



# Legislative Council Staff

## Research Note

Version: Final

Date: 4/21/2017

### Bill Number

House Bill 17-1174

### Sponsors

*Representative Wilson*  
*Senator Crowder*

### Short Title

*Exempt Rural Telecom Local  
Improvement District  
Requirements*

### Research Analyst

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### Status

This research note reflects the final version of the bill, which becomes effective on August 9, 2017, assuming no referendum petition is filed.

### Background

Current law requires a county seeking to establish a local improvement district for the purpose of financing a telecommunications service improvement to enter into an agreement with a telecommunications service provider to provide services, facilities, plants, or systems in the area in which the telecommunication service improvement will be constructed. Additionally, the new telecommunications service must be owned, operated, and maintained by the telecommunications service provider, rather than the county.

Local improvement districts may be formed by a county for the purpose of constructing, installing, acquiring, or funding any public improvement. Improvements may be funded by assessing the cost upon the property especially benefitted by such improvements, but imposing a sales tax throughout the district, or by utilizing a combination of such assessments and tax.

**Unserviced area definition.** An unserved area is defined as an area of the state that lies outside of municipal boundaries or is a city with a population of fewer than 5,000, and consists of one or more contiguous blocks in which a majority of the households lack access to at least one provider of a broadband network that uses satellite technology and at least one provider of a broadband network that uses nonsatellite technology. It also means any portion of a state or interstate highway corridor that lacks access to a provider of a broadband network.

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## House Action

**House Business Affairs and Labor Committee (March 2, 2017 and March 9, 2017).** At the hearing on March 2, representatives from Park County and Colorado Counties, Inc., testified in support of the bill. At the hearing on March 9, the committee adopted amendment L.004, and referred the bill, as amended, to the House Committee of the Whole.

Amendment L.004 allows rural counties, defined as counties with a population of fewer than 50,000 inhabitants, to establish a local improvement district in unserved areas to contract with a telecommunications service provider or an advanced (broadband) service provider to fund the construction of an advanced service improvement.

**House second reading (March 14, 2017).** The House adopted the Business Affairs and Labor Committee report and passed the bill, with no additional amendments, on second reading.

**House third reading (March 15, 2017).** The House passed the bill, unamended, on third reading.

## Senate Action

**Senate Local Government Committee (March 23, 2017).** At the hearing, representatives from Colorado Counties, Inc., Comcast, and the Associated Governments of Northwest Colorado testified in support of the bill. The committee adopted amendment L.005, and referred the bill, as amended, to the Senate Committee of the Whole. Amendment L.005 redefines a rural county as a county that has a population of fewer than 60,000 inhabitants.

**Senate second reading (March 28, 2017).** The Senate adopted the Local Government Committee report, and passed the bill on second reading, as amended.

**Senate third reading (March 29, 2017).** The Senate passed the bill on third reading with no amendments.