Second Regular Session Seventy-fourth General Assembly STATE OF COLORADO

REVISED

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

LLS NO. 24-0957.01 Christopher McMichael x4775

SENATE BILL 24-151

SENATE SPONSORSHIP

Lundeen and Roberts, Baisley, Bridges, Buckner, Cutter, Exum, Fields, Gardner, Hansen, Michaelson Jenet, Mullica, Priola, Van Winkle

HOUSE SPONSORSHIP

Lukens and Soper,

Senate Committees

Business, Labor, & Technology Appropriations

House Committees

Business Affairs & Labor

A BILL FOR AN ACT

101	CONCERNING TELECOMMUNICATIONS SECURITY, AND, IN CONNECTION
-	CONCERNING TELECOMMUNICATIONS SECURITI, AND, IN CONNECTION
102	THEREWITH, REQUIRING THE DIVISION OF HOMELAND SECURITY
103	AND EMERGENCY MANAGEMENT WITHIN THE DEPARTMENT OF
104	PUBLIC SAFETY TO PROMULGATE RULES RELATED TO THE
105	REMOVAL, DISCONTINUANCE, OR REPLACEMENT OF CRITICAL
106	TELECOMMUNICATIONS INFRASTRUCTURE THAT UTILIZES
107	EQUIPMENT MANUFACTURED BY A FEDERALLY BANNED ENTITY.

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.)

HOUSE d Reading Unamended May 3, 2024

SENATE 3rd Reading Unamended April 29, 2024

SENATE Amended 2nd Reading April 26, 2024

Shading denotes HOUSE amendment. <u>Double underlining denotes SENATE amendment.</u>

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.

The bill requires telecommunications providers that operate in Colorado to remove, discontinue, or replace all critical telecommunications infrastructure that utilizes equipment from a federally banned entity or foreign adversary.

The bill requires telecommunications providers to register with the public utilities commission (commission) and certify that the telecommunications provider is:

- Not operating critical telecommunications infrastructure that utilizes equipment from a federally banned entity or foreign adversary; or
- Participating in the federal reimbursement program established by the federal "Secure and Trusted Communications Networks Act of 2019" and is in compliance with the reimbursement program.

The bill grants the commission authority to enforce the requirements established by the bill by administering fines against telecommunications providers for noncompliance. The bill also grants the commission rule-making authority to implement the requirements.

Be it enacted by the General Assembly of the State of Colorado: 1 2 **SECTION 1.** Legislative declaration. The general assembly 3 finds and declares that it is in the best interest of the state to secure 4 Colorado's telecommunications network and protect national security by 5 identifying and removing communications hardware and software that is 6 produced by countries of concern or by other sanctioned entities from 7 Colorado's telecommunications network and by monitoring the progress 8 of the removal of such equipment. 9 **SECTION 2.** In Colorado Revised Statutes, add 24-33.5-1624 as 10 follows: 11 24-33.5-1624. Telecommunications security -12 telecommunications network - national security - general provisions 13 - registration - rules - secure telecommunications cash fund -14 definitions. (1) Definitions. As used in this section, unless the

-2- 151

1	CONTEXT OTHERWISE REQUIRES:
2	(a) (I) "CRITICAL TELECOMMUNICATIONS INFRASTRUCTURE"
3	MEANS ALL PHYSICAL TELECOMMUNICATIONS INFRASTRUCTURE AND
4	EQUIPMENT THAT SUPPORTS THE TRANSMISSION OF INFORMATION,
5	REGARDLESS OF THE TRANSMISSION MEDIUM OR TECHNOLOGY EMPLOYED,
6	AND THAT CONNECTS TO A TELECOMMUNICATIONS NETWORK THAT
7	PERMITS THE USER TO ENGAGE IN THE USE OF TELECOMMUNICATIONS
8	SERVICE, INCLUDING TELECOMMUNICATIONS SERVICE PROVIDED DIRECTLY
9	TO THE PUBLIC OR TO SUCH CLASSES OF USES AS TO BE EFFECTIVELY
10	AVAILABLE TO THE PUBLIC.
11	(II) "CRITICAL TELECOMMUNICATIONS INFRASTRUCTURE" DOES
12	NOT INCLUDE TELECOMMUNICATIONS EQUIPMENT THAT IS USED SOLELY
13	FOR THE OPERATION OF A UTILITY AND THAT IS NOT USED IN CONNECTION
14	WITH TELECOMMUNICATIONS SERVICE OFFERED TO THE PUBLIC.
15	(b) "FEDERALLY BANNED ENTITY" MEANS ANY ENTITY OR
16	EQUIPMENT THAT THE FEDERAL GOVERNMENT HAS BANNED OR IMPOSED
17	SANCTIONS AGAINST, INCLUDING BANNING OR SANCTIONS IMPOSED BY THE
18	FOLLOWING FEDERAL AGENCIES AND ACTS:
19	(I) THE FEDERAL COMMUNICATIONS COMMISSION, INCLUDING:
20	(A) ANY ENTITY, EQUIPMENT, OR SERVICE DEEMED TO POSE A
21	THREAT TO NATIONAL SECURITY IDENTIFIED ON THE COVERED LIST
22	DESCRIBED IN 47 CFR 1.50002; AND
23	(B) ANY ENTITY, EQUIPMENT, OR SERVICE IDENTIFIED ON THE
24	COVERED LIST PUBLISHED BY THE PUBLIC SAFETY AND HOMELAND
25	SECURITY BUREAU PURSUANT TO THE FEDERAL "SECURE AND TRUSTED
26	COMMUNICATIONS NETWORKS ACT OF 2019", 47 U.S.C. SEC. 1601 ET
27	SEQ., AS AMENDED;

-3-

1	(II) THE UNITED STATES DEPARTMENT OF COMMERCE;
2	(III) THE UNITED STATES CYBERSECURITY AND INFRASTRUCTURE
3	SECURITY AGENCY;
4	(IV) The federal acquisition security council, established
5	PURSUANT TO THE FEDERAL "SECURE TECHNOLOGY ACT", 41 U.S.C.
6	SEC. 1322, AS AMENDED; AND
7	(V) SECTION 889 OF THE FEDERAL "JOHN S. McCain National
8	DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2019", PUB.L. 115-232.
9	(c) (I) "TELECOMMUNICATIONS PROVIDER" MEANS AN ENTITY
10	THAT OFFERS WIRELESS TELECOMMUNICATIONS SERVICE FOR A FEE
11	DIRECTLY TO THE PUBLIC OR TO SUCH CLASSES OF USES AS TO BE
12	EFFECTIVELY AVAILABLE TO THE PUBLIC.
13	(II) "TELECOMMUNICATIONS PROVIDER" DOES NOT INCLUDE A
14	MUNICIPALITY OR A MUNICIPALLY OWNED UTILITY.
15	(2) General provisions. (a) ALL CRITICAL TELECOMMUNICATIONS
16	INFRASTRUCTURE LOCATED WITHIN COLORADO MUST BE CONSTRUCTED TO
17	NOT INCLUDE ANY EQUIPMENT MANUFACTURED BY A FEDERALLY BANNED
18	ENTITY OR ANY OTHER TELECOMMUNICATIONS EQUIPMENT THAT IS
19	BANNED BY THE FEDERAL GOVERNMENT.
20	(b) (I) FOR ALL CRITICAL TELECOMMUNICATIONS INFRASTRUCTURE
21	LOCATED WITHIN COLORADO THAT IS CURRENTLY IN OPERATION AND
22	THAT UTILIZES EQUIPMENT THAT IS PROHIBITED BY SUBSECTION (2)(a) OF
23	THIS SECTION, THE PROHIBITED EQUIPMENT MUST BE REMOVED AND
24	REPLACED WITH EQUIPMENT THAT IS NOT MANUFACTURED BY A
25	FEDERALLY BANNED ENTITY, IN ACCORDANCE WITH THE FEDERAL
26	"SECURE AND TRUSTED COMMUNICATIONS NETWORKS ACT OF 2019", 47
27	U.S.C. SEC. 1601 ET SEO., AS AMENDED.

-4- 151

1	(II) A TELECOMMUNICATIONS PROVIDER THAT REMOVES.
2	DISCONTINUES, OR REPLACES ANY TELECOMMUNICATIONS EQUIPMENT
3	MANUFACTURED BY A FEDERALLY BANNED ENTITY IS NOT REQUIRED TO
4	OBTAIN ADDITIONAL PERMITS FROM ANY STATE AGENCY OR POLITICAL
5	SUBDIVISION OF THE STATE FOR THE REMOVAL, DISCONTINUANCE, OR
6	REPLACEMENT OF THE TELECOMMUNICATIONS EQUIPMENT IF:
7	(A) THE TELECOMMUNICATIONS PROVIDER NOTIFIES THE DIVISION
8	OR RELEVANT POLITICAL SUBDIVISION OF THE STATE OF THE NECESSARY
9	REMOVAL, DISCONTINUANCE, OR REPLACEMENT OF THE
10	TELECOMMUNICATIONS EQUIPMENT; AND
11	(B) The replacement telecommunications equipment is
12	SUBSTANTIALLY SIMILAR TO THE EXISTING TELECOMMUNICATIONS
13	EQUIPMENT THAT IS BEING REPLACED.
14	(III) IF THE REMOVAL, DISCONTINUANCE, OR REPLACEMENT OF
15	TELECOMMUNICATIONS EQUIPMENT REQUIRES ANY WORK TO BE
16	COMPLETED IN A PUBLIC RIGHT-OF-WAY OR ON ANY PROPERTY OWNED OR
17	CONTROLLED BY A PUBLIC ENTITY, A TELECOMMUNICATIONS PROVIDER
18	SHALL:
19	(A) COMPLY WITH THE REQUIREMENTS OF SUBSECTION (2)(b)(II)
20	OF THIS SECTION;
21	(B) PROVIDE NOTICE TO THE RELEVANT PUBLIC ENTITY AT LEAST
22	SEVEN DAYS BEFORE BEGINNING ANY WORK; AND
23	(C) COORDINATE WITH THE RELEVANT PUBLIC ENTITY FOR
24	COMPLETION OF THE WORK.
25	(3) Registration - rules. (a) ON OR BEFORE JANUARY 15, 2025.
26	A TELECOMMUNICATIONS PROVIDER WITH CRITICAL
27	TELECOMMUNICATIONS INFRASTRUCTURE LOCATED IN COLORADO SHALL

-5-

1	REGISTER WITH THE DIVISION AND PAY AN INITIAL FIFTY-DOLLAR
2	REGISTRATION FEE. THE DIVISION SHALL TRANSMIT THE INITIAL
3	FIFTY-DOLLAR REGISTRATION FEE TO THE STATE TREASURER, WHO SHALL
4	CREDIT THE MONEY TO THE SECURE TELECOMMUNICATIONS CASH FUND
5	CREATED IN SUBSECTION (5) OF THIS SECTION.
6	(b) A TELECOMMUNICATIONS PROVIDER THAT REGISTERS WITH THE
7	DIVISION PURSUANT TO SUBSECTION (3)(a) OF THIS SECTION SHALL:
8	(I) PROVIDE THE DIVISION WITH THE NAME, ADDRESS, TELEPHONE
9	NUMBER, AND E-MAIL ADDRESS OF THE PRIMARY POINT OF CONTACT WHO
10	OVERSEES THE OPERATION OF TELECOMMUNICATIONS SERVICE IN
11	COLORADO BY THE TELECOMMUNICATIONS PROVIDER;
12	(II) PAY THE INITIAL REGISTRATION FEE PURSUANT TO SUBSECTION
13	(3)(a) OF THIS SECTION; AND
14	(III) CERTIFY TO THE DIVISION BY JANUARY 15 OF EACH YEAR
15	THAT ALL CRITICAL TELECOMMUNICATIONS INFRASTRUCTURE OPERATED
16	BY THE TELECOMMUNICATIONS PROVIDER IN COLORADO:
17	(A) Does not use any telecommunications equipment
18	MANUFACTURED BY A FEDERALLY BANNED ENTITY; OR
19	(B) USES TELECOMMUNICATIONS EQUIPMENT MANUFACTURED BY
20	A FEDERALLY BANNED ENTITY, BUT THE TELECOMMUNICATIONS PROVIDER
21	IS A PARTICIPANT IN THE FEDERAL SECURE AND TRUSTED
22	COMMUNICATIONS NETWORKS REIMBURSEMENT PROGRAM, ESTABLISHED
23	BY THE FEDERAL "SECURE AND TRUSTED COMMUNICATIONS NETWORKS
24	ACT OF 2019", 47 U.S.C. SEC. 1601 ET SEQ., AS AMENDED, AND IS IN
25	COMPLIANCE WITH THE REIMBURSEMENT PROGRAM.
26	(c) (I) A TELECOMMUNICATIONS PROVIDER MUST REGISTER WITH
27	THE DIVISION IN ACCORDANCE WITH SUBSECTIONS (3)(a) AND (3)(b) OF

-6- 151

1	THIS SECTION BY JANUARY 15 OF EACH YEAR UNTIL THE
2	TELECOMMUNICATIONS PROVIDER CERTIFIES TO THE DIVISION THAT ALL
3	TELECOMMUNICATIONS EQUIPMENT PROHIBITED PURSUANT TO
4	SUBSECTION (2)(a) OF THIS SECTION HAS BEEN REMOVED FROM ALL
5	CRITICAL TELECOMMUNICATIONS INFRASTRUCTURE LOCATED WITHIN
6	<u>Colorado.</u>
7	(II) A TELECOMMUNICATIONS PROVIDER THAT INITIALLY
8	CERTIFIES, PURSUANT TO SUBSECTION (3)(b)(III)(A) OF THIS SECTION,
9	THAT IT DOES NOT USE TELECOMMUNICATIONS EQUIPMENT
10	MANUFACTURED BY A FEDERALLY BANNED ENTITY IS NOT REQUIRED TO
11	FURTHER REGISTER OR SUBMIT STATUS REPORTS TO THE DIVISION IN
12	ACCORDANCE WITH SUBSECTION (3)(d) OF THIS SECTION.
13	(d) (I) If a telecommunications provider certifies to the
14	DIVISION THAT IT IS A PARTICIPANT IN THE FEDERAL SECURE AND TRUSTED
15	COMMUNICATIONS NETWORKS REIMBURSEMENT PROGRAM, PURSUANT TO
16	SUBSECTION (3)(b)(III)(B) OF THIS SECTION, AND THAT THE
17	TELECOMMUNICATIONS PROVIDER IS IN THE PROCESS OF REMOVING THE
18	TELECOMMUNICATIONS EQUIPMENT PROHIBITED PURSUANT TO
19	SUBSECTION (2)(a) OF THIS SECTION, THE TELECOMMUNICATIONS
20	PROVIDER SHALL PROVIDE TO THE DIVISION COPIES OF ANY STATUS
21	UPDATE REQUIRED BY THE FEDERAL GOVERNMENT AS PART OF THE
22	FEDERAL "SECURE AND TRUSTED COMMUNICATIONS NETWORKS ACT OF
23	2019", 47 U.S.C. SEC. 1601 ET SEQ., AS AMENDED.
24	(II) THE DIVISION SHALL NOT REQUIRE A TELECOMMUNICATIONS
25	PROVIDER TO PROVIDE MORE THAN TWO STATUS REPORTS IN A CALENDAR
26	YEAR AND SHALL NOT COLLECT ANY MORE INFORMATION FROM THE
27	TELECOMMUNICATIONS PROVIDER THAN WHAT THE

-7- 151

1	TELECOMMUNICATIONS PROVIDER IS REQUIRED TO PROVIDE TO THE
2	FEDERAL GOVERNMENT.
3	(III) THE DIVISION SHALL NOT REQUIRE A TELECOMMUNICATIONS
4	PROVIDER TO PAY MORE THAN THE INITIAL FIFTY-DOLLAR REGISTRATION
5	FEE, EVEN IF THE TELECOMMUNICATIONS PROVIDER MUST CONTINUE TO
6	CERTIFY TO THE DIVISION THAT THE TELECOMMUNICATIONS PROVIDER
7	USES TELECOMMUNICATIONS EQUIPMENT MANUFACTURED BY A
8	FEDERALLY BANNED ENTITY IN ACCORDANCE WITH SUBSECTION (3)(c)(I)
9	OF THIS SECTION AND PROVIDE STATUS UPDATES TO THE DIVISION IN
10	ACCORDANCE WITH THIS SUBSECTION (3)(d).
11	(4) Rules. The director of the division shall promulgate
12	AND ENFORCE ANY RULES NECESSARY TO IMPLEMENT THIS SECTION,
13	INCLUDING:
14	(a) Developing procedures for a telecommunications
15	PROVIDER TO NOTIFY ANY RELEVANT STATE AGENCIES OR POLITICAL
16	SUBDIVISIONS OF THE STATE WHEN THE TELECOMMUNICATIONS PROVIDER
17	IS PLANNING TO REMOVE, DISCONTINUE, OR REPLACE ANY
18	TELECOMMUNICATIONS EQUIPMENT FROM A FEDERALLY BANNED ENTITY;
19	<u>AND</u>
20	(b) Establishing registration procedures and fees in
21	ACCORDANCE WITH SUBSECTION (3) OF THIS SECTION.
22	(5) Secure telecommunications cash fund - created. (a) THE
23	SECURE TELECOMMUNICATIONS CASH FUND IS CREATED IN THE STATE
24	TREASURY. THE FUND CONSISTS OF THE REGISTRATION FEES COLLECTED
25	BY THE DIVISION AND CREDITED TO THE FUND PURSUANT TO SUBSECTION
26	(3)(a) OF THIS SECTION AND ANY OTHER MONEY THAT THE GENERAL
27	ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND.

-8-

1	(b) The state treasurer shall credit all interest and
2	INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
3	SECURE TELECOMMUNICATIONS CASH FUND TO THE FUND.
4	(c) Subject to annual appropriation by the general
5	ASSEMBLY, THE DIVISION MAY EXPEND MONEY FROM THE SECURE
6	TELECOMMUNICATIONS CASH FUND FOR THE PURPOSES SPECIFIED IN THIS
7	<u>SECTION.</u>
8	SECTION 3. In Colorado Revised Statutes, 24-33.5-1604, add
9	(6) as follows:
10	24-33.5-1604. Duties and powers of the division - rules.
11	(6) (a) THE DIVISION SHALL IMPLEMENT SECTION 24-33.5-1624 IN ORDER
12	TO ENSURE A SECURE TELECOMMUNICATIONS NETWORK IN COLORADO.
13	(b) The director of the division may promulgate rules
14	RELATED TO TELECOMMUNICATIONS SECURITY IN ACCORDANCE WITH
15	<u>SECTION 24-33.5-1624.</u>
16	SECTION 4. Safety clause. The general assembly finds,
17	determines, and declares that this act is necessary for the immediate
18	preservation of the public peace, health, or safety or for appropriations for
19	the support and maintenance of the departments of the state and state
20	<u>institutions.</u>

-9-