

First Regular Session  
Sixty-eighth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 11-0361.03 Duane Gall

SENATE BILL 11-262

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SENATE SPONSORSHIP

Scheffel and Tochtrop,

HOUSE SPONSORSHIP

Murray and Williams A.,

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Senate Committees  
Business, Labor and Technology

House Committees

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A BILL FOR AN ACT

101      **CONCERNING THE REGULATION OF TELECOMMUNICATIONS SERVICE**  
102            **BY THE PUBLIC UTILITIES COMMISSION, AND, IN CONNECTION**  
103            **THEREWITH, ELIMINATING PRICE REGULATION FOR ALL BUT**  
104            **BASIC LOCAL EXCHANGE SERVICE AND EMERGENCY SERVICE**  
105            **AND PHASING OUT THE HIGH-COST SUPPORT MECHANISM.**

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**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 <http://www.leg.state.co.us/billsummaries>.)*

The bill repeals and reenacts the existing statutes governing

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.*

regulation of telecommunications by the Colorado public utilities commission (PUC). Retail and wholesale services are treated separately. The PUC is directed to withdraw price controls for all services except basic local exchange service and emergency service, and to periodically reexamine whether competition has advanced sufficiently in particular geographic areas so that price controls on these services may also be withdrawn. The bill preserves the PUC's jurisdiction over service quality, including the authority to receive and resolve consumer complaints.

In addition, the bill:

- ! Adds voice-over-internet-protocol (VoIP) service as a recognized alternative for providing voice communications, and includes VoIP providers among those who must contribute to the funding of basic service in high-cost areas and emergency service as long as funding mechanisms for those services continue;
- ! Requires registration for all carriers but eliminates the need for a certificate of public convenience and necessity for carriers other than those that provide regulated basic service or emergency service; and
- ! Requires wholesale carriers to incrementally adjust their rates for access over a period of time until their intrastate rates match their interstate rates as filed with the federal communications commission.

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

2           **SECTION 1.** Article 15 of title 40, Colorado Revised Statutes, is  
3 REPEALED AND REENACTED, WITH AMENDMENTS, to read:

4   **ARTICLE 15**

5   **Intrastate Telecommunications Services**

6   PART 1

7   GENERAL PROVISIONS

8           **40-15-101. Legislative declaration.** (1) THE GENERAL  
9 ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT IT IS THE  
10 POLICY OF THE STATE OF COLORADO TO PROMOTE A COMPETITIVE  
11 TELECOMMUNICATIONS MARKETPLACE WHILE PROTECTING AND  
12 MAINTAINING THE WIDE AVAILABILITY OF HIGH-QUALITY

1 TELECOMMUNICATIONS SERVICES. SUCH GOALS ARE BEST ACHIEVED BY  
2 LEGISLATION THAT BRINGS TELECOMMUNICATIONS REGULATION INTO THE  
3 MODERN ERA BY GUARANTEEING THE AFFORDABILITY OF REGULATED  
4 BASIC TELEPHONE SERVICE WHILE FOSTERING FREE MARKET COMPETITION  
5 WITHIN THE TELECOMMUNICATIONS INDUSTRY.

6 (2) THE GENERAL ASSEMBLY FURTHER FINDS THAT THE  
7 TECHNOLOGICAL ADVANCEMENTS AND INCREASED CUSTOMER CHOICES  
8 FOR TELECOMMUNICATIONS SERVICES GENERATED BY SUCH MARKET  
9 COMPETITION CONTINUE TO ENHANCE COLORADO'S ECONOMIC  
10 DEVELOPMENT AND PLAY A CRITICAL ROLE IN COLORADO'S ECONOMIC  
11 FUTURE. HOWEVER, THE GENERAL ASSEMBLY RECOGNIZES THAT THE  
12 STRENGTH OF COMPETITIVE FORCE VARIES BETWEEN MARKETS AND  
13 THEREFORE ALLOWS FOR LIMITED CONTINUING REGULATION OF CERTAIN  
14 BASIC LOCAL EXCHANGE AND 911 SERVICE.

15 (3) THEREFORE, TO FOSTER, ENCOURAGE, AND ACCELERATE THE  
16 CONTINUING EMERGENCE OF A COMPETITIVE TELECOMMUNICATIONS  
17 ENVIRONMENT, THE GENERAL ASSEMBLY DECLARES THAT FLEXIBLE  
18 REGULATORY TREATMENTS ARE APPROPRIATE FOR DIFFERENT  
19 TELECOMMUNICATIONS SERVICES.

20 **40-15-102. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE  
21 CONTEXT OTHERWISE REQUIRES:

22 (1) "BASIC EMERGENCY SERVICE PROVIDER" OR "BESP" HAS THE  
23 MEANING SET FORTH IN SECTION 29-11-101 (1.2), C.R.S., AND, IN  
24 ADDITION, INCLUDES ANY PERSON THAT AGGREGATES 911 INFORMATION.

25 (2) "BASIC LOCAL EXCHANGE SERVICE" OR "BASIC SERVICE"  
26 MEANS THE TELECOMMUNICATIONS SERVICE THAT PROVIDES LOCAL DIAL  
27 TONE AND LOCAL USAGE NECESSARY TO PLACE OR RECEIVE A CALL WITHIN

1 AN EXCHANGE AREA, TOGETHER WITH ACCESS TO EMERGENCY AND  
2 INTEREXCHANGE TELECOMMUNICATIONS SERVICES.

3 (3) "CARRIER" MEANS A PROVIDER OF TELECOMMUNICATIONS  
4 SERVICE, INTEREXCHANGE TELECOMMUNICATIONS SERVICE, OR A  
5 PROVIDER OF INTERCONNECTED VOIP SERVICE, TO THE EXTENT SUCH  
6 SERVICE IS OFFERED TO THE PUBLIC AND INTERCONNECTS WITH THE PUBLIC  
7 SWITCHED TELECOMMUNICATIONS NETWORK. "CARRIER" DOES NOT  
8 INCLUDE A PROVIDER OF A PRIVATE TELECOMMUNICATIONS NETWORK.

9 (4) "COMMERCIAL MOBILE RADIO SERVICE" OR "CMRS" MEANS  
10 PROVIDERS THAT OFFER CELLULAR OR WIRELESS SERVICE, PERSONAL  
11 COMMUNICATIONS SERVICE, OR RADIO MOBILE SERVICE.

12 (5) "COMMISSION" MEANS THE PUBLIC UTILITIES COMMISSION OF  
13 THE STATE OF COLORADO.

14 (6) "COMPETITIVE LOCAL EXCHANGE CARRIER" OR "CLEC" MEANS  
15 A LOCAL EXCHANGE CARRIER THAT PROVIDES, OR OFFERS TO PROVIDE,  
16 BASIC SERVICE IN AN IDENTIFIED EXCHANGE AREA AND THAT WAS NOT THE  
17 SOLE PROVIDER OF BASIC SERVICE IN THAT EXCHANGE AREA ON OR BEFORE  
18 [DATE].

19 (7) "EMERGENCY SERVICE" MEANS EMERGENCY TELEPHONE  
20 SERVICE AS DEFINED IN SECTION 29-11-101 (2), C.R.S.

21 (8) "EXCHANGE AREA" MEANS A GEOGRAPHIC AREA ESTABLISHED  
22 BY THE COMMISSION OR BY AGREEMENT AMONG CARRIERS, SUBJECT TO  
23 THE COMMISSION'S APPROVAL, WHICH AREA CONSISTS OF ONE OR MORE  
24 CENTRAL OFFICES TOGETHER WITH ASSOCIATED FACILITIES USED IN  
25 PROVIDING BASIC LOCAL EXCHANGE SERVICE.

26 (9) "INCUMBENT LOCAL EXCHANGE CARRIER" OR "ILEC" MEANS  
27 A CARRIER THAT PROVIDES, OR OFFERS TO PROVIDE, BASIC SERVICE IN AN

1 IDENTIFIED EXCHANGE AREA AND THAT WAS THE SOLE PROVIDER OF BASIC  
2 SERVICE IN THAT EXCHANGE AREA ON OR BEFORE [DATE].

3 (10) "INTERCONNECTED VOICE-OVER-INTERNET-PROTOCOL  
4 SERVICE" OR "VOIP" MEANS A SERVICE THAT:

5 (a) ENABLES REAL-TIME, TWO-WAY VOICE COMMUNICATIONS;

6 (b) REQUIRES A BROADBAND CONNECTION FROM THE USER'S  
7 LOCATION;

8 (c) REQUIRES INTERNET PROTOCOL-COMPATIBLE CUSTOMER  
9 PREMISES EQUIPMENT; AND

10 (d) PERMITS USERS GENERALLY TO RECEIVE CALLS THAT  
11 ORIGINATE ON THE PUBLIC SWITCHED TELEPHONE NETWORK AND TO  
12 TERMINATE CALLS TO THE PUBLIC SWITCHED TELEPHONE NETWORK.

13 (11) "INTEREXCHANGE TELECOMMUNICATIONS SERVICE" MEANS  
14 TELEPHONE SERVICES, NOT INCLUDED IN BASIC LOCAL EXCHANGE SERVICE,  
15 THAT IS PRICED BASED UPON USAGE.

16 (12) "LOCAL EXCHANGE PROVIDER" OR "LOCAL EXCHANGE  
17 CARRIER" MEANS A PERSON AUTHORIZED BY THE COMMISSION TO PROVIDE  
18 BASIC LOCAL EXCHANGE SERVICE.

19 (13) (a) "PRIVATE TELECOMMUNICATIONS NETWORK" MEANS A  
20 SYSTEM FOR THE PROVISION OF ALL OR A PORTION OF  
21 TELECOMMUNICATIONS SERVICE, INCLUDING THE CONSTRUCTION,  
22 MAINTENANCE, OR OPERATION OF SUCH SYSTEM, OR ANY PORTION OF SUCH  
23 SERVICE, BY A PERSON OR ENTITY FOR THE SOLE AND EXCLUSIVE USE OF  
24 THE PERSON OR ENTITY AND NOT FOR RESALE, DIRECTLY OR INDIRECTLY.

25 (b) "PRIVATE TELECOMMUNICATIONS NETWORK" ALSO INCLUDES:

26 (I) ANY TELECOMMUNICATIONS SERVICE, THE OPERATION,  
27 FACILITIES, OR PREMISES OF WHICH ARE OR MAY BE SHARED BY ENERGY

1 UTILITIES, USED SOLELY AND EXCLUSIVELY BY AND FOR THE UTILITIES AND  
2 NOT FOR RESALE, DIRECTLY OR INDIRECTLY; AND

3 (II) A TELECOMMUNICATIONS SERVICE OWNED OR LEASED BY A  
4 COLLEGE, AS DEFINED IN SECTION 23-3-103 (1), C.R.S., USED SOLELY AND  
5 EXCLUSIVELY BY AND FOR THE COLLEGE AND NOT FOR RESALE, DIRECTLY  
6 OR INDIRECTLY, FOR THE PURPOSE OF PROVIDING SERVICES TO:

7 (A) STUDENTS RESIDING IN HOUSING OWNED BY OR AFFILIATED  
8 WITH THE COLLEGE, STUDENTS REGISTERED AND ENROLLED AT THE  
9 COLLEGE, AND INVITED GUESTS OF THE STUDENTS; OR

10 (B) FACULTY, STAFF, OR CONCESSIONAIRES OF THE COLLEGE OR  
11 THE INVITED GUESTS OF THE FACULTY, STAFF, OR CONCESSIONAIRES.

12 (c) CONSTRUCTION, MAINTENANCE, OR OPERATION OF A PRIVATE  
13 TELECOMMUNICATIONS NETWORK DOES NOT CONSTITUTE THE PROVISION  
14 OF PUBLIC UTILITY SERVICE, AND THE NETWORK IS NOT SUBJECT TO ANY  
15 PROVISIONS OF THIS ARTICLE OR OF ARTICLES 1 TO 7 OF THIS TITLE.

16 (14) "RURAL TELECOMMUNICATIONS PROVIDER" MEANS A LOCAL  
17 EXCHANGE PROVIDER THAT MEETS ONE OR MORE OF THE FOLLOWING  
18 CONDITIONS:

19 (a) PROVIDES COMMON CARRIER SERVICE TO ANY LOCAL  
20 EXCHANGE CARRIER STUDY AREA, AS DEFINED BY THE COMMISSION, THAT  
21 DOES NOT INCLUDE EITHER:

22 (I) AN INCORPORATED PLACE OF TEN THOUSAND INHABITANTS OR  
23 MORE, OR A PART THEREOF, BASED ON THE MOST RECENTLY AVAILABLE  
24 POPULATION STATISTICS OF THE UNITED STATES BUREAU OF THE CENSUS;  
25 OR

26 (II) INCORPORATED OR UNINCORPORATED TERRITORY, INCLUDED  
27 IN AN URBANIZED AREA, AS DEFINED BY THE UNITED STATES BUREAU OF

1 THE CENSUS AS OF AUGUST 10, 1993;

2 (b) PROVIDES TELEPHONE EXCHANGE SERVICE, INCLUDING  
3 EXCHANGE ACCESS, TO FEWER THAN FIFTY THOUSAND ACCESS LINES;

4 (c) PROVIDES TELEPHONE EXCHANGE SERVICE TO ANY LOCAL  
5 EXCHANGE CARRIER STUDY AREA, AS DEFINED BY THE COMMISSION, WITH  
6 FEWER THAN ONE HUNDRED THOUSAND ACCESS LINES; OR

7 (d) HAS LESS THAN FIFTEEN PERCENT OF ITS ACCESS LINES IN  
8 COMMUNITIES OF MORE THAN FIFTY THOUSAND INHABITANTS.

9 (15) "SWITCHED ACCESS" MEANS THE SERVICES OR FACILITIES  
10 FURNISHED BY A LOCAL EXCHANGE COMPANY TO INTEREXCHANGE  
11 PROVIDERS THAT ALLOW THEM TO USE THE BASIC EXCHANGE NETWORK  
12 FOR ORIGINATION OR TERMINATION OF INTEREXCHANGE  
13 TELECOMMUNICATIONS SERVICES.

14 (16) "TELECOMMUNICATIONS" HAS THE MEANING SET FORTH IN  
15 THE "FEDERAL COMMUNICATIONS ACT", 47 U.S.C. SEC. 153, AS  
16 AMENDED, AND FEDERAL REGULATIONS ADOPTED UNDER THE AUTHORITY  
17 OF THE ACT.

18 **40-15-103. Carriers - registration required - number**  
19 **assignments - certificate for providers of regulated basic service.**

20 (1) ALL CARRIERS SHALL REGISTER WITH THE COMMISSION IN A FORM  
21 DETERMINED BY THE COMMISSION. AT A MINIMUM, THE REGISTRATION  
22 MUST INCLUDE THE FOLLOWING INFORMATION, UPDATED WITHIN FIFTEEN  
23 DAYS AFTER ANY CHANGE:

24 (a) THE CARRIER'S NAME AND COMPLETE ADDRESS;

25 (b) ALL NAMES UNDER WHICH THE CARRIER DOES BUSINESS; AND

26 (c) ALL NAMES AND IDENTIFICATION NUMBERS UNDER WHICH THE  
27 CARRIER HAS REGISTERED WITH THE COLORADO SECRETARY OF STATE OR

1 THE COLORADO DEPARTMENT OF REVENUE.

2 (2) CARRIERS THAT REQUIRE ASSIGNMENT OF TELEPHONE  
3 NUMBERS SHALL OBTAIN AUTHORIZATION FROM THE COMMISSION  
4 CONSISTENT WITH THE REQUIREMENTS OF THE NORTH AMERICAN NUMBER  
5 PLAN ADMINISTRATOR AND THE FEDERAL COMMUNICATIONS COMMISSION.  
6 THE COMMISSION SHALL PERMIT CARRIERS TO APPLY FOR THE  
7 AUTHORIZATION AS PART OF THE REGISTRATION PROCESS.

8 (3) (a) A CARRIER SHALL NOT PROVIDE OR OFFER TO PROVIDE  
9 REGULATED BASIC LOCAL EXCHANGE SERVICE OR EMERGENCY SERVICE IN  
10 COLORADO WITHOUT FIRST HAVING OBTAINED FROM THE COMMISSION A  
11 CERTIFICATE DECLARING THAT THE PRESENT OR FUTURE PUBLIC  
12 CONVENIENCE AND NECESSITY REQUIRES OR WILL REQUIRE THE  
13 OPERATION OF THE SERVICE.

14 (b) THE COMMISSION MAY ATTACH TO THE EXERCISE OF THE  
15 RIGHTS GRANTED BY A CERTIFICATE OF PUBLIC CONVENIENCE AND  
16 NECESSITY TERMS AND CONDITIONS THAT, IN THE COMMISSION'S  
17 JUDGMENT, THE PUBLIC CONVENIENCE AND NECESSITY MAY REQUIRE. THE  
18 TERMS AND CONDITIONS MAY INCLUDE THE POSTING OF A BOND OR OTHER  
19 EVIDENCE OF FINANCIAL RESPONSIBILITY.

20 (4) A PROVIDER OF TELECOMMUNICATIONS SERVICE WHO, ON THE  
21 EFFECTIVE DATE OF THIS ARTICLE, HOLDS A CERTIFICATE OF PUBLIC  
22 CONVENIENCE AND NECESSITY TO OFFER OR PROVIDE SERVICES AND  
23 PRODUCTS REGULATED PURSUANT TO THIS ARTICLE RETAINS THE  
24 AUTHORITY TO OFFER OR PROVIDE SERVICES WITHOUT HAVING TO MAKE  
25 APPLICATION TO THE COMMISSION FOR ADDITIONAL OR CONTINUED  
26 AUTHORITY.

27 **40-15-104. Rules of commission - factors to consider. IN**



1 ADOPTING AND ENFORCING ITS RULES TO IMPLEMENT THIS ARTICLE, THE  
2 COMMISSION MAY CONSIDER DIFFERENCES BETWEEN CLASSES OF  
3 REGULATED CARRIERS BASED ON HISTORIC STATUS AND SIZE, AMONG  
4 OTHER RELEVANT FACTORS.

5 **40-15-105. Continuity of commission responsibilities under**  
6 **prior law.** (1) ON AND AFTER THE EFFECTIVE DATE OF THIS ARTICLE, THE  
7 COMMISSION SHALL:

8 (a) CONTINUE TO CARRY OUT ITS DUTIES AND OBLIGATIONS WITH  
9 RESPECT TO TELEPHONE NUMBERING ISSUES IN CONJUNCTION WITH THE  
10 ORDERS OF THE FEDERAL COMMUNICATIONS COMMISSION AND THE  
11 POLICIES OF THE NORTH AMERICAN NUMBERING COUNCIL OR ITS  
12 SUCCESSOR ORGANIZATION;

13 (b) MAINTAIN ITS OVERSIGHT FOR AREA CODE DESIGNATION, CODE  
14 ADMINISTRATION, PORTING REQUIREMENTS, AND TELEPHONE NUMBER  
15 RECLAMATION, REGARDLESS OF THE REGULATORY STATUS OF  
16 TELECOMMUNICATIONS SERVICES;

17 (c) CONTINUE TO EXERCISE ITS DUTIES AND RESPONSIBILITIES TO  
18 DEVELOP RECOMMENDATIONS TO THE FEDERAL COMMUNICATIONS  
19 COMMISSION CONCERNING ELIGIBLE TELECOMMUNICATIONS CARRIERS;  
20 AND

21 (d) CONTINUE TO FULFILL ITS DUTIES AND EXERCISE ITS  
22 AUTHORITY CONCERNING THE ADMINISTRATION OF THE  
23 TELECOMMUNICATIONS RELAY SERVICE.

24 **40-15-106. Cross-subsidization prohibited - illegal restraint of**  
25 **trade.** A CARRIER SHALL NOT SET THE PRICE OF TELECOMMUNICATIONS  
26 SERVICES OR PRODUCTS THAT ARE NOT SUBJECT TO PRICE REGULATION BY  
27 THE COMMISSION BELOW COST BY USE OF SUBSIDIZATION FROM

1 CUSTOMERS OF SERVICES AND PRODUCTS SUBJECT TO PRICE REGULATION  
2 BY THE COMMISSION, AND ANY SUCH CROSS-SUBSIDIZATION IS DEEMED TO  
3 BE AN ILLEGAL RESTRAINT OF TRADE SUBJECT TO ARTICLE 4 OF TITLE 6,  
4 C.R.S.

5 **40-15-107. Powers of commission - inspection of books and**  
6 **documents - confidentiality of information obtained through audit.**

7 (1) THE COMMISSION SHALL ADMINISTER AND ENFORCE THIS ARTICLE,  
8 AND, IN ADDITION TO ANY OTHER POWERS UNDER ARTICLES 1 TO 7 OF THIS  
9 TITLE, THE COMMISSION HAS THE RIGHT TO INSPECT THE BOOKS AND  
10 DOCUMENTS OF A PROVIDER OF BASIC LOCAL EXCHANGE SERVICE.

11 (2) IN ADDITION, THE COMMISSION HAS THE RIGHT TO INSPECT THE  
12 BOOKS AND RECORDS OF AN AFFILIATE OF A LOCAL EXCHANGE CARRIER IF,  
13 IN THE PROVISION OF SUCH SERVICE, THE AFFILIATE USES A PLANT OR  
14 INCURS COSTS THAT ARE JOINT AND COMMON TO THE PROVISION OF A  
15 BASIC LOCAL EXCHANGE SERVICE.

16 (3) FOR THE LIMITED PURPOSE OF ENFORCING THIS ARTICLE  
17 CONCERNING A CARRIER'S REQUIRED CONTRIBUTION TO THE COLORADO  
18 HIGH-COST SUPPORT MECHANISM ESTABLISHED IN SECTION 40-15-306, THE  
19 TELECOMMUNICATIONS RELAY SERVICE, AND FUNDING FOR EMERGENCY  
20 SERVICES, THE COMMISSION HAS THE RIGHT TO INSPECT THE BOOKS AND  
21 DOCUMENTS OF A CARRIER REQUIRED TO CONTRIBUTE.

22 (4) THE EXERCISE OF COMMISSION AUTHORITY PURSUANT TO THIS  
23 SECTION SHALL BE NARROWLY TAILORED TO INCLUDE ONLY INFORMATION  
24 NECESSARY TO ENFORCE THE REQUIREMENTS OF THIS ARTICLE AND SHALL  
25 BE COMMENSURATE WITH THE LEVEL OF REGULATION APPLIED TO THE  
26 CARRIER.

27 (5) THE COMMISSION SHALL ADOPT RULES AND PROCEDURES TO

1 ASSURE CONFIDENTIAL TREATMENT OF ANY MATERIAL DEEMED TO BE  
2 PROPRIETARY, CONSISTENT WITH ITS EXISTING PROCEDURES REGARDING  
3 THE TREATMENT OF CONFIDENTIAL INFORMATION.

4 **40-15-108. Reports.** (1) THE COMMISSION MAY REQUIRE  
5 REPORTS FROM CERTIFIED CARRIERS PROVIDING REGULATED BASIC LOCAL  
6 EXCHANGE SERVICE TO THE EXTENT NECESSARY TO IMPLEMENT THE  
7 REQUIREMENTS OF THIS ARTICLE.

8 (2) THE COMMISSION SHALL REDUCE ITS REPORTING  
9 REQUIREMENTS COMMENSURATE WITH REDUCTIONS IN THE LEVEL OF  
10 REGULATION APPLIED TO THE SERVICES OF A CARRIER.

11 **40-15-109. Unauthorized change of telecommunications**  
12 **provider.** (1) A PROVIDER OF TELECOMMUNICATIONS SERVICE SHALL  
13 NOT REQUEST THE FULL OR PARTIAL TRANSFER OF A CUSTOMER'S ACCOUNT  
14 TO ANOTHER PROVIDER OF THE SAME OR SIMILAR TELECOMMUNICATIONS  
15 SERVICE WITHOUT THE INFORMED CONSENT OF THE CUSTOMER. THE  
16 COMMISSION SHALL ADOPT RULES ADDRESSING THE FORM OF THE  
17 REQUIRED CONSENT, WHETHER WRITTEN OR ORAL, THE REQUIREMENTS OF  
18 VERIFICATION FOR ORAL CONSENT, THE ROLE OF AN AUTHORIZED AGENT  
19 FOR THE CUSTOMER, AND SUCH ADDITIONAL CONSUMER PROTECTIONS  
20 THAT THE COMMISSION FINDS ARE NEEDED TO PREVENT THE  
21 UNAUTHORIZED CHANGE OF TELECOMMUNICATIONS PROVIDERS.

22 (2) A TELECOMMUNICATIONS PROVIDER WHO INITIATES AN  
23 UNAUTHORIZED CHANGE IN A CUSTOMER'S TELECOMMUNICATIONS  
24 PROVIDER IN VIOLATION OF THIS SECTION IS LIABLE:

25 (a) TO THE CUSTOMER, THE CUSTOMER'S PREVIOUSLY SELECTED  
26 PROVIDER, OR BOTH, AS DETERMINED BY THE COMMISSION, FOR ALL  
27 APPLICABLE CHARGES AND FEES, THE VALUE OF ANY PREMIUMS TO WHICH

1 THE CUSTOMER WOULD HAVE BEEN ENTITLED, AND OTHER RELEVANT  
2 CHARGES INCURRED BY THE CUSTOMER DURING THE PERIOD OF THE  
3 UNAUTHORIZED CHANGE; AND

4 (b) TO THE CUSTOMER'S LOCAL EXCHANGE PROVIDER FOR THE  
5 CHANGE FEES FOR THE UNAUTHORIZED CHANGE AND REINSTATING THE  
6 CUSTOMER TO THE ORIGINAL PROVIDER.

7 **40-15-110. Unauthorized charge for services.** (1) A PROVIDER  
8 OF TELECOMMUNICATIONS SERVICES SHALL NOT ENGAGE IN THE  
9 FOLLOWING ACTIVITIES:

10 (a) CHARGING A CUSTOMER FOR GOODS OR SERVICES WITHOUT THE  
11 CUSTOMER'S AUTHORIZATION;

12 (b) ADDING CHARGES FOR GOODS OR SERVICES TO THE  
13 CUSTOMER'S BILL WITHOUT THE CUSTOMER'S AUTHORIZATION; OR

14 (c) WHEN PROVIDING BILLING SERVICES FOR A  
15 TELECOMMUNICATIONS PROVIDER, KNOWINGLY OR RECKLESSLY  
16 PARTICIPATING IN CHARGING OR BILLING A CUSTOMER FOR GOODS OR  
17 SERVICES WITHOUT THE CUSTOMER'S AUTHORIZATION TO ADD SUCH  
18 GOODS OR SERVICES TO THE CUSTOMER'S BILL; EXCEPT THAT, IN  
19 ACCORDANCE WITH FEDERAL LAW, THIS PARAGRAPH (c) SHALL NOT APPLY  
20 TO A PROVIDER OF WIRELESS SERVICES.

21 (2) A CUSTOMER IS NOT LIABLE FOR AN AMOUNT CHARGED IN  
22 VIOLATION OF THIS SECTION.

23 (3) THE COMMISSION SHALL MAINTAIN AND KEEP AVAILABLE DATA  
24 ON THE INCIDENCE OF COMPLAINTS IN VIOLATION OF THIS SECTION.

25 **40-15-111. Evolution of telecommunications market -**  
26 **achievement of policy goals - commission to report.** (1) ON OR  
27 BEFORE JANUARY 1, 2014, AND ON OR BEFORE JANUARY 1 OF EACH

1 EVEN-NUMBERED YEAR THEREAFTER, THE COMMISSION SHALL REPORT TO  
2 THE GENERAL ASSEMBLY ON THE STATE OF THE COLORADO  
3 TELECOMMUNICATIONS INDUSTRY. THE REPORT SHALL:

4 (a) ASSESS THE IMPACT OF THIS ARTICLE ON CARRIERS AND  
5 CONSUMERS AND DESCRIBE THE PROGRESS ACHIEVED TOWARD THE  
6 LEGISLATIVE GOALS STATED IN THIS ARTICLE DURING THE IMMEDIATELY  
7 PRECEDING TWO YEARS; AND

8 (b) CONTAIN THE COMMISSION'S RECOMMENDATIONS FOR POLICY  
9 MODIFICATIONS OR LEGISLATIVE CHANGES.

10 (2) CARRIERS SHALL COMPLY WITH REQUESTS FROM THE  
11 COMMISSION FOR INFORMATION THE COMMISSION DEEMS REASONABLY  
12 NECESSARY IN PREPARING ITS REPORT UNDER SUBSECTION (1) OF THIS  
13 SECTION, SUBJECT TO REASONABLE CONDITIONS TO PROTECT PROPRIETARY  
14 INFORMATION.

15 **40-15-112. Powers of local government.** NOTHING IN THIS  
16 ARTICLE SUPERSEDES ANY EXISTING POWERS OF A LOCAL GOVERNMENT.

17 **40-15-113. Violations.** VIOLATIONS OF THIS ARTICLE BY A  
18 TELECOMMUNICATIONS PROVIDER OR A PROVIDER OF INTERCONNECTED  
19 VOIP SERVICE ARE SUBJECT TO ENFORCEMENT AND PENALTIES AS  
20 PROVIDED IN ARTICLE 7 OF THIS TITLE.

21 PART 2

22 WHOLESALE TELECOMMUNICATIONS SERVICE

23 **40-15-201. Wholesale rates - switched access - mirroring of**  
24 **interstate rates - schedule for compliance.** BEGINNING JANUARY 1,  
25 2012, EACH CARRIER THAT PROVIDES SWITCHED ACCESS SERVICE SHALL  
26 REDUCE ITS INTRASTATE SWITCHED ACCESS RATES ON AN  
27 ELEMENT-BY-ELEMENT BASIS, IN THREE ANNUAL AND EQUAL INCREMENTS,

1 TO EVENTUALLY MIRROR THE CARRIER'S ACCESS RATES PURSUANT TO ITS  
2 TARIFF OR SERVICE AGREEMENT BEFORE THE FEDERAL COMMUNICATIONS  
3 COMMISSION SO THAT, BY JANUARY 1, 2014, THE CARRIER'S INTRASTATE  
4 SWITCHED ACCESS RATES ARE IDENTICAL TO THEIR RESPECTIVE  
5 INTERSTATE RATES. THE COMMISSION SHALL INVESTIGATE ALL  
6 COMPLAINTS OF UNJUST AND UNREASONABLE SWITCHED ACCESS RATES  
7 AND IT SHALL MAINTAIN THE AUTHORITY TO SET THE RATES FOR SUCH  
8 SERVICE AT THOSE DETERMINED TO BE JUST AND REASONABLE AFTER  
9 NOTICE AND HEARING.

10 **40-15-202. Nondiscriminatory access charges.** (1) WITH  
11 REGARD TO PRICING AND THE PROVISION OF ACCESS, A LOCAL EXCHANGE  
12 PROVIDER SHALL NOT MAKE OR GRANT ANY PREFERENCE OR ADVANTAGE  
13 TO A PERSON PROVIDING TELECOMMUNICATIONS SERVICE BETWEEN  
14 EXCHANGES NOR SUBJECT A PERSON TO, NOR ITSELF TAKE ADVANTAGE OF,  
15 ANY PREJUDICE OR COMPETITIVE DISADVANTAGE FOR PROVIDING ACCESS  
16 TO THE LOCAL EXCHANGE NETWORK.

17 (2) A LOCAL EXCHANGE PROVIDER SHALL FILE CONTRACTS FOR  
18 ACCESS WITH THE COMMISSION, AND THE CONTRACTS ARE OPEN TO  
19 REVIEW BY OTHER PURCHASERS OF ACCESS TO ASSURE COMPLIANCE WITH  
20 THIS SECTION. BEFORE REVIEW OF A CONTRACT FOR ACCESS, THE  
21 PURCHASER DESIRING THE REVIEW SHALL EXECUTE A NONDISCLOSURE  
22 AGREEMENT AS DETERMINED BY THE COMMISSION FOR THE PROTECTION  
23 OF BUSINESS AND TRADE SECRETS.

24 **40-15-203. Switched access - continuation of price regulation.**  
25 ON OR AFTER THE EFFECTIVE DATE OF THIS ARTICLE, THE PRICE OF  
26 SWITCHED ACCESS MAY NOT BE DEREGULATED EXCEPT UPON THE  
27 SUBSEQUENT ENACTMENT OF ENABLING LEGISLATION AUTHORIZING SUCH



1 AND NO LESS FREQUENTLY THAN EVERY THREE YEARS THEREAFTER, TO  
2 CONSIDER THE DEREGULATION OF ANY REMAINING REGULATED BASIC  
3 LOCAL EXCHANGE SERVICE.

4 (2) (a) IN ALL RELEVANT GEOGRAPHIC AREAS OF THE STATE, AS  
5 DEFINED BY THE COMMISSION, THE COMMISSION MAY DESIGNATE ONE  
6 WIRELINE PROVIDER AS THE PROVIDER OF LAST RESORT AND ONE WIRELESS  
7 PROVIDER OF LAST RESORT AND ADOPT PROCEDURES FOR CHANGING OR  
8 TERMINATING THE DESIGNATION. A PROVIDER OF LAST RESORT  
9 DESIGNATION CARRIES THE RESPONSIBILITY TO OFFER BASIC LOCAL  
10 EXCHANGE SERVICE TO ALL CONSUMERS WHO REQUEST IT WITHIN THE  
11 DESIGNATED AREA.

12 (b) IN EXCHANGE AREAS WITH SUFFICIENT COMPETITION, AS  
13 DETERMINED BY THE COMMISSION, THE COMMISSION SHALL DECLINE TO  
14 DESIGNATE A CARRIER OF LAST RESORT OR MAY RESCIND A DESIGNATION  
15 THAT WAS PREVIOUSLY MADE.

16 (3) A CARRIER HOLDING A CERTIFICATE OF PUBLIC CONVENIENCE  
17 AND NECESSITY TO PROVIDE REGULATED BASIC SERVICE IS SUBJECT TO  
18 SUBSECTION (1) OF THIS SECTION AND THE SYSTEM OF FINANCIAL SUPPORT  
19 FOR UNIVERSAL SERVICE ESTABLISHED BY THE COMMISSION UNDER  
20 SECTION 40-15-306.

21 (4) A PROVIDER OF REGULATED BASIC LOCAL EXCHANGE SERVICE  
22 MUST APPLY TO THE COMMISSION FOR PERMISSION TO DISCONTINUE THE  
23 SERVICE. UNLESS THE PROVIDER IS A PROVIDER OF LAST RESORT IN AN  
24 AFFECTED AREA, THE COMMISSION SHALL ACT ON THE APPLICATION  
25 WITHIN SIXTY DAYS AFTER RECEIVING THE APPLICATION. THE  
26 COMMISSION MAY CONDITION ITS APPROVAL OF THE APPLICATION UPON  
27 THE PROVIDER'S COMPLIANCE WITH REQUIREMENTS FOR GIVING NOTICE TO



1 ITS CUSTOMERS THAT THE PROVIDER WILL DISCONTINUE ITS SERVICE.

2 (5) A CERTIFICATED LOCAL EXCHANGE THAT HAS NO CUSTOMERS  
3 IS NOT REQUIRED TO APPLY FOR AUTHORITY TO ABANDON ITS CERTIFICATE  
4 AND DISCONTINUE OFFERING BASIC SERVICE.

5 (6) AN AGREEMENT BETWEEN LOCAL EXCHANGE PROVIDERS TO  
6 MODIFY THE BOUNDARIES OF EXCHANGE AREAS IS SUBJECT TO REVIEW  
7 AND APPROVAL BY THE COMMISSION.

8 (7) FOR EXCHANGE AREAS IN WHICH THE RATES FOR BASIC SERVICE  
9 REMAIN REGULATED, THE COMMISSION SHALL CONTINUE TO REGULATE  
10 LOCAL CALLING AREAS, INCLUDING ZONE CHARGES AND EXTENDED AREA  
11 SERVICE INCREMENTS.

12 **40-15-302. Emergency service - price - service quality -**  
13 **authority of commission.** (1) NOTWITHSTANDING THE TECHNOLOGY  
14 USED TO DELIVER THE SERVICE AND NOTWITHSTANDING THE REGULATORY  
15 STATUS OF THE COMPONENT SERVICES, THE COMMISSION RETAINS  
16 AUTHORITY TO REGULATE THE PRICE AND SERVICE QUALITY OF  
17 EMERGENCY SERVICE.

18 (2) AN ENTITY PROPOSING TO OFFER EMERGENCY SERVICE SHALL  
19 FIRST OBTAIN A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY  
20 FROM THE COMMISSION. THE COMMISSION MAY ATTACH ONLY SUCH  
21 CONDITIONS TO THE CERTIFICATE THAT THE COMMISSION FINDS  
22 NECESSARY TO PROTECT THE PUBLIC INTEREST.

23 **40-15-303. Transfer of certificate.** A PROVIDER OR CARRIER  
24 MAY SELL, ASSIGN, LEASE, ENCUMBER, OR TRANSFER A CERTIFICATE OF  
25 PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE BASIC LOCAL  
26 EXCHANGE SERVICE OR EMERGENCY SERVICE ONLY IF AUTHORIZED BY THE  
27 COMMISSION.

1           **40-15-304. Regulation of rates - deregulation of all but certain**

2           **basic service - schedule of permissible increases.** (1) THE COMMISSION  
3           SHALL NOT REGULATE THE PRICE OF ANY RETAIL SERVICE OF A CARRIER  
4           OTHER THAN EMERGENCY SERVICE AS PROVIDED IN SECTION 40-15-302  
5           AND REGULATED BASIC SERVICE AS PROVIDED IN THIS SECTION.

6           (2) THE COMMISSION SHALL DETERMINE A MAXIMUM MONTHLY  
7           PRICE FOR REGULATED BASIC SERVICE.

8           (3) BEGINNING ON JANUARY 1, 2012, AND EACH SUBSEQUENT  
9           JANUARY 1, THE MAXIMUM MONTHLY PRICE FOR REGULATED BASIC  
10          SERVICE IS INCREASED BY ONE DOLLAR, UNLESS THE COMMISSION  
11          APPROVES A HIGHER RATE OR UNLESS THE PRICE OF THE SERVICE HAS BEEN  
12          DEREGULATED PURSUANT TO THIS SECTION.

13          (4) THE COMMISSION MAY SET A HIGHER MAXIMUM RATE THAN  
14          THE MAXIMUM MONTHLY PRICE FOR REGULATED BASIC SERVICE, BUT THE  
15          COMMISSION MAY NOT REQUIRE A CARRIER TO CHARGE A LOWER RATE FOR  
16          BASIC SERVICE.

17          (5) EFFECTIVE JANUARY 1, 2013:

18          (a) RATES FOR BASIC SERVICE PROVIDED BY CLECS ARE  
19          DEREGULATED; AND

20          (b) RATES FOR BASIC SERVICE OFFERED BY NONRURAL ILECS ARE  
21          DEREGULATED FOR ALL EXCHANGES WHEREIN THE COMMISSION HAS  
22          DETERMINED THAT SUFFICIENT COMPETITION EXISTS. SUFFICIENT  
23          COMPETITION EXISTS WHERE THREE OR MORE PROVIDERS HAVE OFFERED  
24          THE EQUIVALENT OF BASIC LOCAL EXCHANGE SERVICE, THROUGH ANY  
25          TECHNOLOGY, FOR A PERIOD OF TWO YEARS OR MORE. THE COMMISSION  
26          SHALL OPEN A PROCEEDING TO DETERMINE THE EXCHANGES WHERE  
27          SUFFICIENT COMPETITION EXISTS AND DEREGULATE BASIC LOCAL

1 EXCHANGE IN THOSE AREAS.

2 (6) (a) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE  
3 COMMISSION:

4 (I) MAY DEREGULATE THE PRICE OF REGULATED BASIC SERVICE IN  
5 ANY EXCHANGE AREA SERVED BY ANY CARRIER; AND

6 (II) SHALL ANNUALLY REVIEW THE LIST OF RURAL AND NONRURAL  
7 ILEC EXCHANGES THAT REMAIN RATE-REGULATED AND DETERMINE IN  
8 WHICH EXCHANGE AREAS THE RATES FOR REGULATED BASIC SERVICE  
9 SHOULD BE DEREGULATED.

10 (b) THE COMMISSION'S AUTHORITY TO REGULATE SERVICES IS  
11 LIMITED TO THOSE EXPRESSLY DESCRIBED IN THIS ARTICLE. ALL OTHER  
12 SERVICES SHALL BE CONSIDERED DEREGULATED, INCLUDING CMRS  
13 INTERCONNECTED VOIP.

14 **40-15-305. Retail service - quality - complaints - authority of**  
15 **commission.** (1) THE COMMISSION SHALL RECEIVE AND RESOLVE  
16 CONSUMER COMPLAINTS FOR ANY REGULATED TELECOMMUNICATIONS  
17 SERVICE.

18 (2) THE COMMISSION SHALL REVIEW AND REDUCE ANY EXISTING  
19 SERVICE QUALITY MEASURES APPLIED TO REGULATED BASIC SERVICES  
20 COMMENSURATE WITH THE REDUCED LEVEL OF REGULATION APPLIED TO  
21 THE SERVICE.

22 (3) REGARDING QUALITY OF SERVICE OF REGULATED BASIC AND  
23 911 SERVICE, AND TO THE EXTENT APPLICABLE, THE COMMISSION MAY  
24 EXERCISE ITS AUTHORITY TO IMPOSE CIVIL PENALTIES AS PROVIDED IN  
25 SECTION 40-7-113.5 FOR INTENTIONAL VIOLATIONS OF THIS ARTICLE AND  
26 ARTICLES 1 TO 7 OF THIS TITLE.

27 **40-15-306. High-cost support mechanism - Colorado high-cost**

1 **administration fund - creation - purpose - operation - rules -**  
2 **legislative declaration.** (1) (a) THE GENERAL ASSEMBLY FINDS,  
3 DETERMINES, AND DECLARES THAT SUPPORT FOR BASIC LOCAL EXCHANGE  
4 SERVICE PLACES A BURDEN ON COLORADO CONSUMERS, BUT THAT THE  
5 BURDEN IS NECESSARY TO SUPPORT THE GOAL OF UNIVERSAL BASIC LOCAL  
6 EXCHANGE SERVICE WITHIN THE STATE. THE GENERAL ASSEMBLY  
7 FURTHER FINDS THAT IT IS IN THE INTEREST OF COLORADO'S CITIZENS TO  
8 CONTINUE, BUT MODERNIZE AND EVENTUALLY SUNSET, THE SUPPORT FOR  
9 UNIVERSAL BASIC LOCAL EXCHANGE SERVICE THROUGH THE COLORADO  
10 HIGH-COST SUPPORT MECHANISM CREATED IN THIS SECTION.

11 (b) NO LATER THAN JULY 1, 2012, THE COMMISSION SHALL  
12 REEVALUATE WHETHER THE AREAS CURRENTLY DESIGNATED AS RURAL OR  
13 HIGH-COST FOR PURPOSES OF HIGH-COST SUPPORT REMAIN RURAL OR  
14 HIGH-COST. FURTHER, THE COMMISSION SHALL ESTABLISH A SCHEDULE TO  
15 ELIMINATE SUPPORT FOR ANY AREAS THAT IT DETERMINES NO LONGER  
16 QUALIFY AS HIGH-COST OR RURAL. ON OR BEFORE JANUARY 1, 2031, THE  
17 COMMISSION SHALL ELIMINATE ALL SUPPORT FROM THE COLORADO  
18 HIGH-COST SUPPORT MECHANISM.

19 (2) THE COMMISSION IS HEREBY AUTHORIZED TO ESTABLISH A  
20 MECHANISM FOR THE SUPPORT OF UNIVERSAL SERVICE, ALSO REFERRED TO  
21 IN THIS SECTION AS THE "HIGH-COST SUPPORT MECHANISM", WHICH SHALL  
22 OPERATE IN ACCORDANCE WITH RULES ADOPTED BY THE COMMISSION.  
23 THE PRIMARY PURPOSE OF THE HIGH-COST SUPPORT MECHANISM IS TO:

24 (a) PROVIDE FINANCIAL ASSISTANCE AS A SUPPORT MECHANISM TO  
25 LOCAL EXCHANGE PROVIDERS TO HELP MAKE REGULATED BASIC LOCAL  
26 EXCHANGE SERVICE AFFORDABLE; AND

27 (b) ALLOW THE PROVIDERS TO BE FULLY REIMBURSED FOR THE

1 DIFFERENCE BETWEEN THE REASONABLE COSTS INCURRED IN MAKING  
2 REGULATED BASIC SERVICE AVAILABLE TO THEIR CUSTOMERS WITHIN A  
3 RURAL, HIGH-COST GEOGRAPHIC SUPPORT AREA AND THE PRICE CHARGED  
4 FOR THE SERVICE, AFTER TAKING INTO ACCOUNT ANY AMOUNTS RECEIVED  
5 BY THE PROVIDERS UNDER PRICE SUPPORT MECHANISMS ESTABLISHED BY  
6 THE FEDERAL GOVERNMENT AND BY THIS STATE.

7 (3) RURAL CARRIERS MAY RECOVER NET REDUCED ACCESS  
8 REVENUE FROM THE HIGH-COST SUPPORT MECHANISM SUBJECT TO THE  
9 FOLLOWING CONDITIONS:

10 (a) THE COMMISSION SHALL ADJUST THE SUPPORT PROVIDED TO A  
11 RURAL CARRIER TO ACCOUNT FOR ACCESS COST SAVINGS EXPERIENCED BY  
12 THE RURAL CARRIER AS A RESULT OF ACCESS PRICE REDUCTIONS OF OTHER  
13 CARRIERS AS REQUIRED BY THIS ARTICLE;

14 (b) THE COMMISSION SHALL ADJUST THE SUPPORT TO ACCOUNT  
15 FOR CHANGES TO THE NUMBER OF ACCESS MINUTES EXPERIENCED BY THE  
16 RURAL CARRIER; AND

17 (c) THE COMMISSION SHALL ADJUST THE SUPPORT TO ACCOUNT  
18 FOR INCREASED REVENUES FROM REGULATED BASIC SERVICE AS A RESULT  
19 OF THE ENACTMENT OF THIS ARTICLE.

20 (4) (a) THE COMMISSION SHALL ENSURE THAT NO LOCAL  
21 EXCHANGE PROVIDER IS RECEIVING FUNDS FROM THIS OR ANY OTHER  
22 SOURCE THAT, TOGETHER WITH LOCAL EXCHANGE SERVICE REVENUES,  
23 EXCEEDS THE COST OF PROVIDING LOCAL EXCHANGE SERVICE TO  
24 CUSTOMERS OF THE PROVIDER. THE COMMISSION SHALL ADMINISTER AND  
25 DISTRIBUTE HIGH-COST SUPPORT MECHANISM EQUITABLY AND ON A  
26 NONDISCRIMINATORY, COMPETITIVELY NEUTRAL BASIS THROUGH A  
27 NEUTRAL ASSESSMENT ON ALL TELECOMMUNICATIONS SERVICE

1 PROVIDERS IN COLORADO.

2 (b) ON OR BEFORE DECEMBER 1, 2011, AND ON OR BEFORE EACH  
3 DECEMBER 1 THEREAFTER, THE COMMISSION SHALL SUBMIT A WRITTEN  
4 REPORT TO THE COMMITTEES OF REFERENCE IN THE SENATE AND HOUSE OF  
5 REPRESENTATIVES THAT ARE ASSIGNED TO HEAR TELECOMMUNICATIONS  
6 ISSUES, IN ACCORDANCE WITH SECTION 24-1-136, C.R.S., ACCOUNTING  
7 FOR THE OPERATION OF THE HIGH-COST SUPPORT MECHANISM DURING THE  
8 PRECEDING CALENDAR YEAR AND CONTAINING THE FOLLOWING  
9 INFORMATION, AT A MINIMUM:

10 (I) THE TOTAL AMOUNT OF MONEY THAT THE COMMISSION  
11 DETERMINED SHOULD CONSTITUTE THE HIGH-COST SUPPORT MECHANISM  
12 FROM WHICH DISTRIBUTIONS WOULD BE MADE;

13 (II) THE TOTAL AMOUNT OF MONEY ORDERED TO BE CONTRIBUTED  
14 THROUGH A NEUTRAL ASSESSMENT COLLECTED BY EACH  
15 TELECOMMUNICATIONS SERVICE PROVIDER;

16 (III) THE BASIS ON WHICH THE CONTRIBUTION OF EACH  
17 TELECOMMUNICATIONS SERVICE PROVIDER WAS CALCULATED;

18 (IV) THE BENCHMARKS USED AND THE BASIS ON WHICH THE  
19 BENCHMARKS WERE DETERMINED;

20 (V) THE TOTAL AMOUNT OF MONEY THAT THE COMMISSION  
21 DISTRIBUTED FROM THE HIGH-COST SUPPORT MECHANISM;

22 (VI) THE TOTAL AMOUNT OF MONEY DISTRIBUTED TO EACH  
23 TELECOMMUNICATIONS SERVICE PROVIDER FROM THE HIGH-COST SUPPORT  
24 MECHANISM;

25 (VII) THE BASIS ON WHICH THE DISTRIBUTION TO  
26 TELECOMMUNICATIONS SERVICE PROVIDERS WAS CALCULATED;

27 (VIII) AS TO EACH TELECOMMUNICATIONS SERVICE PROVIDER

1 RECEIVING A DISTRIBUTION, THE AMOUNT RECEIVED BY GEOGRAPHIC  
2 SUPPORT AREA AND TYPE OF CUSTOMER AND THE WAY IN WHICH THE  
3 BENEFIT OF THE DISTRIBUTION WAS APPLIED OR ACCOUNTED FOR;

4 (IX) THE PROPOSED BENCHMARKS, THE PROPOSED CONTRIBUTIONS  
5 TO BE COLLECTED THROUGH A NEUTRAL ASSESSMENT ON EACH  
6 TELECOMMUNICATIONS PROVIDER, AND THE PROPOSED TOTAL AMOUNT OF  
7 THE HIGH-COST SUPPORT MECHANISM FROM WHICH DISTRIBUTIONS ARE TO  
8 BE MADE FOR THE FOLLOWING CALENDAR YEAR; AND

9 (X) THE TOTAL AMOUNT OF DISTRIBUTIONS MADE FROM THE  
10 HIGH-COST SUPPORT MECHANISM, DIRECTLY OR INDIRECTLY, AND HOW  
11 THEY ARE BALANCED BY RATE REDUCTIONS BY ALL PROVIDERS FOR THE  
12 SAME PERIOD AND A FULL ACCOUNTING OF AND JUSTIFICATION FOR ANY  
13 DIFFERENCE.

14 (c) IF THE REPORT SUBMITTED PURSUANT TO PARAGRAPH (b) OF  
15 THIS SUBSECTION (4) CONTAINS A PROPOSAL FOR AN INCREASE IN ANY OF  
16 THE AMOUNTS LISTED IN SUBPARAGRAPH (IX) OF PARAGRAPH (b) OF THIS  
17 SUBSECTION (4), THE COMMISSION SHALL SUSPEND THE INCREASE UNTIL  
18 MARCH 31 OF THE FOLLOWING YEAR.

19 (5) THERE IS HEREBY CREATED, IN THE STATE TREASURY, THE  
20 COLORADO HIGH-COST ADMINISTRATION FUND, REFERRED TO IN THIS  
21 SECTION AS THE "FUND", WHICH SHALL BE USED TO REIMBURSE THE  
22 COMMISSION AND ITS CONTRACTORS FOR REASONABLE EXPENSES  
23 INCURRED IN THE ADMINISTRATION OF THE HIGH-COST SUPPORT  
24 MECHANISM AS DETERMINED BY RULES OF THE COMMISSION. THE  
25 GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE THE MONEYS IN THE  
26 FUND TO THE COMMISSION FOR THE DIRECT AND INDIRECT  
27 ADMINISTRATIVE COSTS INCURRED BY THE COMMISSION AND ITS

1 CONTRACTORS. AT THE END OF EACH FISCAL YEAR, ALL UNEXPENDED AND  
2 UNENCUMBERED MONEYS IN THE FUND SHALL REMAIN IN THE FUND AND  
3 SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANY  
4 OTHER FUND. EACH YEAR, THE COMMISSION SHALL DETERMINE THE  
5 NONDISCRIMINATORY, COMPETITIVELY NEUTRAL ASSESSMENT ON ALL  
6 TELECOMMUNICATIONS SERVICE PROVIDERS IN COLORADO THAT WILL BE  
7 NECESSARY TO COVER THE COST OF IMPLEMENTING AND ADMINISTERING  
8 THE HIGH-COST SUPPORT MECHANISM, BASED UPON THE HIGH-COST  
9 SUPPORT MECHANISM, THE BALANCE REMAINING IN THE FUND, AND THE  
10 AMOUNT APPROPRIATED ANNUALLY BY THE GENERAL ASSEMBLY FOR USE  
11 BY THE COMMISSION. THE COMMISSION SHALL TRANSMIT THE MONEYS  
12 FROM THE ASSESSMENT FOR ADMINISTERING THE HIGH-COST SUPPORT  
13 MECHANISM TO THE STATE TREASURER, WHO SHALL CREDIT THE SAME TO  
14 THE FUND. ALL INTEREST DERIVED FROM THE DEPOSIT AND INVESTMENT  
15 OF THE FUND SHALL REMAIN IN THE FUND AND SHALL NOT REVERT TO THE  
16 GENERAL FUND.

17 **SECTION 2.** 40-3.4-102, Colorado Revised Statutes, is amended  
18 to read:

19 **40-3.4-102. Legislative declaration.** The general assembly  
20 hereby finds, determines, and declares that the absence of basic local  
21 exchange telecommunications services, especially during time of  
22 emergency, presents a potential hazard and an unnecessary danger to  
23 human health and safety. Therefore, the general assembly declares it to  
24 be of vital importance to the public health, safety, and welfare that  
25 low-income individuals receive assistance that is adequate to ~~insure~~  
26 ENSURE access to basic local exchange telecommunications services. THE  
27 COMMISSION MAY REGULATE PROVIDERS OF TELECOMMUNICATIONS



1 SERVICES TO THE EXTENT NECESSARY TO ASSURE THAT BASIC LOCAL  
2 EXCHANGE TELECOMMUNICATIONS SERVICE IS PROVIDED TO ALL ELIGIBLE  
3 LOW-INCOME CONSUMERS IN THE STATE. THE GENERAL ASSEMBLY  
4 ACKNOWLEDGES THE USE OF LOW-INCOME TELEPHONE ASSISTANCE  
5 PROGRAMS, INCLUDING THE FEDERAL "LIFELINE" AND "LINK-UP"  
6 PROGRAMS, TO FURTHER THIS GOAL.

7 **SECTION 3.** 40-3.4-103 (1), Colorado Revised Statutes, is  
8 amended to read:

9 **40-3.4-103. Definitions.** As used in this article, unless the context  
10 otherwise requires:

11 (1) "Basic local exchange telecommunications services" means  
12 ~~any of the telecommunications services which provide a dial tone and~~  
13 ~~local usage necessary to place or receive a call within an exchange area~~  
14 ~~or local free calling area~~ BASIC LOCAL EXCHANGE SERVICE AS DEFINED IN  
15 SECTION 40-15-102 (2), C.R.S.

16 **SECTION 4.** 40-3.4-104, Colorado Revised Statutes, is amended  
17 to read:

18 **40-3.4-104. Low-income telephone assistance authorization**  
19 **requirements.** The general assembly hereby authorizes and directs the  
20 implementation of low-income telephone assistance programs. ~~Such~~  
21 PROVIDERS OF BASIC LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES  
22 SHALL PROVIDE THE programs ~~shall be provided~~ to certain low-income  
23 subscribers. ~~by providers of basic local exchange telecommunications~~  
24 ~~services.~~ ~~Such~~ THE programs shall consist of a twenty-five percent  
25 discount for a single local dial tone line and the flat rate usage charge in  
26 the principal residence of an eligible subscriber. Eligible subscribers who  
27 pay mileage charges associated with basic telephone service may be

1 eligible for a twenty-five percent discount for these charges. In no event  
2 shall the discount provided be less than ONE-HALF OF the end user  
3 common line charges imposed by the federal communications  
4 commission. All program plans shall be submitted to the federal  
5 communications commission for approval.

6 **SECTION 5.** The introductory portion to 40-3.4-105 (1) and  
7 40-3.4-105 (1) (a), Colorado Revised Statutes, are amended to read:

8 **40-3.4-105. Low-income telephone assistance - eligibility.**

9 (1) ~~Individuals~~ AN INDIVIDUAL IS eligible for low-income telephone  
10 assistance ~~shall be those persons who~~ IF THE PERSON:

11 (a) ~~Are~~ IS certified by the department of human services as  
12 ~~qualified~~ to receive financial assistance payments UNDER AT LEAST ONE  
13 OF THE FOLLOWING PROGRAMS:

14 (I) AN OLD AGE PENSION AS SET FORTH IN SECTION 26-2-111 (2),  
15 C.R.S.;

16 (II) AID TO THE NEEDY DISABLED AS SET FORTH IN SECTION  
17 26-2-111 (4), C.R.S.;

18 (III) AID TO THE BLIND AS SET FORTH IN SECTION 26-2-111 (5),  
19 C.R.S.;

20 (IV) SUPPLEMENTAL SECURITY INCOME BENEFITS UNDER THE  
21 FEDERAL "SOCIAL SECURITY ACT", AS AMENDED, 42 U.S.C. SEC. 1601 ET  
22 SEQ.;

23 (V) COLORADO WORKS ASSISTANCE AS SET FORTH IN SECTION  
24 26-2-706, C.R.S.;

25 (VI) LOW-INCOME HOME ENERGY ASSISTANCE BENEFITS UNDER  
26 THE FEDERAL "ENERGY POLICY ACT OF 2005", AS AMENDED, 42 U.S.C.  
27 SEC. 8621 ET SEQ.;

1 (VII) MEDICAID; OR

2 (VIII) FOOD ASSISTANCE UNDER FEDERAL FOOD ASSISTANCE  
3 PROGRAMS.

4 **SECTION 6.** 40-3.4-108 (1), Colorado Revised Statutes, is  
5 amended to read:

6 **40-3.4-108. Funding - federal requirements - program**  
7 **participation - low-income telephone assistance fund.** (1) The  
8 commission shall determine and impose a uniform charge on each  
9 business and residential access line in an amount sufficient to reimburse  
10 each provider of basic local exchange telecommunications services for its  
11 provision of low-income telephone assistance and to reimburse the  
12 COMMISSION AND THE department of human services for OUTREACH AND  
13 administrative expenses incurred under this article. The COMMISSION  
14 SHALL NOT IMPOSE THE charge ~~shall not be imposed~~ on any state or local  
15 governmental body or on eligible subscribers. Each fiscal year, ~~the~~  
16 ~~commission~~, after considering any surplus revenues carried forward from  
17 the previous year, THE COMMISSION shall adjust the amount of the charge  
18 as necessary to provide the assistance authorized in this article. Each  
19 provider of basic local exchange telecommunications services providing  
20 low-income telephone assistance shall collect the entire charge imposed  
21 on business and residential access lines as determined by the commission.  
22 The charge established by the commission pursuant to this subsection (1)  
23 shall not generate any additional profit for the providers of basic local  
24 exchange telecommunications services.

25 **SECTION 7.** 40-3.4-110, Colorado Revised Statutes, is amended  
26 to read:

27 **40-3.4-110. Applicability.** This article shall apply to all providers

1 of basic local exchange telecommunications services ~~with more than five~~  
2 ~~hundred thousand subscribers and~~ certified to do business in the state.  
3 ~~except that any such certified company with fewer subscribers may~~  
4 ~~petition the commission for discounted rates for their subscribers eligible~~  
5 ~~to receive low-income telephone assistance.~~

6 **SECTION 8.** 6-1-903 (9), Colorado Revised Statutes, is amended  
7 to read:

8 **6-1-903. Definitions.** As used in this part 9, unless the context  
9 otherwise requires:

10 (9) "Residential subscriber" means a person who has subscribed  
11 to residential telephone service with a local exchange provider, as defined  
12 in section 40-15-102, ~~(18)~~, C.R.S. "Person" also includes any other  
13 persons living or residing with such person.

14 **SECTION 9.** 24-75-402 (5) (x), Colorado Revised Statutes, is  
15 amended to read:

16 **24-75-402. Cash funds - limit on uncommitted reserves -**  
17 **reduction in amount of fees - exclusions.** (5) Notwithstanding any  
18 provision of this section to the contrary, the following cash funds are  
19 excluded from the limitations specified in this section:

20 (x) The Colorado high-cost administration fund created in section  
21 ~~40-15-208 (3)~~ 40-15-306 (5), C.R.S.;

22 **SECTION 10.** 29-11-101 (10), Colorado Revised Statutes, is  
23 amended to read:

24 **29-11-101. Definitions.** As used in this article, unless the context  
25 otherwise requires:

26 (10) "Telecommunications ~~service~~" has the meaning set forth in  
27 section 40-15-102 ~~(29)~~ (16), C.R.S.

1           **SECTION 11.** 29-27-102 (6), Colorado Revised Statutes, is  
2 amended to read:

3           **29-27-102. Definitions.** As used in this article, unless the context  
4 otherwise requires:

5           (6) "Telecommunications ~~service~~" has the same meaning as set  
6 forth in section 40-15-102 ~~(29)~~ (16), C.R.S.

7           **SECTION 12.** 30-20-603 (1) (a), Colorado Revised Statutes, is  
8 amended to read:

9           **30-20-603. Improvements and funding authorized - how**  
10 **instituted - conditions.** (1) (a) A district may be formed in accordance  
11 with the requirements of this part 6 for the purpose of constructing,  
12 installing, acquiring, or funding, in whole or in part, any public  
13 improvement, so long as the county that forms the district is authorized  
14 to provide ~~such~~ THE improvement or provide for ~~such~~ THE funding under  
15 the county's home rule charter, if any, or the laws of this state. Public  
16 improvements or the funding ~~thereof shall~~ OF PUBLIC IMPROVEMENTS  
17 DOES not include any facility identified in section 30-20-101 (8) or (9).  
18 No such district shall provide the same improvement as an existing  
19 special district within the territory of ~~such~~ THE existing special district  
20 unless the existing special district consents. The improvements  
21 authorized by this part 6 may consist, without limitation, of constructing,  
22 grading, paving, pouring, curbing, guttering, lining, or otherwise  
23 improving the whole or any part of any street or providing street lighting,  
24 drainage facilities, or service improvements, in the unincorporated area  
25 of a county or wholly or partly within the boundaries of ~~any~~ A  
26 municipality within the county if ~~such~~ THE municipality consents by  
27 ordinance to ~~such~~ THE improvements. If improvements within a

1 municipality are ~~so~~ included in a county improvement district by  
2 municipal consent, the county ~~shall have~~ HAS full authority to construct  
3 or acquire ~~such~~ THE improvements, to assess property within ~~such~~ THE  
4 municipality benefited by ~~such~~ THE improvements, and to enforce and  
5 collect ~~such~~ THE assessments, in the manner provided in this part 6. The  
6 improvements authorized by this part 6 may include ~~without limitation,~~  
7 the construction of sidewalks adjacent to any ~~such~~ streets or maintenance  
8 roads adjacent to ~~any~~ ~~such~~ THE drainage facilities. Prior to the  
9 establishment of ~~any~~ AN improvement district for the purpose of  
10 providing street lighting, arrangements, by contract or otherwise, must be  
11 established under which the owners of property included within ~~such~~ THE  
12 district shall be responsible for the maintenance and operation of ~~such~~  
13 THE street lighting improvement. The costs of maintenance and operation  
14 of ~~such~~ THE street lighting improvements shall not be paid from the  
15 county general fund. Drainage facilities shall not be provided in ~~any~~ AN  
16 area ~~which~~ THAT is within an existing drainage district organized or  
17 created pursuant to law without the approval of ~~such~~ THE district. The  
18 term "service" as used in this paragraph (a) includes the services provided  
19 by a public utility as defined in section 40-1-103, C.R.S., as well as  
20 advanced service as defined in section 29-27-102, ~~(1)~~, C.R.S., cable  
21 television service as defined in section 29-27-102, ~~(2)~~, C.R.S.,  
22 telecommunications ~~service~~ as defined in section 40-15-102, ~~(29)~~, C.R.S.,  
23 geothermal heat suppliers as defined in section 40-40-103, C.R.S., and  
24 information service as defined in 47 U.S.C. sec. 153 (20), or any  
25 successor section.

26 **SECTION 13.** 38-5.5-102 (3), Colorado Revised Statutes, is  
27 amended to read:

1           **38-5.5-102. Definitions.** As used in this article, unless the context  
2 otherwise requires:

3           (3) "Telecommunications provider" or "provider" means a person  
4 that provides telecommunications, ~~service~~, as defined in section  
5 40-15-102, ~~(29)~~, C.R.S., with the exception of cable services as defined  
6 by section 602(5) of the federal "Cable Communications Policy Act of  
7 1984", 47 U.S.C. sec. 522(6), pursuant to authority granted by the public  
8 utilities commission of this state or by the federal communications  
9 commission. "Telecommunications provider" or "provider" does not  
10 mean a person or business using antennas, support towers, equipment,  
11 and buildings used to transmit high power over-the-air broadcast of AM  
12 and FM radio, VHF and UHF television, and advanced television  
13 services, including high definition television. The term  
14 "telecommunications provider" is synonymous with "telecommunication  
15 provider".

16           **SECTION 14.** The introductory portion to 40-3-104 (1) (c) (I)  
17 and 40-3-104 (1) (c) (I) (A), Colorado Revised Statutes, is amended to  
18 read:

19           **40-3-104. Changes in rates - notice.** (1) (c) (I) Such notice shall  
20 be given by filing with the commission and keeping open for public  
21 inspection new schedules stating plainly the changes to be made in the  
22 schedules then in force and the time when the changes will go into effect.  
23 Transportation and water utilities may be required to give additional  
24 notice in a manner and form set forth by commission order or commission  
25 rules. For public utilities other than transportation and water utilities,  
26 additional notice ~~shall be~~ IS required prior to an increase or other change  
27 in any rate, fare, toll, rental, charge, classification, or service and may be

1 made, at the option of the public utility, by any of the following methods:

2 (A) Publication of a notice in each newspaper of general  
3 circulation in each county in which the public utility provides service,  
4 which notice shall be four columns wide and eleven inches high stating  
5 plainly the changes and shall be published once each week for two  
6 successive weeks during the first twenty days of the thirty-day period  
7 prior to the effective date of the increase or change. If notice is given by  
8 publication, public utilities other than those providing intrastate  
9 telecommunications services pursuant to ~~section 40-15-104 (1)~~ ARTICLE  
10 15 OF THIS TITLE shall also be required to include, with each regular  
11 billing statement mailed to affected customers during the first regular  
12 billing cycle following the filing of the application for an increase or  
13 other change, a bill insert containing the same information contained in  
14 the notice by newspaper publication.

15 **SECTION 15.** 40-3-115 (2) (a), Colorado Revised Statutes, is  
16 amended to read:

17 **40-3-115. Recovery of utility relocation costs.**

18 (2) (a) Notwithstanding ~~the provisions of section 40-15-502 (3) (b) (I) to~~  
19 ~~(3) (b) (V)~~, ANY PROVISION OF LAW OR OF ANY RULE OF THE COMMISSION  
20 TO THE CONTRARY, local exchange providers of basic local exchange  
21 service subject to regulation pursuant to ~~part 2, part 3, or part 5~~ of article  
22 15 of this title may request authorization from the commission to recover  
23 the actual costs incurred for the relocation of infrastructure or facilities  
24 requested by the state or a political subdivision. Actual costs are the  
25 nonfacility costs incurred in the relocation plus the undepreciated amount  
26 of the facilities being replaced. Recovery of actual costs incurred for  
27 relocation is intended for those state and political subdivision requests



1 that are determined by the commission to be beyond the normal course of  
2 business.

3 **SECTION 16. Effective date.** This act shall take effect July 1,  
4 2011.

5 **SECTION 17. Safety clause.** The general assembly hereby finds,  
6 determines, and declares that this act is necessary for the immediate  
7 preservation of the public peace, health, and safety.