

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Finance.

HB25-1080 be amended as follows:

- 1 Amend the Business Affairs and Labor Committee Report, dated
- 2 February 19, 2025, page 1, line 11, strike "RURAL AND UNSERVED" and
- 3 substitute "RURAL, UNSERVED, AND UNDERSERVED".
- 4 Page 1, line 18, strike "UNSERVED." and substitute "UNSERVED OR
- 5 UNDERSERVED."
- 6 Page 1, line 24, after "UNSERVED" insert "AND UNDERSERVED".
- 7 Page 2, line 11, strike "PROPERTY".
- 8 Page 2, lines 13 and 14, strike "WIRELESS TELECOMMUNICATIONS SERVICE
- 9 AND".
- 10 Page 2, line 24, strike "PROPERTY".
- 11 Page 2, line 25, strike "FACILITY".
- 12 Page 2, strike line 26 and substitute "PROVIDE FIXED OR MOBILE WIRELESS
- 13 BROADBAND INTERNET ACCESS SERVICE, INCLUDING, BUT NOT".
- 14 Page 2, after line 27 insert:
- 15 "(c) "UNDERSERVED AREA" MEANS A GEOGRAPHIC AREA IN WHICH
- 16 BROADBAND INTERNET ACCESS SERVICE IS NOT AVAILABLE FROM MORE
- 17 THAN ONE PROVIDER AT SPEEDS MEETING OR EXCEEDING THE MINIMUM
- 18 BROADBAND BENCHMARKS ESTABLISHED BY THE FEDERAL
- 19 COMMUNICATIONS COMMISSION FOR FIXED BROADBAND OR MOBILE
- 20 BROADBAND. A COUNTY SHALL DETERMINE WHETHER AN AREA IS
- 21 UNDERSERVED BY REFERENCE TO THE FEDERAL COMMUNICATIONS
- 22 COMMISSION BROADBAND COVERAGE MAPS AVAILABLE AS OF JANUARY 1
- 23 IN THE CALENDAR YEAR IN WHICH THE COUNTY AND THE TAXPAYER
- 24 NEGOTIATE AN INCENTIVE PAYMENT OR CREDIT."
- 25 Page 2, line 28, strike "(c)" and substitute "(d)".
- 26 Page 2, strike lines 33 through 37 and substitute "SHALL DETERMINE
- 27 WHETHER AN AREA IS UNSERVED BY REFERENCE TO THE FEDERAL
- 28 COMMUNICATIONS COMMISSION BROADBAND COVERAGE MAPS AVAILABLE
- 29 AS OF JANUARY 1 IN THE CALENDAR YEAR IN WHICH THE COUNTY AND THE
- 30 TAXPAYER NEGOTIATE AN INCENTIVE PAYMENT OR CREDIT."

- 1 Page 2, strike lines 41 and 42 and substitute "SERVICES FACILITY IN THE  
2 COUNTY IF THE FACILITY SERVES AN UNSERVED OR UNDERSERVED AREA."
- 3 Page 3, strike lines 2 through 5 and substitute "BE SERVED BY THE  
4 PROPOSED INVESTMENT IS AN UNSERVED OR UNDERSERVED AREA. THE  
5 TAXPAYER SHALL RELY ON THE FEDERAL COMMUNICATIONS COMMISSION  
6 BROADBAND COVERAGE MAPS AVAILABLE AS OF JANUARY 1 IN THE  
7 CALENDAR YEAR IN WHICH THE COUNTY AND THE TAXPAYER NEGOTIATE  
8 AN INCENTIVE PAYMENT OR CREDIT TO MAKE THE DETERMINATION."
- 9 Page 3, line 10, strike the first "PROPERTY".
- 10 Page 3, strike lines 12 and 13 and substitute "THIS SECTION IN A  
11 NONDISCRIMINATORY, NONEXCLUSIVE, AND COMPETITIVELY NEUTRAL  
12 MANNER. TO THE EXTENT THAT A COUNTY AWARDS AN INCENTIVE  
13 PAYMENT OR CREDIT UNDER THIS SECTION, THE COUNTY SHALL AWARD  
14 SUBSEQUENT INCENTIVE PAYMENTS OR CREDITS UNDER SIMILAR TERMS  
15 AND CONDITIONS AS THE INITIAL AWARD AND BASED ON A PROPORTIONATE  
16 LEVEL OF INVESTMENT IN A QUALIFIED COMMUNICATION SERVICES  
17 FACILITY IN THE COUNTY."
- 18 Page 3, line 17, strike "PROPERTY".
- 19 Page 3, line 32, strike "RURAL AND UNSERVED" and substitute "RURAL,  
20 UNSERVED, AND UNDERSERVED".
- 21 Page 3, line 39, strike "UNSERVED." and substitute "UNSERVED OR  
22 UNDERSERVED."
- 23 Page 4, line 15, strike "PROPERTY".
- 24 Page 4, after line 16 insert:
- 25 "(b) "UNDERSERVED" HAS THE MEANING SET FORTH IN SECTION  
26 39-3-139 (2)(c) AND APPLIES TO A SPECIAL DISTRICT'S DETERMINATION OF  
27 WHETHER AN AREA IS UNDERSERVED IN THE SAME MANNER DESCRIBED  
28 FOR A COUNTY'S DETERMINATION IN SECTION 39-3-139 (2)(c)."
- 29 Page 4, line 17, strike "(b)" and substitute "(c)".
- 30 Page 4, strike lines 18 through 20 and substitute "39-3-139 (2)(d) AND  
31 APPLIES TO A SPECIAL DISTRICT'S DETERMINATION OF WHETHER AN AREA

- 1 IS UNSERVED IN THE SAME MANNER DESCRIBED FOR A COUNTY'S  
2 DETERMINATION IN SECTION 39-3-139 (2)(d).".
- 3 Page 4, strike lines 24 and 25 and substitute "SERVICES FACILITY IN THE  
4 SPECIAL DISTRICT IF THE FACILITY SERVES AN UNSERVED OR  
5 UNDERSERVED AREA.".
- 6 Page 4, strike lines 28 through 31 and substitute "AREA TO BE SERVED BY  
7 THE PROPOSED INVESTMENT IS AN UNSERVED OR UNDERSERVED AREA. THE  
8 TAXPAYER SHALL RELY ON THE FEDERAL COMMUNICATIONS COMMISSION  
9 BROADBAND COVERAGE MAPS AVAILABLE AS OF JANUARY 1 IN THE  
10 CALENDAR YEAR IN WHICH THE SPECIAL DISTRICT AND THE TAXPAYER  
11 NEGOTIATE AN INCENTIVE PAYMENT OR CREDIT TO MAKE THE  
12 DETERMINATION.".
- 13 Page 4, line 36, strike "PROPERTY".
- 14 Page 4, strike lines 39 and 40 and substitute "UNDER THIS SECTION IN A  
15 NONDISCRIMINATORY, NONEXCLUSIVE, AND COMPETITIVELY NEUTRAL  
16 MANNER. TO THE EXTENT THAT A SPECIAL DISTRICT AWARDS AN  
17 INCENTIVE PAYMENT OR CREDIT UNDER THIS SECTION, THE SPECIAL  
18 DISTRICT SHALL AWARD SUBSEQUENT INCENTIVE PAYMENTS OR CREDITS  
19 UNDER SIMILAR TERMS AND CONDITIONS AS THE INITIAL AWARD AND  
20 BASED ON A PROPORTIONATE LEVEL OF INVESTMENT IN A QUALIFIED  
21 COMMUNICATION SERVICES FACILITY IN THE SPECIAL DISTRICT.".
- 22 Page 4, line 43, strike "PROPERTY".
- 23 Page 5, line 15, strike "RURAL AND UNSERVED" and substitute "RURAL,  
24 UNSERVED, AND UNDERSERVED".
- 25 Page 5, line 22, strike "UNSERVED." and substitute "UNSERVED OR  
26 UNDERSERVED.".
- 27 Page 5, line 28, after "UNSERVED" insert "AND UNDERSERVED".
- 28 Page 5, line 41, strike "PROPERTY".
- 29 Page 5, after line 42 insert:
- 30 "(b) "UNDERSERVED" HAS THE MEANING SET FORTH IN SECTION  
31 39-3-139 (2)(c) AND APPLIES TO A SCHOOL DISTRICT'S DETERMINATION OF  
32 WHETHER AN AREA IS UNDERSERVED IN THE SAME MANNER DESCRIBED

- 1 FOR A COUNTY'S DETERMINATION IN SECTION 39-3-139 (2)(c)."
- 2 Page 5, line 43, strike "(b)" and substitute "(c)".
- 3 Page 6, strike lines 1 through 3 and substitute "39-3-139 (2)(d) AND  
4 APPLIES TO A SCHOOL DISTRICT'S DETERMINATION OF WHETHER AN AREA  
5 IS UNSERVED IN THE SAME MANNER DESCRIBED FOR A COUNTY'S  
6 DETERMINATION IN SECTION 39-3-139 (2)(d).".
- 7 Page 6, line 7, strike "PROPERTY".
- 8 Page 6, line 8, after "UNSERVED" insert "OR UNDERSERVED".
- 9 Page 6, strike lines 12 through 14 and substitute "INVESTMENT IS AN  
10 UNSERVED OR UNDERSERVED AREA. THE TAXPAYER SHALL RELY ON THE  
11 FEDERAL COMMUNICATIONS COMMISSION BROADBAND COVERAGE MAPS  
12 AVAILABLE AS OF JANUARY 1 IN THE CALENDAR YEAR IN WHICH THE  
13 SCHOOL DISTRICT AND THE TAXPAYER NEGOTIATE AN INCENTIVE PAYMENT  
14 OR CREDIT TO MAKE THE DETERMINATION.".
- 15 Page 6, line 19, strike "PROPERTY".
- 16 Page 6, strike line 23 and substitute "NONDISCRIMINATORY,  
17 NONEXCLUSIVE, AND COMPETITIVELY NEUTRAL MANNER. TO THE EXTENT  
18 THAT A SCHOOL DISTRICT AWARDS AN INCENTIVE PAYMENT OR CREDIT  
19 UNDER THIS SECTION, THE SCHOOL DISTRICT SHALL AWARD SUBSEQUENT  
20 INCENTIVE PAYMENTS OR CREDITS UNDER SIMILAR TERMS AND  
21 CONDITIONS AS THE INITIAL AWARD AND BASED ON A PROPORTIONATE  
22 LEVEL OF INVESTMENT IN A QUALIFIED COMMUNICATION SERVICES  
23 FACILITY IN THE SCHOOL DISTRICT.".
- 24 Page 6, line 27, strike "PROPERTY".
- 25 Page 6, strike lines 29 through 43.
- 26 Page 7, strike lines 1 through 30 and substitute:
- 27 **"SECTION 4.** In Colorado Revised Statutes, 39-26-129, **amend**  
28 **(1) as follows:**
- 29 **39-26-129. Refund for property used in rural broadband**  
30 **service - legislative declaration - tax preference performance**  
31 **statement - definitions - repeal.** (1) (a) The general assembly FINDS AND  
32 declares that: ~~the intended purpose of the tax refund created in this~~

1 ~~section is to encourage broadband providers to deploy broadband~~  
2 ~~infrastructure in rural areas of the state and to create incentives for~~  
3 ~~investment in broadband infrastructure in addition to the incentives~~  
4 ~~already created by other state or federal law.~~

5 (I) EXPANDING ACCESS TO WIRELESS AND OTHER COMMUNICATION  
6 SERVICES IS CRITICAL TO THE ECONOMIC AND SOCIAL WELL-BEING OF  
7 COLORADO'S RESIDENTS AND BUSINESSES. RELIABLE COMMUNICATIONS  
8 INFRASTRUCTURE SUPPORTS EDUCATION, HEALTH CARE, WORKFORCE  
9 DEVELOPMENT, AND ECONOMIC COMPETITIVENESS.

10 (II) COLORADO RECEIVES ONGOING FEDERAL FUNDING OF MORE  
11 THAN ONE BILLION DOLLARS TO FACILITATE BROADBAND DEPLOYMENT TO  
12 UNSERVED AND UNDERSERVED HOUSEHOLDS IN THE STATE;

13 (III) REQUIRING COMMUNICATIONS PROVIDERS TO PAY SALES AND  
14 USE TAXES ON FEDERAL-FUNDED AND STATE-FUNDED DEPLOYMENT IS  
15 COUNTERPRODUCTIVE, BECAUSE IT REDUCES THE EFFICACY AND IMPACT  
16 OF THESE GRANTS BY EFFECTIVELY TAXING MONEY INTENDED FOR  
17 COMMUNICATIONS EXPANSION AND CREATING A STRUCTURAL  
18 INEFFICIENCY;

19 (IV) THE PURPOSE OF THIS SECTION IS TO UPDATE AND  
20 STREAMLINE THE ADMINISTRATION OF THE EXISTING SALES TAX REBATE  
21 FOR BROADBAND INFRASTRUCTURE ENACTED IN 2014. THIS SECTION  
22 ENSURES THAT TAX RELIEF IS MORE EFFICIENTLY DELIVERED, MORE  
23 EFFECTIVELY TARGETS AREAS OF COLORADO IN NEED OF COMMUNICATION  
24 SERVICES, AND EASES THE ADMINISTRATIVE BURDEN ON  
25 COMMUNICATIONS PROVIDERS THAT APPLY FOR THE EXISTING REBATE  
26 PROGRAM.

27 (V) WIRELESS TELECOMMUNICATIONS TECHNOLOGIES, WHILE  
28 SEEMINGLY INDEPENDENT, CRITICALLY RELY ON FORMS OF BROADBAND  
29 LIKE FIBER AND LANDLINE NETWORKS FOR ESSENTIAL FUNCTIONS, SUCH AS  
30 BACKHAUL, WHICH CONNECTS CELL TOWERS TO THE INTERNET BACKBONE  
31 AND WHICH IS OFTEN PERFORMED BY NONWIRELESS PROVIDERS.  
32 THEREFORE, THE POLICIES THAT IMPACT BROADBAND INFRASTRUCTURE  
33 MUST CONSIDER THE INTERCONNECTEDNESS OF ALL TECHNOLOGIES,  
34 INCLUDING THE DEPENDENCE OF WIRELESS TELECOMMUNICATIONS ON THE  
35 BROADER ECOSYSTEM, TO ENSURE EFFECTIVE AND COMPREHENSIVE  
36 WIRELESS AND BROADBAND ACCESS FOR ALL COLORADANS.

37 (b) PURSUANT TO SECTION 39-21-304, THE GENERAL ASSEMBLY  
38 ADOPTS THE FOLLOWING TAX PREFERENCE PERFORMANCE STATEMENT FOR  
39 THE EXEMPTION CREATED IN THIS SECTION:

40 (I) THE SALES AND USE TAX EXEMPTION ESTABLISHED IN THIS  
41 SECTION IS INTENDED TO:

42 (A) ELIMINATE THE STRUCTURAL INEFFICIENCY ASSOCIATED WITH  
43 TAXING BROADBAND DEPLOYMENT GRANTS;

1           (B) STREAMLINE THE ADMINISTRATION OF TAX RELIEF FOR  
2 PROVIDERS; AND  
3           (C) INCENTIVIZE PRIVATE SECTOR INVESTMENT IN  
4 INFRASTRUCTURE; AND  
5           (II) THE EFFECTIVENESS OF THIS TAX EXPENDITURE SHALL BE  
6 MEASURED BY:  
7           (A) THE TOTAL AMOUNT OF PRIVATE AND PUBLIC INVESTMENT IN  
8 BROADBAND INFRASTRUCTURE WITHIN COLORADO, INCLUDING  
9 INFRASTRUCTURE FINANCED IN PART BY STATE AND FEDERAL GRANTS;  
10          (B) THE EXTENT TO WHICH BROADBAND PROVIDERS UTILIZE THE  
11 EXEMPTION TO INCREASE THE EFFICIENCY OF BROADBAND DEPLOYMENT  
12 AND TO REDUCE PROJECT COSTS; AND  
13          (C) THE AMOUNT BY WHICH ADMINISTRATIVE BURDENS ON  
14 BROADBAND PROVIDERS ARE REDUCED, INCLUDING THE NUMBER OF  
15 ENTITIES UTILIZING THE SALES TAX REFUND COMPARED TO THOSE  
16 PREVIOUSLY APPLYING FOR THE SALES TAX REFUND."

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