

**Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 24-0560.01 Christopher McMichael x4775

HOUSE BILL 24-1234

HOUSE SPONSORSHIP

Mauro and Catlin,

SENATE SPONSORSHIP

Roberts and Hansen,

House Committees

Transportation, Housing & Local Government
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE CONTINUATION OF HIGH COST SUPPORT MECHANISM**
102 **FUNDING FOR RURAL TELECOMMUNICATIONS PROVIDERS, AND,**
103 **IN CONNECTION THEREWITH, IMPLEMENTING THE**
104 **RECOMMENDATIONS IN THE 2023 SUNSET REPORT BY THE**
105 **DEPARTMENT OF REGULATORY AGENCIES.**

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/>.)

Sunset Process - House Transportation, Housing, and Local Government Committee. The bill implements the recommendations of

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.

HOUSE
2nd Reading Unamended
March 4, 2024

the department of regulatory agencies in its sunset review and report on the high cost support mechanism by continuing the high cost support mechanism indefinitely and continuing funding for rural telecommunications providers from the high cost support mechanism indefinitely.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-34-104, **repeal**
3 (25)(a)(XVII) as follows:

4 **24-34-104. General assembly review of regulatory agencies**
5 **and functions for repeal, continuation, or reestablishment - legislative**
6 **declaration - repeal.** (25) (a) The following agencies, functions, or both,
7 are scheduled for repeal on September 1, 2024:

8 ~~(XVII) The functions of the public utilities commission with~~
9 ~~regard to the administration of the high cost support mechanism created~~
10 ~~in section 40-15-208;~~

11 **SECTION 2.** In Colorado Revised Statutes, 40-15-208, **amend**
12 (2)(a)(IV) and (4); and **repeal** (6) as follows:

13 **40-15-208. High cost support mechanism - Colorado high cost**
14 **administration fund - creation - purpose - operation - rules - report.**

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

21 ~~(A) For each quarter in 2019, sixty percent;~~

22 ~~(B) For each quarter in 2020, seventy percent;~~

23 ~~(C) For each quarter in 2021, eighty percent;~~

1 (D) For each quarter in 2022, ninety percent; and

2 (E) For each quarter in 2023 AND FOR EACH QUARTER IN EACH
3 SUBSEQUENT YEAR, one hundred percent.

4 (4) Notwithstanding any other provision to the contrary in sections
5 40-15-207 and 40-15-502 or this section, rural telecommunications
6 providers receiving support from the high cost support mechanism as of
7 January 1, 2017, will continue to receive support, on a quarterly basis and
8 by the end of the month following the previous quarter, at the same level
9 of reimbursement established by averaging the payments received for
10 calendar years 2015 and 2016, for the period of BEGINNING ON January 1,
11 2019, through September 1, 2024 AND CONTINUING EACH QUARTER IN
12 EACH SUBSEQUENT YEAR. The commission shall administer the high cost
13 support mechanism to ensure compliance with this section.

14 (6) ~~This section is repealed, effective September 1, 2024. Before~~
15 ~~the repeal, the department of regulatory agencies shall, in accordance with~~
16 ~~section 24-34-104, review the powers, duties, and functions of the~~
17 ~~commission regarding the administration of the high cost support~~
18 ~~mechanism.~~

19 **SECTION 3. Act subject to petition - effective date.** This act
20 takes effect at 12:01 a.m. on the day following the expiration of the
21 ninety-day period after final adjournment of the general assembly; except
22 that, if a referendum petition is filed pursuant to section 1 (3) of article V
23 of the state constitution against this act or an item, section, or part of this
24 act within such period, then the act, item, section, or part will not take
25 effect unless approved by the people at the general election to be held in
26 November 2024 and, in such case, will take effect on the date of the
27 official declaration of the vote thereon by the governor.