CHAPTER 2

PUBLIC UTILITIES

HOUSE BILL 18-1116

BY REPRESENTATIVE(S) Rankin, Hamner, Young, Hansen, Arndt, Becker K., Bridges, Buckner, Danielson, Esgar, Exum, Garnett, Ginal, Gray, Herod, Hooton, Kennedy, Kraft-Tharp, Lee, Lontine, McLachlan, Melton, Michaelson Jenet, Pettersen, Roberts, Rosenthal, Singer, Valdez, Weissman, Willett, Winter, Duran;

also SENATOR(S) Moreno, Lambert, Lundberg, Aguilar, Coram, Court, Crowder, Fenberg, Fields, Garcia, Guzman, Holbert, Jones, Kefalas, Kerr, Martinez Humenik, Merrifield, Priola, Scott, Sonnenberg, Tate, Todd, Williams A., Zenzinger, Grantham.

AN ACT

CONCERNING MEASURES AUTHORIZING THE BROADBAND DEPLOYMENT BOARD TO SEEK FEDERAL MONEY EARMARKED FOR FINANCING BROADBAND DEPLOYMENT.

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

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

- **40-15-509.5.** Broadband service report broadband deployment board broadband administrative fund creation definitions repeal. (10.5) (a) The Board May apply for federal funding of Broadband deployment projects and programs. The HCSM third-party contractor shall maintain any federal money awarded for Broadband deployment in a separate account of the HCSM that is dedicated to allocating federal broadband deployment money. The commission is authorized to disburse any money from the account as directed by the board.
- (b) (I) Following the model of New York's petition for expedited waiver, the board shall immediately petition the FCC for a waiver from the auction rules that prohibit a state entity from applying for connect America fund phase II auction money to allow the board itself to allocate auction money for broadband deployment projects approved by the board.
 - (II) AFTER SUBMITTING THE PETITION TO THE FCC, THE BOARD MAY:
 - (A) FILE ANY ADDITIONAL DOCUMENTATION THAT THE FCC REQUIRES OF THE

Capital letters or bold & italic numbers indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

BOARD IN CONSIDERING THE BOARD'S PETITION; AND

- (B) COORDINATE WITH THE FCC TO DEVELOP ANY CONDITIONS THAT THE FCC MIGHT REQUIRE TO GRANT THE PETITION.
- (III) IF THE FCC GRANTS THE BOARD'S PETITION AND AWARDS THE BOARD AUCTION MONEY:
- (A) The HCSM third-party contractor shall maintain any federal money awarded from the auction in the separate account of the HCSM described in subsection (10.5)(a) of this section; and
- (B) THE COMMISSION IS AUTHORIZED TO DISBURSE THE FEDERAL MONEY IN THAT ACCOUNT FOR BROADBAND DEPLOYMENT GRANTS AS DIRECTED BY THE BOARD.
- (IV) The board may coordinate with the FCC to comply with any conditions established by the FCC in granting the petition. If any such FCC conditions impose project eligibility, application process, award criteria, or other requirements that are distinct from the requirements set forth in this section or established by the board pursuant to this section, the commission may, by rule and in consultation with the board, establish requirements that comply with the FCC's conditions; except that any requirements established by the commission by rule pursuant to this subsection (10.5)(b) must apply only to broadband deployment projects that are eligible to receive auction money.
 - (c) As used in this subsection (10.5):
- (I) "Auction rules" refers to the FCC's rules in 47 CFR 54.309 to 54.316, which rules concern the implementation of the connect America fund phase II auction.
- (II) "Connect America fund phase II auction" or "auction" refers to a ten-year auction of federal money through which the FCC will allocate money, by means of a competitive bidding process, to telecommunications providers who commit to providing voice and broadband service in high-cost areas of the nation in accordance with the FCC's auction rules.
- (III) "New York's petition for expedited waiver" refers to a petition that the state of New York filed with the FCC seeking a waiver from the FCC's auction rules with regard to the rules' limitation prohibiting state entities from applying for federal money through the auction. The FCC granted the waiver request on January 26, 2017, thus authorizing the state of New York to directly receive and allocate auction money to broadband projects within the state.
- **SECTION 2. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: January 29, 2018