

# An Act

SENATE BILL 17-306

BY SENATOR(S) Lambert, Lundberg, Moreno, Aguilar, Crowder, Donovan, Guzman, Jahn, Jones, Martinez Humenik, Merrifield, Tate, Todd, Grantham;

also REPRESENTATIVE(S) Hamner, Young, Rankin, Arndt, Becker J., Carver, Catlin, Covarrubias, Hansen, Hooton, Lewis, McLachlan, Mitsch Bush, Rosenthal, Willett, Wilson, Duran, Danielson, Lawrence, Valdez.

CONCERNING A DIRECT TRANSFER OF MONEY FROM THE HIGH COST SUPPORT MECHANISM TO BROADBAND DEPLOYMENT GRANT APPLICANTS WITH PROPOSED BROADBAND DEPLOYMENT PROJECTS THAT HAVE BEEN APPROVED BY THE BROADBAND DEPLOYMENT BOARD FOR A GRANT AWARD, AND, IN CONNECTION THEREWITH, REQUIRING SEGREGATION OF FUNDS FOR BASIC VOICE SERVICE FROM FUNDS FOR BROADBAND DEPLOYMENT.

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

**SECTION 1.** In Colorado Revised Statutes, 40-15-509.5, **amend** (3), (4)(a), and (8) introductory portion as follows:

**40-15-509.5. Broadband service - report - broadband deployment board - broadband administrative fund - creation - repeal.**

*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

(3) The commission may allocate the Colorado high cost support mechanism, established under section 40-15-208 and referred to in this section as the "HCSM", for the deployment of broadband service in unserved areas of the state pursuant to this section only. The commission may fund the deployment of broadband service in unserved areas of the state through use of the HCSM surcharge and surcharge rate in effect on May 10, 2014. Pursuant to subsection (4) of this section and consistent with ~~section 40-15-208 (2)(a)(HH)~~ SECTIONS 40-15-207 AND 40-15-208, the commission ~~may transfer to the~~ SHALL DETERMINE FUNDS AVAILABLE FOR broadband deployment board AND THE ADMINISTRATION OF THE BOARD only ~~the moneys~~ FROM THE HCSM MONEY that it determines ~~are~~ IS no longer required by the HCSM to support universal basic service through an effective competition determination. ~~After each transfer to the broadband deployment board, the commission shall use the moneys remaining in the HCSM to support basic service~~ THE MONEY AVAILABLE FOR BROADBAND DEPLOYMENT SHALL BE MAINTAINED BY THE HCSM THIRD-PARTY CONTRACTOR AND HELD IN A SEPARATE ACCOUNT FROM MONEY USED FOR BASIC VOICE SERVICE. MONEY HELD FOR BROADBAND DEPLOYMENT SHALL NOT BE DISBURSED FOR BASIC VOICE SERVICE, AND MONEY HELD FOR BASIC VOICE SERVICE SHALL NOT BE DISBURSED FOR BROADBAND DEPLOYMENT. THE COMMISSION SHALL ONLY DISBURSE MONEY FOR BROADBAND DEPLOYMENT GRANTS FROM THE HCSM AS DIRECTED BY THE BOARD. Nothing in this section increases any surcharge rate charged to help fund the HCSM.

(4) (a) There is hereby created in the state treasury the broadband ADMINISTRATIVE fund, referred to in this section as the "fund". The fund consists of all money allocated from the HCSM ~~to provide access to broadband services through broadband networks in unserved areas pursuant to section 40-15-208 (2)(a)(I)(B), which money shall be transferred to the fund between July 1 and August 31 of each year;~~ FOR THE ADMINISTRATION OF THE BOARD and all money that the general assembly may appropriate to the fund. ~~The money in the fund allocated from the HCSM is continuously appropriated to the broadband deployment board, created in subsection (5) of this section, for the purposes set forth in this section.~~ Any other THE money in the fund is subject to annual appropriation by the general assembly for the purposes set forth in this section. All interest earned from the investment of money in the fund is credited to the fund. All money not expended at the end of the fiscal year remains in the fund and does not revert to the general fund or any other

fund.

(8) The board shall ~~award moneys from the fund, and, in connection therewith~~ DIRECT THE COMMISSION TO TRANSFER MONEY, IN A MANNER CONSISTENT WITH THIS SECTION, FROM THE ACCOUNT FOR BROADBAND DEPLOYMENT ESTABLISHED IN THE HCSM TO APPROVED GRANT APPLICANTS. THE BOARD shall develop criteria for awarding ~~moneys from the fund~~ MONEY for new projects expanding broadband networks into unserved areas, including:

**SECTION 2. Safety clause.** The general assembly hereby finds,

determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.



Kevin J. Grantham  
PRESIDENT OF  
THE SENATE



Crisanta Duran  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES



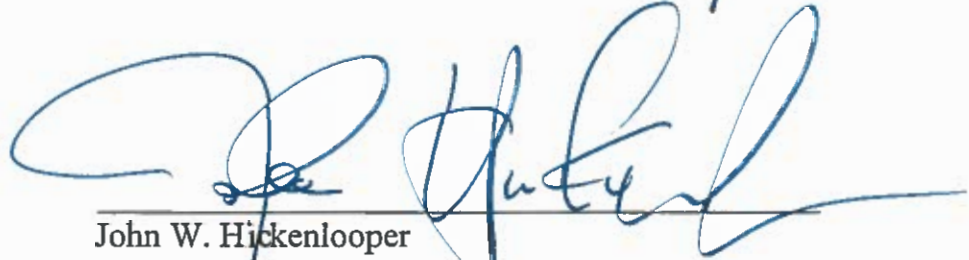
Effie Ameen  
SECRETARY OF  
THE SENATE



Marilyn Eddins  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

APPROVED 10:24 am

5/6/17



John W. Hickenlooper  
GOVERNOR OF THE STATE OF COLORADO