

Second Regular Session
Seventy-first General Assembly
STATE OF COLORADO

ENGROSSED

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

LLS NO. 18-0856.01 Jennifer Berman x3286

HOUSE BILL 18-1116

HOUSE SPONSORSHIP

Rankin, Hamner, Young, Hansen

SENATE SPONSORSHIP

Moreno, Lambert, Lundberg

House Committees

Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING MEASURES AUTHORIZING THE BROADBAND DEPLOYMENT**
102 **BOARD TO SEEK FEDERAL MONEY EARMARKED FOR FINANCING**
103 **BROADBAND DEPLOYMENT.**

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/>.)

Joint Budget Committee. The bill authorizes the broadband deployment board to apply for federal funding of broadband deployment and allocate any federal money received to broadband deployment projects approved by the board. The bill also directs the board to petition the federal communications commission (FCC) for a waiver from the

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

HOUSE
2nd Reading Unamended
January 23, 2018

FCC's rules prohibiting a state entity from applying for federal money earmarked for broadband deployment through the FCC's connect America fund phase II auction to allow the board to apply for the federal auction money.

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

2 **SECTION 1.** In Colorado Revised Statutes, 40-15-509.5, **add**
3 (10.5) as follows:

4 **40-15-509.5. Broadband service - report - broadband**
5 **deployment board - broadband administrative fund - creation -**
6 **definitions - repeal.** (10.5) (a) THE BOARD MAY APPLY FOR FEDERAL

7 FUNDING OF BROADBAND DEPLOYMENT PROJECTS AND PROGRAMS. THE
8 HCSM THIRD-PARTY CONTRACTOR SHALL MAINTAIN ANY FEDERAL
9 MONEY AWARDED FOR BROADBAND DEPLOYMENT IN A SEPARATE
10 ACCOUNT OF THE HCSM THAT IS DEDICATED TO ALLOCATING FEDERAL
11 BROADBAND DEPLOYMENT MONEY. THE COMMISSION IS AUTHORIZED TO
12 DISBURSE ANY MONEY FROM THE ACCOUNT AS DIRECTED BY THE BOARD.

13 (b) (I) FOLLOWING THE MODEL OF NEW YORK'S PETITION FOR
14 EXPEDITED WAIVER, THE BOARD SHALL IMMEDIATELY PETITION THE FCC
15 FOR A WAIVER FROM THE AUCTION RULES THAT PROHIBIT A STATE ENTITY
16 FROM APPLYING FOR CONNECT AMERICA FUND PHASE II AUCTION MONEY
17 TO ALLOW THE BOARD ITSELF TO ALLOCATE AUCTION MONEY FOR
18 BROADBAND DEPLOYMENT PROJECTS APPROVED BY THE BOARD.

19 (II) AFTER SUBMITTING THE PETITION TO THE FCC, THE BOARD
20 MAY:

21 (A) FILE ANY ADDITIONAL DOCUMENTATION THAT THE FCC
22 REQUIRES OF THE BOARD IN CONSIDERING THE BOARD'S PETITION; AND

23 (B) COORDINATE WITH THE FCC TO DEVELOP ANY CONDITIONS

1 THAT THE FCC MIGHT REQUIRE TO GRANT THE PETITION.

2 (III) IF THE FCC GRANTS THE BOARD'S PETITION AND AWARDS THE
3 BOARD AUCTION MONEY:

4 (A) THE HCSM THIRD-PARTY CONTRACTOR SHALL MAINTAIN ANY
5 FEDERAL MONEY AWARDED FROM THE AUCTION IN THE SEPARATE
6 ACCOUNT OF THE HCSM DESCRIBED IN SUBSECTION (10.5)(a) OF THIS
7 SECTION; AND

8 (B) THE COMMISSION IS AUTHORIZED TO DISBURSE THE FEDERAL
9 MONEY IN THAT ACCOUNT FOR BROADBAND DEPLOYMENT GRANTS AS
10 DIRECTED BY THE BOARD.

11 (IV) THE BOARD MAY COORDINATE WITH THE FCC TO COMPLY
12 WITH ANY CONDITIONS ESTABLISHED BY THE FCC IN GRANTING THE
13 PETITION. IF ANY SUCH FCC CONDITIONS IMPOSE PROJECT ELIGIBILITY,
14 APPLICATION PROCESS, AWARD CRITERIA, OR OTHER REQUIREMENTS THAT
15 ARE DISTINCT FROM THE REQUIREMENTS SET FORTH IN THIS SECTION OR
16 ESTABLISHED BY THE BOARD PURSUANT TO THIS SECTION, THE
17 COMMISSION MAY, BY RULE AND IN CONSULTATION WITH THE BOARD,
18 ESTABLISH REQUIREMENTS THAT COMPLY WITH THE FCC'S CONDITIONS;
19 EXCEPT THAT ANY REQUIREMENTS ESTABLISHED BY THE COMMISSION BY
20 RULE PURSUANT TO THIS SUBSECTION (10.5)(b) MUST APPLY ONLY TO
21 BROADBAND DEPLOYMENT PROJECTS THAT ARE ELIGIBLE TO RECEIVE
22 AUCTION MONEY.

23 (c) AS USED IN THIS SUBSECTION (10.5):

24 (I) "AUCTION RULES" REFERS TO THE FCC'S RULES IN 47 CFR
25 54.309 TO 54.316, WHICH RULES CONCERN THE IMPLEMENTATION OF THE
26 CONNECT AMERICA FUND PHASE II AUCTION.

27 (II) "CONNECT AMERICA FUND PHASE II AUCTION" OR "AUCTION"

1 REFERS TO A TEN-YEAR AUCTION OF FEDERAL MONEY THROUGH WHICH
2 THE FCC WILL ALLOCATE MONEY, BY MEANS OF A COMPETITIVE BIDDING
3 PROCESS, TO TELECOMMUNICATIONS PROVIDERS WHO COMMIT TO
4 PROVIDING VOICE AND BROADBAND SERVICE IN HIGH-COST AREAS OF THE
5 NATION IN ACCORDANCE WITH THE FCC'S AUCTION RULES.

6 (III) "NEW YORK'S PETITION FOR EXPEDITED WAIVER" REFERS TO
7 A PETITION THAT THE STATE OF NEW YORK FILED WITH THE FCC SEEKING
8 A WAIVER FROM THE FCC'S AUCTION RULES WITH REGARD TO THE RULES'
9 LIMITATION PROHIBITING STATE ENTITIES FROM APPLYING FOR FEDERAL
10 MONEY THROUGH THE AUCTION. THE FCC GRANTED THE WAIVER REQUEST
11 ON JANUARY 26, 2017, THUS AUTHORIZING THE STATE OF NEW YORK TO
12 DIRECTLY RECEIVE AND ALLOCATE AUCTION MONEY TO BROADBAND
13 PROJECTS WITHIN THE STATE.

14 **SECTION 2. Safety clause.** The general assembly hereby finds,
15 determines, and declares that this act is necessary for the immediate
16 preservation of the public peace, health, and safety.