

First Regular Session  
Seventy-fifth General Assembly  
STATE OF COLORADO

DRAFT  
9/12/24

**BILL 2**

LLS NO. 25-0248.01 Jennifer Berman x3286

**INTERIM COMMITTEE BILL**

**Cell Phone Connectivity Interim Study Committee**

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**BILL TOPIC:** Wireless Tel Infrastructure Deployment Incentives

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**A BILL FOR AN ACT**

101 **CONCERNING MEASURES TO INCENTIVIZE THE DEPLOYMENT OF**  
102 **WIRELESS TELEPHONE INFRASTRUCTURE IN THE STATE.**

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**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/>.)*

**Cell Phone Connectivity Interim Study Committee.** The bill requires the Colorado broadband office in the governor's office (broadband office) to implement a wireless telephone infrastructure grant program (grant program) similar to the broadband deployment grant program in the broadband office. The broadband office may allocate high cost support mechanism (HCSM) money for the grant program to help

*Capital letters or bold & italic numbers indicate new material to be added to existing law.  
Dashes through the words indicate deletions from existing law.*

finance the deployment of wireless telephone infrastructure in unserved and underserved areas of the state. The bill earmarks 50% of the money in the HCSM for the grant program, with the other 50% being used by the broadband office for the existing broadband deployment grant program, as required by House Bill 24-1336.

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

2           **SECTION 1.** In Colorado Revised Statutes, 24-37.5-903, **amend**  
3 (5) as follows:

4           **24-37.5-903. Colorado broadband office - creation -**  
5 **responsibilities - gifts, grants, or donations.** (5) In addition to the  
6 powers and functions set forth in subsections (3) and (4) of this section,  
7 the broadband office shall implement the digital inclusion grant program,  
8 THE BROADBAND DEPLOYMENT GRANT PROGRAM, AND THE WIRELESS  
9 TELEPHONE INFRASTRUCTURE GRANT PROGRAM.

10           **SECTION 2.** In Colorado Revised Statutes, 24-37.5-905, **amend**  
11 (2)(b)(I) and (3)(a) as follows:

12           **24-37.5-905. Broadband deployment - grant program - high**  
13 **cost support mechanism money - broadband office administrative**  
14 **fund - creation - criteria - rules - reports - definitions - repeal.**

15 (2) (b) (I) The broadband office may allocate money from the HCSM for  
16 the deployment of broadband in unserved and underserved areas of the  
17 state pursuant to this section and section 40-15-208 through the use of the  
18 HCSM surcharge and surcharge rate in effect on January 1, 2018. In  
19 determining the definition of unserved and underserved areas, ~~the~~  
20 ~~standards used by the broadband office must be~~ SHALL USE STANDARDS  
21 consistent with broadband benchmark standards and any revisions to the  
22 standards, as determined by the federal communications commission and  
23 the national telecommunications and information administration in the

1 United States department of commerce. Pursuant to sections 40-15-207  
2 and 40-15-208, the commission shall determine the funds available for  
3 broadband deployment from the HCSM money. The HCSM third-party  
4 contractor shall maintain and hold the money available for broadband  
5 deployment in a separate account from the money used for ~~basic voice~~  
6 ~~service~~ WIRELESS TELEPHONE INFRASTRUCTURE DEPLOYMENT PURSUANT  
7 TO SECTION 24-37.5-906. Money held for broadband deployment must not  
8 be disbursed for ~~basic voice service~~ WIRELESS TELEPHONE  
9 INFRASTRUCTURE DEPLOYMENT, and money held for ~~basic voice service~~  
10 WIRELESS TELEPHONE INFRASTRUCTURE DEPLOYMENT must not be  
11 disbursed for broadband deployment.

12 (3) (a) Up to five percent of the money allocated from the HCSM  
13 for broadband deployment may be used to cover the broadband office's  
14 direct and indirect costs to administer the grant program, including to  
15 cover staffing costs for the grant program. Money that is allocated for  
16 such purposes is credited to the broadband office administrative fund,  
17 which fund is created in the state treasury. The fund consists of all money  
18 allocated from the HCSM for the broadband office's administration of the  
19 grant program AND OF THE WIRELESS TELEPHONE INFRASTRUCTURE GRANT  
20 PROGRAM CREATED IN SECTION 24-37.5-906 (2) and all money that the  
21 general assembly may appropriate or transfer to the fund. The money in  
22 the fund is continuously appropriated for the purposes set forth in this  
23 section AND SECTION 24-37.5-906. All interest earned from the investment  
24 of money in the fund is credited to the fund. All money not expended at  
25 the end of a state fiscal year remains in the fund and does not revert to the  
26 general fund or any other fund.

27 **SECTION 3.** In Colorado Revised Statutes, **add** 24-37.5-906 as

1 follows:

2 **24-37.5-906. Wireless telephone infrastructure deployment -**  
3 **grant program - high cost support mechanism money - broadband**  
4 **office administrative fund - creation - criteria - reports - definitions.**

5 (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
6 REQUIRES:

7 (a) "COMMISSION" MEANS THE PUBLIC UTILITIES COMMISSION  
8 CREATED IN SECTION 40-2-101.

9 (b) "GRANT PROGRAM" MEANS THE WIRELESS TELEPHONE  
10 INFRASTRUCTURE GRANT PROGRAM CREATED IN SUBSECTION (2) OF THIS  
11 SECTION.

12 (c) "HCSM" MEANS THE HIGH COST SUPPORT MECHANISM  
13 CREATED PURSUANT TO SECTION 40-15-208.

14 (d) "WIRELESS TELEPHONE" HAS THE MEANING SET FORTH IN  
15 SECTION 6-1-903 (11).

16 (2) (a) THE BROADBAND OFFICE SHALL ADMINISTER A WIRELESS  
17 TELEPHONE INFRASTRUCTURE DEPLOYMENT GRANT PROGRAM IN  
18 ACCORDANCE WITH THIS SECTION. THE BROADBAND OFFICE SHALL DIRECT  
19 THE COMMISSION TO AUTHORIZE A THIRD-PARTY CONTRACTOR OF THE  
20 HCSM TO DISBURSE MONEY FROM THE HCSM FOR WIRELESS TELEPHONE  
21 INFRASTRUCTURE DEPLOYMENT GRANTS APPROVED BY THE BROADBAND  
22 OFFICE. THE COMMISSION SHALL AUTHORIZE DISBURSEMENTS OF MONEY  
23 FROM THE HCSM FOR WIRELESS TELEPHONE INFRASTRUCTURE  
24 DEPLOYMENT GRANTS ONLY AS DIRECTED BY THE BROADBAND OFFICE.

25 (b) (I) THE BROADBAND OFFICE MAY ALLOCATE MONEY FROM THE  
26 HCSM FOR THE DEPLOYMENT OF WIRELESS TELEPHONE INFRASTRUCTURE  
27 IN UNSERVED AND UNDERSERVED AREAS OF THE STATE.

1           (II) THE BROADBAND OFFICE SHALL DETERMINE AND MAP THE  
2 AREAS OF THE STATE THAT QUALIFY AS UNSERVED AND UNDERSERVED FOR  
3 WIRELESS TELEPHONE INFRASTRUCTURE DEPLOYMENT. IN DETERMINING  
4 THE AREAS THAT QUALIFY, THE BROADBAND OFFICE SHALL USE  
5 STANDARDS CONSISTENT WITH ANY STANDARDS DEVELOPED BY THE  
6 FEDERAL COMMUNICATIONS COMMISSION AND THE NATIONAL  
7 TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION IN THE  
8 UNITED STATES DEPARTMENT OF COMMERCE. THE BROADBAND OFFICE  
9 SHALL POST A MAP OF THE UNSERVED AND UNDERSERVED AREAS OF THE  
10 STATE ON ITS PUBLIC WEBSITE AND PERIODICALLY UPDATE THE MAP AS  
11 NECESSARY.

12           (III) PURSUANT TO SECTION 40-15-208, THE COMMISSION SHALL  
13 DETERMINE THE FUNDS AVAILABLE FOR WIRELESS TELEPHONE  
14 INFRASTRUCTURE DEPLOYMENT FROM THE HCSM MONEY. THE HCSM  
15 THIRD-PARTY CONTRACTOR SHALL MAINTAIN AND HOLD THE MONEY  
16 AVAILABLE FOR WIRELESS TELEPHONE INFRASTRUCTURE DEPLOYMENT IN  
17 A SEPARATE ACCOUNT FROM THE MONEY USED FOR BROADBAND  
18 DEPLOYMENT. MONEY HELD FOR WIRELESS TELEPHONE INFRASTRUCTURE  
19 DEPLOYMENT MUST NOT BE DISBURSED FOR BROADBAND DEPLOYMENT,  
20 AND MONEY HELD FOR BROADBAND DEPLOYMENT MUST NOT BE  
21 DISBURSED FOR WIRELESS TELEPHONE INFRASTRUCTURE DEPLOYMENT.

22           (3) UP TO FIVE PERCENT OF THE MONEY ALLOCATED FROM THE  
23 HCSM FOR WIRELESS TELEPHONE INFRASTRUCTURE DEPLOYMENT MAY BE  
24 USED TO COVER THE BROADBAND OFFICE'S DIRECT AND INDIRECT COSTS TO  
25 ADMINISTER THE GRANT PROGRAM, INCLUDING TO COVER STAFFING COSTS  
26 FOR THE GRANT PROGRAM. MONEY THAT IS ALLOCATED FOR SUCH  
27 PURPOSES IS CREDITED TO THE BROADBAND OFFICE ADMINISTRATIVE FUND

1 CREATED IN SECTION 24-37.5-905 (3)(a).

2 (4) ON OR BEFORE DECEMBER 31, 2025, THE BROADBAND OFFICE  
3 SHALL ESTABLISH GRANT PROGRAM CRITERIA FOR DEPLOYMENT PROJECTS  
4 FOR WHICH GRANT MONEY IS AWARDED, INCLUDING CRITERIA RELATED TO:

5 (a) QUALIFYING INFRASTRUCTURE;

6 (b) CYBERSECURITY REQUIREMENTS, IF ANY;

7 (c) MATCHING FUNDING REQUIREMENTS, IF ANY;

8 (d) GENERALLY ACCEPTED INDUSTRY RELIABILITY AND  
9 PERFORMANCE STANDARDS;

10 (e) TIMELINES FOR COMPLETION OF A PROJECT;

11 (f) REASONABLE COST REQUIREMENTS FOR A PROJECT;

12 (g) COMPLIANCE STANDARDS; AND

13 (h) REPORTING AND ACCOUNTABILITY REQUIREMENTS.

14 (5) IN ESTABLISHING THE GRANT PROGRAM, THE BROADBAND  
15 OFFICE SHALL:

16 (a) SOLICIT INPUT FROM THE GENERAL PUBLIC AND VARIOUS  
17 STAKEHOLDER GROUPS, INCLUDING AT LEAST THE FOLLOWING  
18 STAKEHOLDER GROUPS:

19 (I) INDUSTRY ASSOCIATIONS;

20 (II) LOCAL GOVERNMENTS;

21 (III) TRIBAL GOVERNMENTS;

22 (IV) OTHER STATE AGENCIES;

23 (V) RELEVANT FEDERAL AGENCIES;

24 (VI) WIRELESS TELEPHONE CONSUMERS; AND

25 (VII) OTHER KEY STAKEHOLDER GROUPS THAT THE BROADBAND  
26 OFFICE IDENTIFIES; AND

27 (b) ESTABLISH A FORMAL APPEALS PROCESS FOR GRANT

1 APPLICATIONS THAT ARE NOT AWARDED. THE SOLE REMEDY FOR AN  
2 APPLICANT THAT PREVAILS ON APPEAL IS THE FINANCING OF THE  
3 APPLICANT'S PROPOSED PROJECT IN THE CURRENT OR NEXT FISCAL YEAR,  
4 SUBJECT TO THE AVAILABILITY OF MONEY IN THE HCSM.

5 (6) THE BROADBAND OFFICE MAY CONTRACT WITH A THIRD PARTY  
6 TO PERFORM ADMINISTRATIVE FUNCTIONS RELATED TO ADMINISTERING  
7 THE GRANT PROGRAM.

8 (7) (a) ON OR BEFORE JANUARY 1, 2025, AND ON OR BEFORE  
9 JANUARY 1 OF EACH YEAR THEREAFTER, THE BROADBAND OFFICE SHALL  
10 SUBMIT AN ANNUAL REPORT TO THE JOINT BUDGET COMMITTEE AND THE  
11 JOINT TECHNOLOGY COMMITTEE, OR THEIR SUCCESSOR COMMITTEES,  
12 SUMMARIZING FOR THE PREVIOUS CALENDAR YEAR:

13 (I) THE BROADBAND OFFICE'S GRANT PROGRAM PLANNING AND  
14 IMPLEMENTATION ACTIVITIES; AND

15 (II) HCSM EXPENDITURES MADE FOR WIRELESS TELEPHONE  
16 INFRASTRUCTURE DEPLOYMENT.

17 (b) NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), THE  
18 REPORTING REQUIREMENT SET FORTH IN SUBSECTION (7)(a) OF THIS  
19 SECTION CONTINUES INDEFINITELY.

20 **SECTION 4.** In Colorado Revised Statutes, 40-15-102, **amend**  
21 (9.5) and (32) as follows:

22 **40-15-102. Definitions.** As used in this article 15, unless the  
23 context otherwise requires:

24 (9.5) "Incumbent provider" means:

25 (a) WITH RESPECT TO BROADBAND, a provider that offers  
26 broadband internet service in an unserved area but that is not providing  
27 a broadband network in that area; OR

1 (b) WITH RESPECT TO WIRELESS TELEPHONE SERVICE, A PROVIDER  
2 THAT OFFERS WIRELESS TELEPHONE SERVICE IN AN UNSERVED AREA BUT  
3 THAT DOES NOT OPERATE CELL PHONE TOWERS AND OTHER WIRELESS  
4 TELEPHONE INFRASTRUCTURE IN THAT AREA.

5 (32) (a) "Unserved area", WITH RESPECT TO BROADBAND, means  
6 an area of the state that:

7 (I) Lies outside of municipal boundaries or is a city with a  
8 population of fewer than seven thousand five hundred inhabitants; and

9 (II) Consists of households that lack access to at least one  
10 provider of a broadband network that uses satellite technology and at least  
11 one provider of a broadband network that uses nonsatellite technology.

12 (b) "Unserved area", WITH RESPECT TO BROADBAND, also means  
13 any portion of a state or interstate highway corridor that lacks access to  
14 a provider of a broadband network.

15 (c) "UNSERVED AREA", WITH RESPECT TO WIRELESS TELEPHONE  
16 SERVICE, MEANS AN AREA OF THE STATE THAT LACKS CELL PHONE TOWERS  
17 AND OTHER WIRELESS TELEPHONE INFRASTRUCTURE SUFFICIENT TO  
18 PROVIDE SERVICE.

19 **SECTION 5.** In Colorado Revised Statutes, 40-15-208, **amend**  
20 (2)(a)(I), (2)(a)(IV)(E), (2)(a)(V), and (3)(a); **repeal** (2)(a)(III) and (3)(c);  
21 and **add** (2)(a)(IV.5) as follows:

22 **40-15-208. High cost support mechanism - Colorado high cost**  
23 **administration fund - creation - purpose - operation - rules - report.**

24 (2) (a) (I) The commission is hereby authorized to establish a mechanism  
25 for the support of universal service, also referred to in this section as the  
26 "high cost support mechanism", which must operate in accordance with  
27 rules adopted by the commission. The primary purpose of the high cost



1 support mechanism is to provide financial assistance as a support  
2 mechanism to:

3 (A) Help make basic local exchange service affordable and allow  
4 for reimbursement to providers, as specified in subsections (2)(a)(IV) and  
5 (4) of this section; and

6 (B) Provide access to broadband service in unserved and  
7 underserved areas pursuant to this section and section 24-37.5-905; ~~only;~~  
8 AND

9 (C) PROVIDE ACCESS TO WIRELESS TELEPHONE SERVICE IN  
10 UNSERVED AND UNDERSERVED AREAS OF THE STATE PURSUANT TO THIS  
11 SECTION AND SECTION 24-37.5-906.

12 (III) ~~The commission shall maintain the rate of the high cost~~  
13 ~~support mechanism surcharge at the surcharge rate established as of~~  
14 ~~January 1, 2018; except that, on and after July 1, 2023, the commission~~  
15 ~~may reduce the surcharge rate to ensure that the amount of money~~  
16 ~~collected does not exceed twenty-five million dollars in calendar year~~  
17 ~~2024.~~

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

24 (E) For each quarter in 2023 AND 2024 and for ~~each quarter in~~  
25 ~~each subsequent year~~ THE FIRST, SECOND, AND THIRD QUARTERS IN 2025,  
26 one hundred percent.

27 (IV.5) COMMENCING IN THE LAST QUARTER OF 2025, AND THEN ON

1 A QUARTERLY BASIS AND BY THE END OF THE MONTH FOLLOWING THE  
2 PREVIOUS QUARTER, THE COMMISSION SHALL ALLOCATE:

3 (A) TO THE HIGH COST SUPPORT MECHANISM ACCOUNT DEDICATED  
4 TO BROADBAND DEPLOYMENT, FIFTY PERCENT OF THE HIGH COST SUPPORT  
5 MECHANISM MONEY COLLECTED, MINUS ADMINISTRATIVE COSTS AND  
6 DISTRIBUTIONS REQUIRED UNDER SUBSECTION (4) OF THIS SECTION; AND

7 (B) TO THE HIGH COST SUPPORT MECHANISM ACCOUNT DEDICATED  
8 TO WIRELESS TELEPHONE SERVICE DEPLOYMENT, FIFTY PERCENT OF THE  
9 HIGH COST SUPPORT MECHANISM MONEY COLLECTED, MINUS  
10 ADMINISTRATIVE COSTS AND DISTRIBUTIONS REQUIRED UNDER  
11 SUBSECTION (4) OF THIS SECTION.

12 (V) The nonrural incumbent local exchange carrier will receive,  
13 on a quarterly basis and by the end of the month following the previous  
14 quarter, the balance of the remaining quarterly high cost support  
15 mechanism collections after the distributions required by subsections  
16 (2)(a)(IV), **(2)(a)(IV.5)**, and (4) of this section have been made.

17 (3) (a) There is ~~hereby~~ created in the state treasury the Colorado  
18 high cost administration fund, referred to in this section as the "fund",  
19 which shall be used to reimburse the commission and its contractors for  
20 reasonable expenses incurred in the administration of the high cost  
21 support mechanism, including administrative costs incurred in association  
22 with broadband service AND WIRELESS TELECOMMUNICATIONS SERVICE,  
23 as determined by rules of the commission. The general assembly shall  
24 appropriate annually the money in the fund that is to be used for the direct  
25 and indirect administrative costs incurred by the commission and its  
26 contractors. At the end of any fiscal year, all unexpended and  
27 unencumbered money in the fund remains in the fund and shall not be

1 credited or transferred to the general fund or any other fund. Only the  
2 money in the high cost support mechanism that is necessary for  
3 administering the high cost support mechanism shall be transmitted to the  
4 state treasurer, who shall credit the same to the fund. All interest derived  
5 from the deposit and investment of money in the fund remains in the fund  
6 and does not revert to the general fund.

7 (c) ~~Notwithstanding any provision of paragraph (a) of this~~  
8 ~~subsection (3) to the contrary, on July 31, 2009, the state treasurer shall~~  
9 ~~deduct from the fund an amount equal to the amount transferred to the~~  
10 ~~fund pursuant to Senate Bill 09-272, enacted in 2009, and transfer such~~  
11 ~~amount to the general fund.~~

12 **SECTION 6. Act subject to petition - effective date -**  
13 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following  
14 the expiration of the ninety-day period after final adjournment of the  
15 general assembly; except that, if a referendum petition is filed pursuant  
16 to section 1 (3) of article V of the state constitution against this act or an  
17 item, section, or part of this act within such period, then the act, item,  
18 section, or part will not take effect unless approved by the people at the  
19 general election to be held in November 2026 and, in such case, will take  
20 effect on the date of the official declaration of the vote thereon by the  
21 governor.

22 (2) This act applies to high cost support mechanism distributions  
23 made on or after the applicable effective date of this act.