Second Regular Session Sixty-ninth General Assembly STATE OF COLORADO

ENGROSSED

This Version Includes All Amendments Adopted on Second Reading in the House of Introduction

LLS NO. 14-0951.01 Ed DeCecco x4216

HOUSE BILL 14-1327

HOUSE SPONSORSHIP

Williams and Murray,

SENATE SPONSORSHIP

Scheffel and Tochtrop,

House CommitteesSenate CommitteesBusiness, Labor, Economic, & Workforce DevelopmentFinanceAppropriations

A BILL FOR AN ACT

101	CONCERNING	MEASURES	то	EXPAND	THE	DEI	PLOYMENT	OF
102	COMMU	NICATION	NET	WORKS,	AND,	IN	CONNECT	ION
103	THEREW	/ITH, ENACTI	NG TH	E ''BROAI	BAND	Depl	OYMENT AC	ст".

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

Section 3 of the bill requires a local government to process a complete application for the collocation of a wireless service facility within 90 days and to process a complete application that involves a new structure or a new wireless service facility other than a collocation within

HOUSE Amended 2nd Reading April 8, 2014 150 days. There is an exception to these deadlines for the provider to respond to a request for additional information, and the parties may agree to waive the deadlines. **Section 3** also requires a local government to allow a permit applicant to consolidate applications and receive a single permit for a small cell network that is within the jurisdiction of a single local government and to consolidate documents and administrative proceedings if an applicant is collocating several wireless service facilities within a single local government.

Sections 4, 5, and 6 expand parts of the law relating to access to public rights-of-way for telecommunications providers to include broadband providers, which include cable operators. Specifically, section 5 grants a broadband provider the right to construct, maintain, and operate facilities along any public highway. Section 6 requires a political subdivision's tax, fee, or charge to be competitively neutral among telecommunications providers and broadband providers and prohibits a political subdivision from collecting taxes, fees, and charges from a broadband provider through in-kind services, or requiring in-kind services as a condition to use a highway.

Section 7 requires the state or a political subdivision to provide notice to a broadband provider of a utility trenching project that the state or political subdivision conducts and to allow joint trenching by broadband providers on a nonexclusive and nondiscriminatory basis. Notice of the trenching project will be given to any broadband provider that requests to be included on a public list maintained by the department of transportation.

Section 8 creates a state sales and use tax exemption for the sale or lease to a broadband provider of tangible personal property that is used directly in the provider's network for the provision of broadband service. Section 2 of the bill permits a statutory county, city, or town to create a local sales and use tax exemption that is identical to the state exemption. It also repeals separate authority for local governments to create a similar sales and use tax exemption.

Be it enacted by the General Assembly of the State of Colorado:
 SECTION 1. Short title. This act shall be known and may be
 cited as the "Broadband Deployment Act".
 SECTION 2. In Colorado Revised Statutes, add part 4 to article
 27 of title 29 as follows:
 PART 4

PERMIT APPROVAL - PROCESS AND DEADLINE

1

2 29-27-401. Legislative declaration. (1) THE GENERAL ASSEMBLY
 FINDS AND DECLARES THAT:

4 (a) THE PERMITTING, CONSTRUCTION, MODIFICATION,
5 MAINTENANCE, AND OPERATION OF BROADBAND FACILITIES ARE CRITICAL
6 TO ENSURING THAT ALL CITIZENS IN THE STATE HAVE TRUE ACCESS TO
7 ADVANCED TECHNOLOGY AND INFORMATION;

8 (b) THESE FACILITIES ARE CRITICAL TO ENSURING THAT
9 BUSINESSES AND SCHOOLS THROUGHOUT THE STATE REMAIN COMPETITIVE
10 IN THE GLOBAL ECONOMY; AND

11 (c) THE PERMITTING, CONSTRUCTION, MODIFICATION,
12 MAINTENANCE, AND OPERATION OF THESE FACILITIES, TO THE EXTENT
13 SPECIFICALLY ADDRESSED IN THIS PART 4, ARE DECLARED TO BE MATTERS
14 OF STATEWIDE CONCERN AND INTEREST.

15 29-27-402. Definitions. As used in this part 4, unless the
16 CONTEXT OTHERWISE REQUIRES:

17 (1) "BROADBAND FACILITY" MEANS ANY INFRASTRUCTURE USED
18 TO DELIVER BROADBAND SERVICE OR FOR THE PROVISION OF BROADBAND
19 SERVICE.

20 (2) "BROADBAND SERVICE" HAS THE SAME MEANING AS SET FORTH
21 IN 7 U.S.C. SEC. 950bb (b) (1) AS OF THE EFFECTIVE DATE OF THIS
22 SECTION, AND FOR THE PURPOSES OF THIS SECTION INCLUDES:

(a) "CABLE SERVICE", AS DEFINED IN 47 U.S.C. SEC. 522 (6) AS OF
THE EFFECTIVE DATE OF THIS SECTION;

(b) "TELECOMMUNICATIONS SERVICE", AS DEFINED IN 47 U.S.C.
SEC. 153 AS OF THE EFFECTIVE DATE OF THIS SECTION; AND

27 (c) "WIRELESS SERVICE", WHICH MEANS DATA AND

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TELECOMMUNICATIONS SERVICES, INCLUDING COMMERCIAL MOBILE
 SERVICES, COMMERCIAL MOBILE DATA SERVICES, UNLICENSED WIRELESS
 SERVICES, AND COMMON CARRIER WIRELESS EXCHANGE ACCESS SERVICES,
 AS ALL OF THESE TERMS ARE DEFINED BY FEDERAL LAW AND
 REGULATIONS.

6 (3) "COLLOCATION" MEANS THE MOUNTING OR INSTALLATION OF
7 BROADBAND SERVICE EQUIPMENT ON A TOWER, BUILDING, OR STRUCTURE
8 WITH EXISTING BROADBAND SERVICE EQUIPMENT FOR THE PURPOSE OF
9 TRANSMITTING OR RECEIVING RADIO FREQUENCY SIGNALS FOR
10 COMMUNICATIONS PURPOSES.

11 (4) "SM

(4) "SMALL CELL FACILITY" MEANS EITHER:

12 (a) A PERSONAL WIRELESS SERVICE FACILITY AS DEFINED BY THE
13 FEDERAL "TELECOMMUNICATIONS ACT OF 1996", AS AMENDED AS OF THE
14 EFFECTIVE DATE OF THIS SECTION; OR

15 (b) A WIRELESS SERVICE FACILITY THAT MEETS BOTH OF THE16 FOLLOWING QUALIFICATIONS:

(I) EACH ANTENNA IS LOCATED INSIDE AN ENCLOSURE OF NO MORE
THAN THREE CUBIC FEET IN VOLUME OR, IN THE CASE OF AN ANTENNA
THAT HAS EXPOSED ELEMENTS, THE ANTENNA AND ALL OF ITS EXPOSED
ELEMENTS COULD FIT WITHIN AN IMAGINARY ENCLOSURE OF NO MORE
THAN THREE CUBIC FEET; AND

(II) PRIMARY EQUIPMENT ENCLOSURES ARE NO LARGER THAN
SEVENTEEN CUBIC FEET IN VOLUME. THE FOLLOWING ASSOCIATED
EQUIPMENT MAY BE LOCATED OUTSIDE OF THE PRIMARY EQUIPMENT
ENCLOSURE AND, IF SO LOCATED, IS NOT INCLUDED IN THE CALCULATION
OF EQUIPMENT VOLUME: ELECTRIC METER, CONCEALMENT,
TELECOMMUNICATIONS DEMARCATION BOX, GROUND-BASED ENCLOSURES,

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BACK-UP POWER SYSTEMS, GROUNDING EQUIPMENT, POWER TRANSFER
 SWITCH, AND CUT-OFF SWITCH.

3 (5) "SMALL CELL NETWORK" MEANS A COLLECTION OF
4 INTERRELATED SMALL CELL FACILITIES DESIGNED TO DELIVER WIRELESS
5 SERVICE.

6 (6) "STRUCTURE" MEANS ANY FACILITY, TOWER, POLE, BUILDING,
7 OR OTHER STRUCTURE CONSTRUCTED FOR THE SOLE OR PRIMARY PURPOSE
8 OF SUPPORTING BROADBAND FACILITIES OR WIRELESS SERVICE FACILITIES.

9 (7) "WIRELESS SERVICE FACILITY" MEANS A FACILITY FOR THE
10 PROVISION OF WIRELESS SERVICES.

11 29-27-403. Permit - approval - deadline - exception. (1) A
 12 LOCAL GOVERNMENT MAY TAKE UP TO:

13 (a) NINETY DAYS TO PROCESS A COMPLETE APPLICATION THAT
14 INVOLVES A COLLOCATION OF A TOWER, BUILDING, STRUCTURE, OR
15 REPLACEMENT STRUCTURE; OR

16 (b) ONE HUNDRED FIFTY DAYS TO PROCESS A COMPLETE
17 APPLICATION THAT INVOLVES A NEW STRUCTURE OR A NEW WIRELESS
18 SERVICE FACILITY OTHER THAN A COLLOCATION.

(2) THE TIME IT TAKES FOR AN APPLICANT TO RESPOND TO THE
FIRST REQUEST FOR ADDITIONAL INFORMATION WILL NOT COUNT TOWARD
THE APPLICABLE DEADLINE SET FORTH IN SUBSECTION (1) OF THIS SECTION
ONLY IF THE LOCAL GOVERNMENT NOTIFIES THE APPLICANT WITHIN
THIRTY DAYS AFTER THE INITIAL FILING THAT THE APPLICATION IS
INCOMPLETE. ALL OTHER REQUESTS FOR ADDITIONAL INFORMATION
COUNT TOWARD SUCH DEADLINES.

26 (3) AN APPLICANT AND A LOCAL GOVERNMENT MAY MUTUALLY
27 AGREE THAT AN APPLICATION MAY BE PROCESSED IN A LONGER PERIOD

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1 THAN SET FORTH IN SUBSECTION (1) OF THIS SECTION.

29-27-404. Permit process. (1) FOR SMALL CELL NETWORKS
3 INVOLVING MULTIPLE INDIVIDUAL SMALL CELL FACILITIES WITHIN THE
4 JURISDICTION OF A SINGLE LOCAL GOVERNMENT, THE LOCAL GOVERNMENT
5 SHALL ALLOW THE APPLICANT, AT THE APPLICANT'S DISCRETION, TO FILE
6 A CONSOLIDATED APPLICATION AND RECEIVE A SINGLE PERMIT FOR THE
7 SMALL CELL NETWORK INSTEAD OF FILING SEPARATE APPLICATIONS FOR
8 EACH INDIVIDUAL SMALL CELL FACILITY.

9 (2) IF A WIRELESS SERVICE PROVIDER APPLIES TO COLLOCATE
10 SEVERAL WIRELESS SERVICE FACILITIES WITHIN THE JURISDICTION OF A
11 SINGLE LOCAL GOVERNMENT, THE LOCAL GOVERNMENT SHALL:

12 (a) ALLOW THE APPLICANT, AT THE APPLICANT'S DISCRETION, TO
13 FILE A SINGLE SET OF DOCUMENTS THAT WILL APPLY TO ALL THE WIRELESS
14 SERVICE FACILITIES TO BE SITED; AND

(b) RENDER A DECISION REGARDING ALL THE WIRELESS SERVICE
FACILITIES IN A SINGLE ADMINISTRATIVE PROCEEDING, UNLESS LOCAL
REQUIREMENTS CALL FOR AN ELECTED OR APPOINTED BODY TO RENDER
SUCH DECISION.

SECTION 3. In Colorado Revised Statutes, 38-5.5-102, amend
(1); and add (1.3) and (1.7) as follows:

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

(1) "Political subdivision" means a county, city and county, city,
town, service authority, school district, local improvement district, law
enforcement authority, water, sanitation, fire protection, metropolitan,
irrigation, drainage, or other special district, or any other kind of
municipal, quasi-municipal, or public corporation organized pursuant to

Haw "BROADBAND" OR "BROADBAND SERVICE" HAS THE SAME MEANING
 AS SET FORTH IN 7 U.S.C. SEC. 950bb (b) (1) AS OF THE EFFECTIVE DATE
 OF THIS SUBSECTION (1), AS AMENDED, AND INCLUDES "CABLE SERVICE",
 AS DEFINED IN 47 U.S.C. SEC. 522 (6) AS OF THE EFFECTIVE DATE OF THIS
 SUBSECTION (1), AS AMENDED.

6 (1.2) "BROADBAND FACILITY" MEANS ANY INFRASTRUCTURE USED
7 TO DELIVER BROADBAND SERVICE OR FOR THE PROVISION OF BROADBAND
8 SERVICE.

9 (1.3) "BROADBAND PROVIDER" MEANS A PERSON THAT PROVIDES
10 BROADBAND SERVICE, AND INCLUDES A "CABLE OPERATOR", AS DEFINED
11 IN 47 U.S.C. SEC. 522 (5) AS OF THE EFFECTIVE DATE OF THIS SUBSECTION
12 (1.3).

(1.7) "POLITICAL SUBDIVISION" MEANS A COUNTY, CITY AND
(1.7) "POLITICAL SUBDIVISION" MEANS A COUNTY, CITY AND
(1.7) COUNTY, CITY, TOWN, SERVICE AUTHORITY, SCHOOL DISTRICT, LOCAL
IMPROVEMENT DISTRICT, LAW ENFORCEMENT AUTHORITY, WATER,
SANITATION, FIRE PROTECTION, METROPOLITAN, IRRIGATION, DRAINAGE,
OR OTHER SPECIAL DISTRICT, OR ANY OTHER KIND OF MUNICIPAL,
QUASI-MUNICIPAL, OR PUBLIC CORPORATION ORGANIZED PURSUANT TO
LAW.

20 SECTION 4. In Colorado Revised Statutes, 38-5.5-103, amend
21 (1) as follows:

38-5.5-103. Use of public highways - discrimination prohibited
- content regulation prohibited. (1) Any domestic or foreign
telecommunications provider OR BROADBAND PROVIDER authorized to do
business under the laws of this state shall have the right to construct,
maintain, and operate conduit, cable, switches, and related appurtenances
and facilities along, across, upon, and under any public highway in this

state, subject to the provisions of this article and of article 1.5 of title 9, C.R.S.; and the construction, maintenance, operation, and regulation of such facilities, including the right to occupy and utilize the public rights-of-way, by telecommunications providers AND BROADBAND PROVIDERS are hereby declared to be matters of statewide concern. Such facilities shall be so constructed and maintained as not to obstruct or hinder the usual travel on such highway.

8 SECTION 5. In Colorado Revised Statutes, 38-5.5-107, amend
9 (1) (b), (2), (3), and (4); and add (5) and (6) as follows:

10 **38-5.5-107.** Permissible taxes, fees, and charges. (1) (b) All 11 fees and charges levied by a political subdivision shall be reasonably 12 related to the costs directly incurred by the political subdivision in 13 providing services relating to the granting or administration of permits. 14 Such fees and charges also shall be reasonably related in time to the 15 occurrence of such costs. In any controversy concerning the 16 appropriateness of a fee or charge, the political subdivision shall have the 17 burden of proving that the fee or charge is reasonably related to the direct 18 costs incurred by the political subdivision. All costs of construction shall 19 be borne by the TELECOMMUNICATIONS provider OR BROADBAND 20 PROVIDER.

(2) (a) Any tax, fee, or charge imposed by a political subdivision
shall be competitively neutral among telecommunications providers AND
BROADBAND PROVIDERS.

(b) Nothing in this article or in article 32 of title 31, C.R.S., shall
invalidate a tax or fee imposed if such tax or fee cannot legally be
imposed upon another TELECOMMUNICATIONS provider, BROADBAND
PROVIDER, or service because of the requirements of state or federal law

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or because such other provider is exempt from taxation or lacks a taxable
 nexus with the political subdivision imposing the tax or fee.

3 (c) If a political subdivision imposes a tax on a 4 TELECOMMUNICATIONS provider OR BROADBAND PROVIDER and such tax 5 does not apply to other providers of comparable telecommunications 6 services OR BROADBAND SERVICES due to the language of the ordinance 7 or resolution that imposes the tax, then the governing body of the political 8 subdivision shall take one of the following two courses of action:

9 (I) If it can do so without violating the election requirements of 10 section 20 of article X of the state constitution, the governing body shall 11 amend the ordinance or resolution that imposes the tax so as to extend the 12 tax to providers of comparable telecommunications services OR 13 BROADBAND SERVICES; or

(II) If an election is required under section 20 of article X of the state constitution, the governing body shall cause an election to be held in accordance with said section 20 to authorize the extension of the tax to providers of comparable telecommunications services OR BROADBAND SERVICES. If the extension of the tax is not approved by the voters at such election, then the existing tax shall no longer apply to the providers that had been subject to the tax immediately before the election.

(3) Taxes, fees, and charges imposed shall not be collected
through the provision of in-kind services by telecommunications
providers OR BROADBAND PROVIDERS, nor shall any political subdivision
require the provision of in-kind services as a condition of consent to use
a highway.

26 (4) The terms of all agreements between political subdivisions and
 27 telecommunications providers OR BROADBAND PROVIDERS regarding use

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of highways shall be matters of public record and shall be made available
 upon request pursuant to article 72 of title 24, C.R.S.

3 (5) NOTHING IN THIS ARTICLE AFFECTS THE ABILITY OF A
4 POLITICAL SUBDIVISION TO REQUIRE AND GRANT A CABLE FRANCHISE TO
5 A CABLE OPERATOR SEEKING TO PROVIDE CABLE TELEVISION SERVICE
6 WITHIN THE POLITICAL SUBDIVISION AND TO OBTAIN ANY CONSIDERATION
7 OR IMPOSE ANY CONDITIONS IN A CABLE FRANCHISE, UNLESS OTHERWISE
8 PROHIBITED BY FEDERAL LAW.

9 (6) AS USED IN THIS SECTION, "PUBLIC HIGHWAY" OR "HIGHWAY"
10 AS OTHERWISE DEFINED IN SECTION 38-5.5-102 (2), DOES NOT INCLUDE
11 EXCESS AND REMAINDER RIGHTS-OF-WAY UNDER THE DEPARTMENT OF
12 TRANSPORTATION'S JURISDICTION.

SECTION 6. In Colorado Revised Statutes, add 38-5.5-109 as
follows:

38-5.5-109. Notice of trenching - permitted access. (1) (a) THE
STATE OR A POLITICAL SUBDIVISION SHALL PROVIDE NOTICE ON A
COMPETITIVELY NEUTRAL BASIS TO BROADBAND PROVIDERS OF ANY
UTILITY TRENCHING PROJECT THAT IT CONDUCTS, BUT NOTICE IS NOT
REQUIRED FOR EMERGENCY REPAIR PROJECTS. THE STATE OR POLITICAL
SUBDIVISION SHALL PROVIDE THE NOTICE A MINIMUM OF TEN BUSINESS
DAYS PRIOR TO THE START OF THE PROJECT INVOLVING TRENCHING.

(b) THE DEPARTMENT OF TRANSPORTATION SHALL MAINTAIN A
PUBLIC LIST OF ALL BROADBAND PROVIDERS THAT WOULD LIKE TO
RECEIVE NOTICE OF A UTILITY TRENCHING PROJECT AND THE PROVIDERS'
ADDRESSES ON THE WEB SITE IT MAINTAINS. TO BE ELIGIBLE TO RECEIVE
NOTICE UNDER PARAGRAPH (a) OF THIS SUBSECTION (1), A BROADBAND
PROVIDER MUST REQUEST THE DEPARTMENT OF TRANSPORTATION TO BE

INCLUDED IN THE DEPARTMENT LIST. A POLITICAL SUBDIVISION MAY RELY
 ON THE DEPARTMENT LIST WHEN MAKING ITS NOTIFICATIONS, AND SUCH
 NOTIFICATIONS MAY BE MADE BY ELECTRONIC MAIL.

4 (2) (a) FOR ANY TRENCHING PROJECT CONDUCTED BY THE STATE 5 OR A POLITICAL SUBDIVISION, THE STATE OR POLITICAL SUBDIVISION SHALL 6 ALLOW JOINT TRENCHING BY BROADBAND PROVIDERS ON A NONEXCLUSIVE 7 AND NONDISCRIMINATORY BASIS FOR THE PLACEMENT OF BROADBAND 8 FACILITIES, EXCEPT AS SET FORTH IN PARAGRAPH (b) OF THIS SUBSECTION 9 (2). THIS SUBSECTION (2) DOES NOT LIMIT THE ABILITY OF THE STATE, 10 POLITICAL SUBDIVISION, OR ANY PRIVATE ENTITY TO SHARE THE COSTS OF 11 CONSTRUCTION RELATED TO THE TRENCHING PROJECT WITH THE 12 BROADBAND PROVIDER.

13 (b) THE STATE OR A POLITICAL SUBDIVISION MAY DENY JOINT 14 TRENCHING BY BROADBAND PROVIDERS IF THE JOINT TRENCHING WILL 15 HINDER OR OBSTRUCT HIGHWAY SAFETY OR THE CONSTRUCTION, 16 MAINTENANCE, OPERATIONS, OR RELATED REGULATION OF HIGHWAY 17 FACILITIES OR IF IT IS NOT FEASIBLE BECAUSE IT WILL DELAY THE REPAIR 18 OR CONSTRUCTION OF A POLITICAL SUBDIVISION'S WATER, WASTEWATER, 19 ELECTRICITY, OR GAS LINE OR BECAUSE COLLOCATION WITH A POLITICAL 20 SUBDIVISION'S WATER, WASTEWATER, ELECTRICITY, OR GAS LINE WILL 21 HINDER OR OBSTRUCT THE MAINTENANCE OR OPERATIONS OF A POLITICAL 22 SUBDIVISION'S WATER, WASTEWATER, ELECTRICITY, OR GAS FACILITIES. 23 (3) (a) NOTHING IN THIS SECTION IS INTENDED TO PREEMPT OR 24 OTHERWISE REPLACE REQUIREMENTS FOR JOINT TRENCHING THAT MAY BE 25 IMPOSED BY A POLITICAL SUBDIVISION.

(b) NOTHING IN THIS SECTION REQUIRES A PRIVATE ENTITY
 UNDERTAKING A TRENCHING PROJECT TO ALLOW A BROADBAND PROVIDER

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1 TO PARTICIPATE IN THE TRENCHING PROJECT.

2 (c) ANY PROVISION IN THIS SECTION THAT CONFLICTS WITH
3 FEDERAL LAW IS UNENFORCEABLE.

4 (d) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO PREVENT
5 OR DELAY COMMENCEMENT OR PROGRESS OF A CONSTRUCTION,
6 MAINTENANCE, OR TRENCHING PROJECT.

(4) AS USED IN THIS SECTION, "TRENCHING" MEANS A
CONSTRUCTION PROJECT IN WHICH A HIGHWAY RIGHT-OF-WAY SURFACE
IS OPENED OR REMOVED FOR THE PURPOSE OF LAYING OR INSTALLING
CONDUIT, FIBER, OR SIMILAR INFRASTRUCTURE IN EXCESS OF ONE MILE IN
LENGTH. "TRENCHING" DOES NOT MEAN ANY OTHER ACTIVITY OR PROJECT
FOR THE CONSTRUCTION OR MAINTENANCE, INCLUDING DRAINAGE OR
CULVERT WORK, OF A HIGHWAY FACILITY.

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SECTION 7. Act subject to petition - effective date. This act 15 16 takes effect at 12:01 a.m. on the day following the expiration of the 17 ninety-day period after final adjournment of the general assembly (August 18 6, 2014, if adjournment sine die is on May 7, 2014); except that, if a 19 referendum petition is filed pursuant to section 1 (3) of article V of the 20 state constitution against this act or an item, section, or part of this act 21 within such period, then the act, item, section, or part will not take effect 22 unless approved by the people at the general election to be held in 23 November 2014 and, in such case, will take effect on the date of the 24 official declaration of the vote thereon by the governor.

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