

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 16-0923.01 Jennifer Berman x3286

HOUSE BILL 16-1223

HOUSE SPONSORSHIP

Rankin, Hamner, Young

SENATE SPONSORSHIP

Grantham, Lambert, Steadman

House Committees
Transportation & Energy

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING AN EXCEPTION TO THE APPLICATION OF A STATUTORY**
102 **REDUCTION IN THE AMOUNT OF CONTRIBUTIONS THAT THE**
103 **PUBLIC UTILITIES COMMISSION REQUIRES**
104 **TELECOMMUNICATIONS COMPANIES TO PAY TO FUND THE HIGH**
105 **COST SUPPORT MECHANISM IF THE AMOUNT OF THE**
106 **CONTRIBUTIONS ASSESSED BY THE PUBLIC UTILITIES**
107 **COMMISSION WOULD BE REDUCED BY AN AMOUNT GREATER**
108 **THAN THAT REFLECTED IN THE STATUTORY REDUCTION WHEN**
109 **COMPARED TO THE AMOUNT OF CONTRIBUTIONS FROM THE**
110 **PREVIOUS YEAR.**

Bill Summary

(Note: This summary applies to this bill as introduced and does

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

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://www.leg.state.co.us/bills summaries>.)

Joint Budget Committee. The public utilities commission provides financial assistance to telecommunications companies that provide basic telephone service or broadband service in areas that lack effective competition by assessing a surcharge on all telecommunications companies in the state and allocating those contributions to the high cost support mechanism (HCSM). A portion of the HCSM is transferred to the broadband fund, which fund is administered by the broadband deployment board (board). The board awards grants for projects aimed at deploying broadband service in unserved areas of the state. From 2016 to 2023, the HCSM surcharge is statutorily reduced by a percentage of the amount of contributions that were allocated to the broadband fund in the previous year.

The bill provides that if, in a given year, the amount of contributions to the HCSM from all telecommunications companies is reduced from the amount of contributions in the previous year by an amount equal to or greater than the statutory reduction percentage, the statutory reduction percentage need not be applied.

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

2 **SECTION 1.** In Colorado Revised Statutes, 40-15-208, **add** (2)

3 (a) (IV) as follows:

4 **40-15-208. High cost support mechanism - Colorado high cost**
5 **administration fund - creation - purpose - operation - rules - report**

6 **- repeal.** (2) (a) (IV) IF, BASED ON THE SURCHARGE AND SURCHARGE

7 RATE ESTABLISHED BY THE COMMISSION AT ONE OF ITS REGULARLY

8 SCHEDULED MEETINGS, THE TOTAL AMOUNT OF CONTRIBUTIONS TO THE

9 HIGH COST SUPPORT MECHANISM IN A GIVEN YEAR IS LESS THAN THE

10 TOTAL AMOUNT OF CONTRIBUTIONS IN THE PREVIOUS YEAR BY AN AMOUNT

11 EQUAL TO OR GREATER THAN THE AMOUNT REFLECTED IN THE SCHEDULED

12 PERCENTAGE REDUCTION FOR THAT YEAR, AS SET FORTH IN

13 SUBPARAGRAPH (III) OF THIS PARAGRAPH (a), THE SCHEDULED

1 PERCENTAGE REDUCTION NEED NOT BE APPLIED.

2 **SECTION 2. Applicability.** This act applies to contributions
3 calculated on or after the effective date of this act.

4 **SECTION 3. Safety clause.** The general assembly hereby finds,
5 determines, and declares that this act is necessary for the immediate
6 preservation of the public peace, health, and safety.