

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

BILL B

LLS NO. 25-0248.01 Jennifer Berman x3286

HOUSE BILL

HOUSE SPONSORSHIP

Lukens and Soper, Bacon

SENATE SPONSORSHIP

Hinrichsen,

House Committees

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING MEASURES TO INCENTIVIZE THE DEPLOYMENT OF**
102 **WIRELESS TELEPHONE INFRASTRUCTURE IN THE STATE.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)

Cell Phone Connectivity Interim Study Committee. The bill requires the Colorado broadband office in the governor's office (broadband office) to implement a wireless telephone infrastructure grant program (grant program) similar to the broadband deployment grant program in the broadband office. The broadband office may allocate high cost support mechanism (HCSM) money for the grant program to help

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

finance the deployment of wireless telephone infrastructure in unserved and underserved areas of the state.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 24-37.5-903, **amend**
3 (5) as follows:

4 **24-37.5-903. Colorado broadband office - creation -**
5 **responsibilities - gifts, grants, or donations.** (5) In addition to the
6 powers and functions set forth in subsections (3) and (4) of this section,
7 the broadband office shall implement the digital inclusion grant program,
8 THE BROADBAND DEPLOYMENT GRANT PROGRAM, AND THE WIRELESS
9 TELEPHONE INFRASTRUCTURE GRANT PROGRAM.

10 **SECTION 2.** In Colorado Revised Statutes, 24-37.5-905, **amend**
11 (2)(b)(I) and (3)(a) as follows:

12 **24-37.5-905. Broadband deployment - grant program - high**
13 **cost support mechanism money - broadband office administrative**
14 **fund - creation - criteria - rules - reports - definitions - repeal.**

15 (2) (b) (I) The broadband office may allocate money from the HCSM for
16 the deployment of broadband in unserved and underserved areas of the
17 state pursuant to this section and section 40-15-208 through the use of the
18 HCSM surcharge and surcharge rate in effect on January 1, 2018. In
19 determining the definition of unserved and underserved areas, ~~the~~
20 ~~standards used by the broadband office must be~~ SHALL USE STANDARDS
21 consistent with broadband benchmark standards and any revisions to the
22 standards, as determined by the federal communications commission and
23 the national telecommunications and information administration in the
24 United States department of commerce. Pursuant to sections 40-15-207
25 and 40-15-208, the commission shall determine the funds available for

1 broadband deployment from the HCSM money. The HCSM third-party
2 contractor shall maintain and hold the money available for broadband
3 deployment in a separate account from the money used for ~~basic voice~~
4 ~~service~~ WIRELESS TELEPHONE INFRASTRUCTURE DEPLOYMENT PURSUANT
5 TO SECTION 24-37.5-906. Money held for broadband deployment must not
6 be disbursed for ~~basic voice service~~ WIRELESS TELEPHONE
7 INFRASTRUCTURE DEPLOYMENT, and money held for ~~basic voice service~~
8 WIRELESS TELEPHONE INFRASTRUCTURE DEPLOYMENT must not be
9 disbursed for broadband deployment.

10 (3) (a) Up to five percent of the money allocated from the HCSM
11 for broadband deployment may be used to cover the broadband office's
12 direct and indirect costs to administer the grant program, including to
13 cover staffing costs for the grant program. Money that is allocated for
14 such purposes is credited to the broadband office administrative fund,
15 which fund is created in the state treasury. The fund consists of all money
16 allocated from the HCSM for the broadband office's administration of the
17 grant program AND OF THE WIRELESS TELEPHONE INFRASTRUCTURE GRANT
18 PROGRAM CREATED IN SECTION 24-37.5-906 (2) and all money that the
19 general assembly may appropriate or transfer to the fund. The money in
20 the fund is continuously appropriated for the purposes set forth in this
21 section AND SECTION 24-37.5-906. All interest earned from the investment
22 of money in the fund is credited to the fund. All money not expended at
23 the end of a state fiscal year remains in the fund and does not revert to the
24 general fund or any other fund.

25 **SECTION 3.** In Colorado Revised Statutes, **add** 24-37.5-906 as
26 follows:

27 **24-37.5-906. Wireless telephone infrastructure deployment -**

1 **grant program - high cost support mechanism money - broadband**
2 **office administrative fund - creation - criteria - reports - definitions.**

3 (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
4 REQUIRES:

5 (a) "COMMISSION" MEANS THE PUBLIC UTILITIES COMMISSION
6 CREATED IN SECTION 40-2-101.

7 (b) "GRANT PROGRAM" MEANS THE WIRELESS TELEPHONE
8 INFRASTRUCTURE GRANT PROGRAM CREATED IN SUBSECTION (2) OF THIS
9 SECTION.

10 (c) "HCSM" MEANS THE HIGH COST SUPPORT MECHANISM
11 CREATED PURSUANT TO SECTION 40-15-208.

12 (d) "WIRELESS TELEPHONE" HAS THE MEANING SET FORTH IN
13 SECTION 6-1-903 (11).

14 (2) (a) THE BROADBAND OFFICE SHALL ADMINISTER A WIRELESS
15 TELEPHONE INFRASTRUCTURE DEPLOYMENT GRANT PROGRAM IN
16 ACCORDANCE WITH THIS SECTION. THE BROADBAND OFFICE SHALL DIRECT
17 THE COMMISSION TO AUTHORIZE A THIRD-PARTY CONTRACTOR OF THE
18 HCSM TO DISBURSE MONEY FROM THE HCSM FOR WIRELESS TELEPHONE
19 INFRASTRUCTURE DEPLOYMENT GRANTS APPROVED BY THE BROADBAND
20 OFFICE. THE COMMISSION SHALL AUTHORIZE DISBURSEMENTS OF MONEY
21 FROM THE HCSM FOR WIRELESS TELEPHONE INFRASTRUCTURE
22 DEPLOYMENT GRANTS ONLY AS DIRECTED BY THE BROADBAND OFFICE.

23 (b) (I) THE BROADBAND OFFICE MAY ALLOCATE MONEY FROM THE
24 HCSM FOR THE DEPLOYMENT OF WIRELESS TELEPHONE INFRASTRUCTURE
25 IN UNSERVED AND UNDERSERVED AREAS OF THE STATE.

26 (II) THE BROADBAND OFFICE SHALL DETERMINE AND MAP THE
27 AREAS OF THE STATE THAT QUALIFY AS UNSERVED AND UNDERSERVED FOR

1 WIRELESS TELEPHONE INFRASTRUCTURE DEPLOYMENT. IN DETERMINING
2 THE AREAS THAT QUALIFY, THE BROADBAND OFFICE SHALL USE
3 STANDARDS CONSISTENT WITH ANY STANDARDS DEVELOPED BY THE
4 FEDERAL COMMUNICATIONS COMMISSION AND THE NATIONAL
5 TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION IN THE
6 UNITED STATES DEPARTMENT OF COMMERCE. THE BROADBAND OFFICE
7 SHALL POST A MAP OF THE UNSERVED AND UNDERSERVED AREAS OF THE
8 STATE ON ITS PUBLIC WEBSITE AND PERIODICALLY UPDATE THE MAP AS
9 NECESSARY.

10 (III) PURSUANT TO SECTION 40-15-208, THE COMMISSION SHALL
11 DETERMINE THE FUNDS AVAILABLE FOR WIRELESS TELEPHONE
12 INFRASTRUCTURE DEPLOYMENT FROM THE HCSM MONEY. THE HCSM
13 THIRD-PARTY CONTRACTOR SHALL MAINTAIN AND HOLD THE MONEY
14 AVAILABLE FOR WIRELESS TELEPHONE INFRASTRUCTURE DEPLOYMENT IN
15 A SEPARATE ACCOUNT FROM THE MONEY USED FOR BROADBAND
16 DEPLOYMENT. MONEY HELD FOR WIRELESS TELEPHONE INFRASTRUCTURE
17 DEPLOYMENT MUST NOT BE DISBURSED FOR BROADBAND DEPLOYMENT,
18 AND MONEY HELD FOR BROADBAND DEPLOYMENT MUST NOT BE
19 DISBURSED FOR WIRELESS TELEPHONE INFRASTRUCTURE DEPLOYMENT.

20 (3) UP TO FIVE PERCENT OF THE MONEY ALLOCATED FROM THE
21 HCSM FOR WIRELESS TELEPHONE INFRASTRUCTURE DEPLOYMENT MAY BE
22 USED TO COVER THE BROADBAND OFFICE'S DIRECT AND INDIRECT COSTS TO
23 ADMINISTER THE GRANT PROGRAM, INCLUDING TO COVER STAFFING COSTS
24 FOR THE GRANT PROGRAM. MONEY THAT IS ALLOCATED FOR SUCH
25 PURPOSES IS CREDITED TO THE BROADBAND OFFICE ADMINISTRATIVE FUND
26 CREATED IN SECTION 24-37.5-905 (3)(a).

27 (4) ON OR BEFORE DECEMBER 31, 2025, THE BROADBAND OFFICE

1 SHALL ESTABLISH GRANT PROGRAM CRITERIA FOR DEPLOYMENT PROJECTS
2 FOR WHICH GRANT MONEY IS AWARDED, INCLUDING CRITERIA RELATED TO:

- 3 (a) QUALIFYING INFRASTRUCTURE;
- 4 (b) CYBERSECURITY REQUIREMENTS, IF ANY;
- 5 (c) MATCHING FUNDING REQUIREMENTS, IF ANY;
- 6 (d) GENERALLY ACCEPTED INDUSTRY RELIABILITY AND
7 PERFORMANCE STANDARDS;
- 8 (e) TIMELINES FOR COMPLETION OF A PROJECT;
- 9 (f) REASONABLE COST REQUIREMENTS FOR A PROJECT;
- 10 (g) COMPLIANCE STANDARDS; AND
- 11 (h) REPORTING AND ACCOUNTABILITY REQUIREMENTS.

12 (5) IN ESTABLISHING THE GRANT PROGRAM, THE BROADBAND
13 OFFICE SHALL:

14 (a) SOLICIT INPUT FROM THE GENERAL PUBLIC AND VARIOUS
15 STAKEHOLDER GROUPS, INCLUDING AT LEAST THE FOLLOWING
16 STAKEHOLDER GROUPS:

- 17 (I) INDUSTRY ASSOCIATIONS;
- 18 (II) LOCAL GOVERNMENTS;
- 19 (III) TRIBAL GOVERNMENTS;
- 20 (IV) OTHER STATE AGENCIES;
- 21 (V) RELEVANT FEDERAL AGENCIES;
- 22 (VI) WIRELESS TELEPHONE CONSUMERS; AND
- 23 (VII) OTHER KEY STAKEHOLDER GROUPS THAT THE BROADBAND
24 OFFICE IDENTIFIES; AND

25 (b) ESTABLISH A FORMAL APPEALS PROCESS FOR GRANT
26 APPLICATIONS THAT ARE NOT AWARDED. THE SOLE REMEDY FOR AN
27 APPLICANT THAT PREVAILS ON APPEAL IS THE FINANCING OF THE

1 APPLICANT'S PROPOSED PROJECT IN THE CURRENT OR NEXT FISCAL YEAR,
2 SUBJECT TO THE AVAILABILITY OF MONEY IN THE HCSM.

3 (6) THE BROADBAND OFFICE MAY CONTRACT WITH A THIRD PARTY
4 TO PERFORM ADMINISTRATIVE FUNCTIONS RELATED TO ADMINISTERING
5 THE GRANT PROGRAM.

6 (7) (a) ON OR BEFORE JANUARY 1, 2026, AND ON OR BEFORE
7 JANUARY 1 OF EACH YEAR THEREAFTER, THE BROADBAND OFFICE SHALL
8 SUBMIT AN ANNUAL REPORT TO THE JOINT BUDGET COMMITTEE AND THE
9 JOINT TECHNOLOGY COMMITTEE, OR THEIR SUCCESSOR COMMITTEES,
10 SUMMARIZING FOR THE PREVIOUS CALENDAR YEAR:

11 (I) THE BROADBAND OFFICE'S GRANT PROGRAM PLANNING AND
12 IMPLEMENTATION ACTIVITIES; AND

13 (II) HCSM EXPENDITURES MADE FOR WIRELESS TELEPHONE
14 INFRASTRUCTURE DEPLOYMENT.

15 (b) NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), THE
16 REPORTING REQUIREMENT SET FORTH IN SUBSECTION (7)(a) OF THIS
17 SECTION CONTINUES INDEFINITELY.

18 **SECTION 4.** In Colorado Revised Statutes, 40-15-102, **amend**
19 (9.5) and (32) as follows:

20 **40-15-102. Definitions.** As used in this article 15, unless the
21 context otherwise requires:

22 (9.5) "Incumbent provider" means:

23 (a) WITH RESPECT TO BROADBAND, a provider that offers
24 broadband internet service in an unserved area but that is not providing
25 a broadband network in that area; OR

26 (b) WITH RESPECT TO WIRELESS TELEPHONE SERVICE, A PROVIDER
27 THAT OFFERS WIRELESS TELEPHONE SERVICE IN AN UNSERVED AREA BUT

1 THAT DOES NOT OPERATE CELL PHONE TOWERS AND OTHER WIRELESS
2 TELEPHONE INFRASTRUCTURE IN THAT AREA.

3 (32) (a) "Unserved area", WITH RESPECT TO BROADBAND, means
4 an area of the state that:

5 (I) Lies outside of municipal boundaries or is a city with a
6 population of fewer than seven thousand five hundred inhabitants; and

7 (II) Consists of households that lack access to at least one
8 provider of a broadband network that uses satellite technology and at least
9 one provider of a broadband network that uses nonsatellite technology.

10 (b) "Unserved area", WITH RESPECT TO BROADBAND, also means
11 any portion of a state or interstate highway corridor that lacks access to
12 a provider of a broadband network.

13 (c) "UNSERVED AREA", WITH RESPECT TO WIRELESS TELEPHONE
14 SERVICE, MEANS AN AREA OF THE STATE THAT LACKS CELL PHONE TOWERS
15 AND OTHER WIRELESS TELEPHONE INFRASTRUCTURE SUFFICIENT TO
16 PROVIDE SERVICE.

17 **SECTION 5.** In Colorado Revised Statutes, 40-15-208, **amend**
18 (2)(a)(I), (2)(a)(IV)(E), (2)(a)(V), and (3)(a); **repeal** (2)(a)(III) and (3)(c);
19 and **add** (2)(a)(IV.5) as follows:

20 **40-15-208. High cost support mechanism - Colorado high cost**
21 **administration fund - creation - purpose - operation - rules - report.**

22 (2) (a) (I) The commission is ~~hereby~~ authorized to establish a mechanism
23 for the support of universal service, also referred to in this section as the
24 "high cost support mechanism", which must operate in accordance with
25 rules adopted by the commission. The primary purpose of the high cost
26 support mechanism is to provide financial assistance as a support
27 mechanism to:

1 (A) Help make basic local exchange service affordable and allow
2 for reimbursement to providers, as specified in subsections (2)(a)(IV) and
3 (4) of this section; ~~and~~

4 (B) Provide access to broadband service in unserved and
5 underserved areas pursuant to this section and section 24-37.5-905; ~~only;~~
6 AND

7 (C) PROVIDE ACCESS TO WIRELESS TELEPHONE SERVICE IN
8 UNSERVED AND UNDERSERVED AREAS OF THE STATE PURSUANT TO THIS
9 SECTION AND SECTION 24-37.5-906.

10 (III) ~~The commission shall maintain the rate of the high cost~~
11 ~~support mechanism surcharge at the surcharge rate established as of~~
12 ~~January 1, 2018; except that, on and after July 1, 2023, the commission~~
13 ~~may reduce the surcharge rate to ensure that the amount of money~~
14 ~~collected does not exceed twenty-five million dollars in calendar year~~
15 ~~2024.~~

16 (IV) The commission shall allocate to the high cost support
17 mechanism account dedicated to broadband deployment, on a quarterly
18 basis and by the end of the month following the previous quarter, the
19 following percentages of the total quarterly amount of high cost support
20 mechanism money collected, minus administrative costs and distributions
21 required under subsection (4) of this section:

22 (E) For each quarter in 2023 AND 2024 and for ~~each quarter in~~
23 ~~each subsequent year~~ THE FIRST, SECOND, AND THIRD QUARTERS IN 2025,
24 one hundred percent.

25 (IV.5) COMMENCING IN THE LAST QUARTER OF 2025, AND THEN ON
26 A QUARTERLY BASIS AND BY THE END OF THE MONTH FOLLOWING THE
27 PREVIOUS QUARTER, THE COMMISSION SHALL ALLOCATE:

1 (A) TO THE HIGH COST SUPPORT MECHANISM ACCOUNT DEDICATED
2 TO BROADBAND DEPLOYMENT, UP TO ONE HUNDRED PERCENT OF THE HIGH
3 COST SUPPORT MECHANISM MONEY COLLECTED, MINUS ADMINISTRATIVE
4 COSTS AND DISTRIBUTIONS REQUIRED UNDER SUBSECTION (4) OF THIS
5 SECTION; AND

6 (B) TO THE HIGH COST SUPPORT MECHANISM ACCOUNT DEDICATED
7 TO WIRELESS TELEPHONE SERVICE DEPLOYMENT, THE AMOUNT OF HIGH
8 COST SUPPORT MECHANISM MONEY COLLECTED THAT THE COLORADO
9 BROADBAND OFFICE, CREATED IN SECTION 24-37.5-903 (1), DIRECTS FOR
10 WIRELESS TELEPHONE INFRASTRUCTURE DEPLOYMENT GRANTS PURSUANT
11 TO SECTION 24-37.5-906 (2)(a), MINUS ADMINISTRATIVE COSTS AND
12 DISTRIBUTIONS REQUIRED UNDER SUBSECTION (4) OF THIS SECTION.

13 (V) The nonrural incumbent local exchange carrier will receive,
14 on a quarterly basis and by the end of the month following the previous
15 quarter, the balance of the remaining quarterly high cost support
16 mechanism collections after the distributions required by subsections
17 (2)(a)(IV), **(2)(a)(IV.5)**, and (4) of this section have been made.

18 (3) (a) There is ~~hereby~~ created in the state treasury the Colorado
19 high cost administration fund, referred to in this section as the "fund",
20 which shall be used to reimburse the commission and its contractors for
21 reasonable expenses incurred in the administration of the high cost
22 support mechanism, including administrative costs incurred in association
23 with broadband service AND WIRELESS TELECOMMUNICATIONS SERVICE,
24 as determined by rules of the commission. The general assembly shall
25 appropriate annually the money in the fund that is to be used for the direct
26 and indirect administrative costs incurred by the commission and its
27 contractors. At the end of any fiscal year, all unexpended and

1 unencumbered money in the fund remains in the fund and shall not be
2 credited or transferred to the general fund or any other fund. Only the
3 money in the high cost support mechanism that is necessary for
4 administering the high cost support mechanism shall be transmitted to the
5 state treasurer, who shall credit the same to the fund. All interest derived
6 from the deposit and investment of money in the fund remains in the fund
7 and does not revert to the general fund.

8 (c) ~~Notwithstanding any provision of paragraph (a) of this~~
9 ~~subsection (3) to the contrary, on July 31, 2009, the state treasurer shall~~
10 ~~deduct from the fund an amount equal to the amount transferred to the~~
11 ~~fund pursuant to Senate Bill 09-272, enacted in 2009, and transfer such~~
12 ~~amount to the general fund.~~

13 **SECTION 6. Act subject to petition - effective date -**
14 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
15 the expiration of the ninety-day period after final adjournment of the
16 general assembly; except that, if a referendum petition is filed pursuant
17 to section 1 (3) of article V of the state constitution against this act or an
18 item, section, or part of this act within such period, then the act, item,
19 section, or part will not take effect unless approved by the people at the
20 general election to be held in November 2026 and, in such case, will take
21 effect on the date of the official declaration of the vote thereon by the
22 governor.

23 (2) This act applies to high cost support mechanism distributions
24 made on or after the applicable effective date of this act.