

## **Legislative Council Staff**

Nonpartisan Services for Colorado's Legislature

# **Revised Fiscal Note**

(replaces fiscal note dated April 19, 2024)

Drafting Number: Prime Sponsors:	LLS 24-0957 Sen. Lundeen; Roberts Rep. Lukens; Soper	Date: Bill Status: Fiscal Analyst:	April 30, 2024 House Business & Labor Matt Bishop   303-866-4796 matt.bishop@coleg.gov
Bill Topic:	TELECOMMUNICATIO	NS SECURITY	
Summary of Fiscal Impact:	<ul><li>✓ State Revenue</li><li>✓ State Expenditure</li></ul>	☐ State Transfer☐ TABOR Refund	☐ Local Government☐ Statutory Public Entity
	The bill prohibits telecommunications providers from using certain equipment in critical infrastructure. It minimally increases state revenue and expenditures on an ongoing basis beginning in FY 2024-25.		
Appropriation Summary:	No appropriation is requir	red.	
Fiscal Note Status:	The revised fiscal note ref	ects the reengrossed I	pill.

## **Summary of Legislation**

The bill prohibits critical telecommunications infrastructure from including equipment or components manufactured by an entity subject to federal sanctions or otherwise banned by the federal government.

Wireless telecommunications providers must replace any prohibited equipment, and are not required to seek additional permits for complying if the provider notifies the Department of Public Safety (CDPS) and if the replacement equipment is substantially similar to the equipment it replaces.

Each year beginning in 2025, telecommunications providers must register with CDPS, which includes paying a registration fee, informing the department with contact information for the provider's operations staff, unless or until they certify that their equipment meets the bill's requirements or certain exemptions. CDPS may adopt rules to implement the registration program.

#### **State Revenue**

The bill increases revenue from registration fees paid by wireless telecommunications providers. The fee is set at \$50. As the number of providers who will be subject to the fee is expected to be low, any increase in revenue will be minimal. Fee revenue is subject to TABOR.

## **State Expenditures**

The bill increases workload in CDPS, primarily in FY 2024-25, to conduct rulemaking, process registration applications, and to provide technical assistance to telecommunications providers on the bill's requirements. This can be accomplished with the course of ordinary business and no change in appropriations is required.

#### **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

#### **State and Local Government Contacts**

Counties	Information Technology	Law
Public Safety	Regulatory Agencies	

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the <u>General Assembly website</u>.