIONS ON HOW TO MAKE THE PROGRAM MORE
12 SUCCESSFUL, INCLUDING ANY LEGISLATIVE CHANGES NEEDED TO IMPROVE
13 THE SUCCESS OF THE PROGRAM.

14 (h) THIS SUBSECTION (1.5) IS REPEALED, EFFECTIVE SEPTEMBER 1,
15 2026.

16 **SECTION 3. Effective date.** This act takes effect only if House
17 Bill 21-1289 and Senate Bill 21-291 become law, and, in which case, this
18 act takes effect one day after the passage of House Bill 21-1289 or one
19 day after the passage of SB21-291, whichever occurs latest.

20 **SECTION 4. Safety clause.** The general assembly hereby finds,
21 determines, and declares that this act is necessary for the immediate
22 preservation of the public peace, health, or safety."

23 Page 1, strike line 102 and substitute "**THEREWITH, IMPLEMENTING A**
24 **PROGRAM TO PROVIDE FINANCIAL ASSISTANCE FOR INCOME-ELIGIBLE**
25 **HOUSEHOLDS TO ACCESS BROADBAND SERVICE.**".

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