First Regular Session Seventy-third General Assembly STATE OF COLORADO

REENGROSSED

This Version Includes All Amendments Adopted in the House of Introduction SENATE BILL 21-060

LLS NO. 21-0591.01 Jennifer Berman x3286

SENATE SPONSORSHIP

Donovan, Bridges, Buckner, Danielson, Fenberg, Fields, Garcia, Jaquez Lewis, Moreno, Pettersen, Story

HOUSE SPONSORSHIP

Roberts,

Senate Committees Business, Labor, & Technology Appropriations **House Committees**

A BILL FOR AN ACT

101 CONCERNING BROADBAND <u>DEPLOYMENT, AND, IN CONNECTION</u>

102 <u>THEREWITH, MAKING AN APPROPRIATION.</u>

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 <u>http://leg.colorado.gov.</u>)

Section 1 of the bill amends the definition of "broadband network" to increase downstream and upstream speed requirements and adds a definition of "critically unserved", which means a household or area that lacks access to at least one provider of nonsatellite broadband service delivered at measurable speeds of at least 10 megabits per second downstream and one megabit per second upstream.





Section 2 reduces the membership of the broadband deployment board (board) in the department of regulatory agencies from 16 members to 9 members.

The board is required to develop a reimbursement program to reimburse certain households for up to \$600 per year for broadband service. A household is eligible to apply for reimbursement if the household:

- Includes children enrolled in grades K-12 who receive free or reduced-price lunch through a school's lunch program; or
- Has an income that does not exceed the higher of the federal poverty level or 30% of area median income.

The board is also required to develop a request for proposal process through which the board will solicit bids for proposed projects to serve areas of the state that the office of information technology has determined lack access to broadband service at measurable speeds of at least 10 megabits per second downstream and one megabit per second upstream. Each year, the board is required to reserve at least 50% of the money from the high cost support mechanism that is allocated for broadband deployment to award grants to proposed projects solicited through the request for proposal process.

Section 2 also limits the notice and comment period for a local entity's review of an application from 60 days to 30 days and removes provisions requiring the board to apply for specific types of federal funding because the board has completed those applications.

Section 2 further requires the public utilities commission, in consultation with the board, to:

- Adopt rules establishing speed testing protocols by which broadband grant applicants must abide; and
- Consider, on a biennial basis starting in 2023, whether to modify by rule the definitions of "broadband network" and "critically unserved" and certain aspects of the reimbursement program, including eligibility for reimbursement and the maximum amount of money that the board may annually reimburse a household.

Section 3 repeals the current board composition requirements on August 31, 2021.

4	<u> 40-15-509.5. Broadband service - report - broadband</u>
3	(6.5) and (8)(a)(V) as follows:
2	SECTION 1. In Colorado Revised Statutes, 40-15-509.5, add
1	Be it enacted by the General Assembly of the State of Colorado:

1	<u>deployment board - broadband administrative fund - creation -</u>
2	<u>program to provide reimbursement for broadband service -</u>
3	definitions - rules - repeal. (6.5) (a) ON OR BEFORE JANUARY 1, 2022.
4	THE BOARD SHALL CONTRACT WITH A NONPROFIT ORGANIZATION THAT
5	HAS AN EXISTING PLATFORM OR SYSTEM FOR ADMINISTERING GRANT
6	MONEY AND HAS EXPERIENCE IN ADMINISTERING INCOME-QUALIFIED
7	UTILITY ASSISTANCE PROGRAMS AND IN VERIFYING INCOME FOR
8	STATEWIDE ASSISTANCE PROGRAMS TO DEVELOP A PROGRAM TO
9	<u>REIMBURSE COLORADO SUBSCRIBERS, AT UP TO SIX HUNDRED DOLLARS</u>
10	PER HOUSEHOLD PER YEAR, FOR ACCESS TO BROADBAND SERVICE TO
11	HOUSEHOLDS THAT:
12	(I) Include one or more children enrolled in kindergarten
13	THROUGH TWELFTH GRADE WHO ARE ELIGIBLE FOR FREE OR
14	REDUCED-PRICE LUNCH PURSUANT TO THE FEDERAL "RICHARD B. RUSSELL
15	NATIONAL SCHOOL LUNCH ACT", 42 U.S.C. SEC. 1751 ET SEQ., AS
16	<u>AMENDED;</u>
17	(II) HAVE AN INCOME THAT DOES NOT EXCEED THE HIGHER OF THE
18	FEDERAL POVERTY LEVEL OR THIRTY PERCENT OF AREA MEDIAN INCOME;
19	<u>OR</u>
20	(III) ARE LOCATED IN CRITICALLY UNSERVED AREAS OF THE STATE.
21	<u>A HOUSEHOLD IS ELIGIBLE FOR REIMBURSEMENT UNDER THIS SUBSECTION</u>
22	<u>(6.5)(a)(III) ONLY:</u>
23	(A) For broadband service provided by a satellite
24	<u>PROVIDER;</u>
25	(B) WITH RESPECT TO THE HOUSEHOLD'S PRIMARY RESIDENCE;
26	AND
27	(C) IF THE BOARD DETERMINES THAT BUILD-OUT OF BROADBAND

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1 <u>SERVICE IS UNLIKELY.</u>

2	(b) A HOUSEHOLD MEETING THE CRITERIA DESCRIBED IN
3	SUBSECTION (6.5)(a) OF THIS SECTION MAY APPLY TO THE PROGRAM
4	ANNUALLY IN THE FORM AND MANNER DETERMINED BY THE BOARD TO
5	REQUEST REIMBURSEMENT TO COVER UP TO ONE-HALF OF THE COST OF
6	BROADBAND SERVICE, NOT TO EXCEED A TOTAL REIMBURSEMENT OF SIX
7	HUNDRED DOLLARS PER YEAR. A HOUSEHOLD THAT HAS RECEIVED
8	REIMBURSEMENT PURSUANT TO THIS SUBSECTION (6.5) MUST
9	DEMONSTRATE THAT IT STILL MEETS THE CRITERIA SET FORTH IN
10	SUBSECTION (6.5)(a) OF THIS SECTION TO RECEIVE REIMBURSEMENT IN A
11	SUBSEQUENT YEAR.
12	(c) WITH REGARD TO THE NONPROFIT ORGANIZATION WITH WHICH
13	THE BOARD CONTRACTS TO ADMINISTER THE REIMBURSEMENT PROGRAM,
14	THE BOARD:
15	(I) SHALL USE MONEY IN THE FUND TO PAY THE NONPROFIT
16	ORGANIZATION'S ADMINISTRATIVE COSTS IN AN AMOUNT NOT TO EXCEED
17	TWO HUNDRED FIFTY THOUSAND DOLLARS PER YEAR. IF THE NONPROFIT
18	ORGANIZATION EXPENDS ALL OF THE MONEY PROVIDED IN A GIVEN YEAR,
19	THE NONPROFIT ORGANIZATION SHALL NOT ADMINISTER ADDITIONAL
20	REIMBURSEMENTS FOR THE REMAINDER OF THE YEAR.
21	(II) SHALL DETERMINE REPORTING REQUIREMENTS FOR THE
22	NONPROFIT ORGANIZATION REGARDING ITS ADMINISTRATION OF THE
23	PROGRAM; AND
24	(III) NEED NOT COMPLY WITH THE "PROCUREMENT CODE",
25	ARTICLES 101 TO 112 OF TITLE 24, IN CHOOSING THE NONPROFIT
26	ORGANIZATION.
27	(d) A PORTION OF THE HCSM MONEY ALLOCATED FOR

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1 BROADBAND DEPLOYMENT SHALL BE RESERVED FOR REIMBURSEME
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2 <u>PURSUANT TO THIS SUBSECTION (6.5).</u>

3 (8) The board shall direct the commission to transfer money, in a 4 manner consistent with this section, from the account for broadband 5 deployment established in the HCSM to approved grant applicants. The 6 board shall develop criteria for awarding money for new projects to deploy broadband in unserved areas, including: 7 8 (a) (V) ON OR BEFORE NOVEMBER 1, 2021, THE DEPARTMENT OF 9 TRANSPORTATION SHALL SUBMIT A MAP OR MAPS TO THE BOARD 10 IDENTIFYING ANY BROADBAND INFRASTRUCTURE OR EXCESS CAPACITY 11 THAT THE DEPARTMENT COULD LEASE FOR THE DEPLOYMENT OF 12 BROADBAND IN THE STATE. 13 SECTION 2. In Colorado Revised Statutes, 24-37.5-119, as relocated and amended by House Bill 21-1109, add (7.5) and 14 15 (9)(a)(VIII) as follows: 16 24-37.5-119. Broadband service - report - broadband 17 deployment board - broadband administrative fund - creation - rules 18 - program to provide reimbursement for broadband service -19 legislative declaration - definitions - repeal. (7.5) (a) ON OR BEFORE 20 JANUARY 1, 2022, THE BOARD SHALL CONTRACT WITH A NONPROFIT 21 ORGANIZATION THAT HAS AN EXISTING PLATFORM OR SYSTEM FOR 22 ADMINISTERING GRANT MONEY AND HAS EXPERIENCE IN ADMINISTERING 23 INCOME-QUALIFIED UTILITY ASSISTANCE PROGRAMS AND IN VERIFYING 24 INCOME FOR STATEWIDE ASSISTANCE PROGRAMS TO DEVELOP A PROGRAM 25 TO REIMBURSE COLORADO SUBSCRIBERS, AT UP TO SIX HUNDRED DOLLARS 26 PER HOUSEHOLD PER YEAR, FOR ACCESS TO BROADBAND SERVICE TO

27 <u>HOUSEHOLDS THAT:</u>

1	(I) INCLUDE ONE OR MORE CHILDREN ENROLLED IN KINDERGARTEN
2	THROUGH TWELFTH GRADE WHO ARE ELIGIBLE FOR FREE OR
3	REDUCED-PRICE LUNCH PURSUANT TO THE FEDERAL "RICHARD B. RUSSELL
4	National School Lunch Act", 42 U.S.C. sec. 1751 et seq., as
5	AMENDED;
6	(II) HAVE AN INCOME THAT DOES NOT EXCEED THE HIGHER OF THE
7	FEDERAL POVERTY LEVEL OR THIRTY PERCENT OF AREA MEDIAN INCOME;
8	<u>OR</u>
9	(III) ARE LOCATED IN CRITICALLY UNSERVED AREAS OF THE STATE.
10	A HOUSEHOLD IS ELIGIBLE FOR REIMBURSEMENT UNDER THIS SUBSECTION
11	<u>(7.5)(a)(III) ONLY:</u>
12	(A) For broadband service provided by a satellite
13	PROVIDER;
14	(B) WITH RESPECT TO THE HOUSEHOLD'S PRIMARY RESIDENCE;
15	AND
16	(C) IF THE BOARD DETERMINES THAT BUILD-OUT OF BROADBAND
17	SERVICE IS UNLIKELY.
18	(b) A HOUSEHOLD MEETING THE CRITERIA DESCRIBED IN
19	SUBSECTION (7.5)(a) OF THIS SECTION MAY APPLY TO THE PROGRAM
20	ANNUALLY IN THE FORM AND MANNER DETERMINED BY THE BOARD TO
21	REQUEST REIMBURSEMENT TO COVER UP TO ONE-HALF OF THE COST OF
22	BROADBAND SERVICE, NOT TO EXCEED A TOTAL REIMBURSEMENT OF SIX
23	HUNDRED DOLLARS PER YEAR. A HOUSEHOLD THAT HAS RECEIVED
24	<u>REIMBURSEMENT PURSUANT TO THIS SUBSECTION (7.5) MUST</u>
25	DEMONSTRATE THAT IT STILL MEETS THE CRITERIA SET FORTH IN
26	SUBSECTION (7.5)(a) OF THIS SECTION TO RECEIVE REIMBURSEMENT IN A
27	SUBSEQUENT YEAR.

1	(c) WITH REGARD TO THE NONPROFIT ORGANIZATION WITH WHICH
2	THE BOARD CONTRACTS TO ADMINISTER THE REIMBURSEMENT PROGRAM,
3	THE BOARD:
4	(I) SHALL USE MONEY IN THE FUND TO PAY THE NONPROFIT
5	ORGANIZATION'S ADMINISTRATIVE COSTS IN AN AMOUNT NOT TO EXCEED
6	<u>two hundred fifty thousand dollars per year. If the nonprofit</u>
7	ORGANIZATION EXPENDS ALL OF THE MONEY PROVIDED IN A GIVEN YEAR,
8	THE NONPROFIT ORGANIZATION SHALL NOT ADMINISTER ADDITIONAL
9	REIMBURSEMENTS FOR THE REMAINDER OF THE YEAR.
10	(II) SHALL DETERMINE REPORTING REQUIREMENTS FOR THE
11	NONPROFIT ORGANIZATION REGARDING ITS ADMINISTRATION OF THE
12	PROGRAM; AND
13	(III) NEED NOT COMPLY WITH THE "PROCUREMENT CODE",
14	ARTICLES 101 TO 112 OF THIS TITLE 24, IN CHOOSING THE NONPROFIT
15	ORGANIZATION.
16	(d) A portion of the HCSM money allocated for
17	BROADBAND DEPLOYMENT SHALL BE RESERVED FOR REIMBURSEMENT
18	<u>PURSUANT TO THIS SUBSECTION (7.5).</u>
19	(9) The board shall direct the commission to transfer money, in a
20	manner consistent with this section, from the HCSM account dedicated
21	for broadband deployment pursuant to subsection (3) of this section to
22	approved grant applicants. The board shall develop criteria for awarding
23	money for new projects to deploy broadband in unserved areas, including:
24	(a) (VIII) ON OR BEFORE NOVEMBER 1, 2021, THE DEPARTMENT
25	OF TRANSPORTATION SHALL SUBMIT A MAP OR MAPS TO THE BOARD
26	IDENTIFYING ANY BROADBAND INFRASTRUCTURE OR EXCESS CAPACITY
27	THAT THE DEPARTMENT COULD LEASE FOR THE DEPLOYMENT OF

1 BROADBAND IN THE STATE.

2	SECTION 3. Appropriation. For the 2021-22 state fiscal year,
3	\$298,883 is appropriated to the department of regulatory agencies for use
4	by the executive director's office and administrative services. This
5	appropriation is from the broadband administrative fund created in
6	section 40-15-509.5 (4)(a), C.R.S., and is based on an assumption that the
7	department will require an additional 1.0 FTE. To implement this act, the
8	office may use this appropriation for broadband deployment board
9	administration.
10	SECTION 4. Appropriation. For the 2021-22 state fiscal year,
11	\$298,883 is appropriated to the office of the governor for use by the
12	office of information technology. This appropriation is from the
13	broadband administrative fund created in section 24-37.5-119(4), C.R.S.,
14	and is based on an assumption that the department will require an
15	additional 1.0 FTE. To implement this act, the office may use this
16	appropriation for broadband deployment board administration.
17	SECTION 5. Effective date. (1) This act takes effect upon
18	passage except that:
19	(a) Sections 2 and 4 of this act take effect only if House Bill
20	21-1109 becomes law, in which case sections 2 and 4 take effect on the
21	effective date of this act or House Bill 21-1109, whichever is later; and
22	(b) Sections 1 and 3 of this act take effect only if House Bill
23	21-1109 does not become law, in which case sections 1 and 3 take effect
24	on the effective date of this act.
25	SECTION 6. Safety clause. The general assembly hereby finds,
26	determines, and declares that this act is necessary for the immediate
27	preservation of the public peace, health, or safety.