Second Regular Session Seventy-fourth General Assembly STATE OF COLORADO

PREAMENDED

This Unofficial Version Includes Committee Amendments Not Yet Adopted on Second Reading

LLS NO. 24-0957.01 Christopher McMichael x4775

SENATE BILL 24-151

SENATE SPONSORSHIP

Lundeen and Roberts,

HOUSE SPONSORSHIP

(None),

Senate Committees Business, Labor, & Technology

Appropriations

106

House Committees

	A BILL FOR AN ACT
101	CONCERNING TELECOMMUNICATIONS SECURITY, AND, IN CONNECTION
102	THEREWITH, REQUIRING THE PUBLIC UTILITIES COMMISSION TO
103	PROMULGATE RULES RELATED TO THE REMOVAL,
104	DISCONTINUANCE, OR REPLACEMENT OF CRITICAL
105	TELECOMMUNICATIONS INFRASTRUCTURE THAT UTILIZES

Bill Summary

EQUIPMENT MANUFACTURED BY A FEDERALLY BANNED ENTITY.

(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://leg.colorado.gov.)

The bill requires telecommunications providers that operate in

Colorado to remove, discontinue, or replace all critical telecommunications infrastructure that utilizes equipment from a federally banned entity or foreign adversary.

The bill requires telecommunications providers to register with the public utilities commission (commission) and certify that the telecommunications provider is:

- Not operating critical telecommunications infrastructure that utilizes equipment from a federally banned entity or foreign adversary; or
- Participating in the federal reimbursement program established by the federal "Secure and Trusted Communications Networks Act of 2019" and is in compliance with the reimbursement program.

The bill grants the commission authority to enforce the requirements established by the bill by administering fines against telecommunications providers for noncompliance. The bill also grants the commission rule-making authority to implement the requirements.

1 Be it enacted by the General Assembly of the State of Colorado: 2 **SECTION 1.** Legislative declaration. The general assembly 3 finds and declares that it is in the best interest of the state to secure 4 Colorado's telecommunications network and protect national security by 5 identifying and removing communications hardware and software that is 6 produced by countries of concern or other sanctioned entities from 7 Colorado's telecommunications network and by monitoring the progress 8 of the removal of such equipment. 9 **SECTION 2.** In Colorado Revised Statutes, add 40-15-509.7 as 10 follows: 11 40-15-509.7. **Telecommunications** security 12 telecommunications network - national security - general provisions 13 - registration and enforcement - rules - definitions. (1) Definitions. 14 AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES: 15 "CRITICAL TELECOMMUNICATIONS INFRASTRUCTURE" (a) (I)

MEANS ALL PHYSICAL TELECOMMUNICATIONS INFRASTRUCTURE AND

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1	EQUIPMENT THAT SUPPORTS THE TRANSMISSION OF INFORMATION,
2	REGARDLESS OF THE TRANSMISSION MEDIUM OR TECHNOLOGY EMPLOYED,
3	AND THAT CONNECTS TO A TELECOMMUNICATIONS NETWORK THAT
4	PERMITS THE USER TO ENGAGE IN TELECOMMUNICATIONS SERVICE,
5	INCLUDING TELECOMMUNICATIONS SERVICE PROVIDED DIRECTLY TO THE
6	PUBLIC OR TO SUCH CLASSES OF USES AS TO BE EFFECTIVELY AVAILABLE
7	TO THE PUBLIC.
8	(II) "CRITICAL TELECOMMUNICATIONS INFRASTRUCTURE" DOES
9	NOT INCLUDE TELECOMMUNICATIONS EQUIPMENT THAT IS USED SOLELY
10	FOR THE OPERATION OF A UTILITY AND THAT IS NOT USED IN CONNECTION
11	WITH TELECOMMUNICATIONS SERVICE OFFERED TO THE PUBLIC.
12	(b) "Federally banned entity" means any entity or
13	EQUIPMENT THAT THE FEDERAL GOVERNMENT HAS BANNED OR IMPOSED
14	SANCTIONS AGAINST, INCLUDING BANNING OR SANCTIONS IMPOSED BY THE
15	FOLLOWING FEDERAL AGENCIES AND ACTS:
16	(I) THE FEDERAL COMMUNICATIONS COMMISSION, INCLUDING:
17	(A) ANY ENTITY, EQUIPMENT, OR SERVICE DEEMED TO POSE A
18	THREAT TO NATIONAL SECURITY IDENTIFIED ON THE COVERED LIST
19	DESCRIBED IN 47 CFR 1.50002; AND
20	(B) ANY ENTITY, EQUIPMENT, OR SERVICE IDENTIFIED ON THE
21	COVERED LIST PUBLISHED BY THE PUBLIC SAFETY AND HOMELAND
22	SECURITY BUREAU PURSUANT TO THE FEDERAL "SECURE AND TRUSTED
23	COMMUNICATIONS NETWORKS ACT OF 2019", 47 U.S.C. SEC. 1601 ET
24	SEQ., AS AMENDED;
25	(II) THE UNITED STATES DEPARTMENT OF COMMERCE;
26	(III) THE UNITED STATES CYBERSECURITY AND INFRASTRUCTURE
27	SECURITY AGENCY:

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1	(IV) THE FEDERAL ACQUISITION SECURITY COUNCIL, ESTABLISHED
2	PURSUANT TO THE FEDERAL "SECURE TECHNOLOGY ACT", PUB.L.
3	115-390, 41 U.S.C. SEC. 1322; AND
4	(V) SECTION 889 OF THE FEDERAL "JOHN S. McCain National
5	DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2019", Pub.L. 115-232,
6	132 Stat. 1917.
7	(c) (I) "TELECOMMUNICATIONS PROVIDER" MEANS A PERSON OR
8	ENTITY THAT OFFERS WIRELESS TELECOMMUNICATIONS SERVICE FOR A FEE
9	DIRECTLY TO THE PUBLIC OR TO SUCH CLASSES OF USES AS TO BE
10	EFFECTIVELY AVAILABLE DIRECTLY TO THE PUBLIC.
11	(II) "TELECOMMUNICATIONS PROVIDER" DOES NOT INCLUDE A
12	MUNICIPALITY OR A MUNICIPALLY OWNED UTILITY.
13	(2) General provisions. (a) ALL CRITICAL TELECOMMUNICATIONS
14	INFRASTRUCTURE LOCATED WITHIN OR PROVIDING TELECOMMUNICATIONS
15	SERVICE TO COLORADO MUST BE CONSTRUCTED TO NOT INCLUDE ANY
16	EQUIPMENT MANUFACTURED BY A FEDERALLY BANNED ENTITY OR ANY
17	OTHER TELECOMMUNICATIONS EQUIPMENT THAT IS BANNED BY THE
18	FEDERAL GOVERNMENT.
19	
20	$\underline{\text{(b)}}$ (I) All critical telecommunications infrastructure
21	LOCATED WITHIN OR PROVIDING TELECOMMUNICATIONS SERVICE TO
22	COLORADO THAT IS CURRENTLY IN OPERATION AND THAT UTILIZES
23	EQUIPMENT THAT IS PROHIBITED BY SUBSECTION (2)(a) OF THIS
24	SECTION MUST BE REMOVED AND REPLACED WITH EQUIPMENT THAT IS NOT
25	MANUFACTURED BY A FEDERALLY BANNED ENTITY, IN ACCORDANCE WITH
26	THE FEDERAL "SECURE AND TRUSTED COMMUNICATIONS NETWORKS ACT
27	OF 2019", 47 U.S.C. SEC. 1601 ET SEO., AS AMENDED.

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1	(II) A TELECOMMUNICATIONS PROVIDER THAT REMOVES,
2	DISCONTINUES, OR REPLACES ANY TELECOMMUNICATIONS EQUIPMENT
3	MANUFACTURED BY A FEDERALLY BANNED ENTITY _ IS NOT REQUIRED TO
4	OBTAIN ADDITIONAL PERMITS FROM ANY STATE AGENCY OR POLITICAL
5	SUBDIVISION OF THE STATE FOR THE REMOVAL, DISCONTINUANCE, OR
6	REPLACEMENT OF THE TELECOMMUNICATIONS EQUIPMENT IF:
7	(A) THE TELECOMMUNICATIONS PROVIDER NOTIFIES THE
8	COMMISSION OR RELEVANT POLITICAL SUBDIVISION OF THE STATE OF THE
9	NECESSARY REMOVAL, DISCONTINUANCE, OR REPLACEMENT OF THE
10	TELECOMMUNICATIONS EQUIPMENT; AND
11	(B) THE REPLACEMENT TELECOMMUNICATIONS EQUIPMENT IS
12	SUBSTANTIALLY SIMILAR TO THE EXISTING TELECOMMUNICATIONS
13	EQUIPMENT THAT IS BEING REPLACED.
14	(III) IF THE REMOVAL, DISCONTINUANCE, OR REPLACEMENT OF
15	TELECOMMUNICATIONS EQUIPMENT REQUIRES ANY WORK TO BE
16	COMPLETED IN A PUBLIC RIGHT-OF-WAY OR ON ANY PROPERTY OWNED OR
17	CONTROLLED BY A PUBLIC ENTITY, A TELECOMMUNICATIONS PROVIDER
18	SHALL:
19	(A) COMPLY WITH THE REQUIREMENTS OF SUBSECTION (2)(b)(II)
20	OF THIS SECTION;
21	(B) PROVIDE NOTICE TO THE RELEVANT PUBLIC ENTITY AT LEAST
22	SEVEN DAYS IN ADVANCE OF THE BEGINNING OF ANY WORK; AND
23	(C) COORDINATE WITH THE RELEVANT PUBLIC ENTITY FOR
24	COMPLETION OF THE WORK.
25	(3) Registration and enforcement - rules. (a) A
26	TELECOMMUNICATIONS PROVIDER THAT PROVIDES SERVICE TO COLORADO
2.7	SHALL REGISTER WITH THE COMMISSION AND PAY ANY REGISTRATION FEE

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1	determined by the commission by rule, by January $15,2025,$ and
2	BY JANUARY 15 OF EACH SUBSEQUENT YEAR.
3	(b) A TELECOMMUNICATIONS PROVIDER THAT REGISTERS WITH THE
4	COMMISSION PURSUANT TO SUBSECTION (3)(a) OF THIS SECTION SHALL:
5	(I) PROVIDE THE COMMISSION WITH THE NAME, ADDRESS,
6	TELEPHONE NUMBER, AND E-MAIL ADDRESS OF ANY PERSON WHO
7	OVERSEES THE OPERATION OF TELECOMMUNICATIONS SERVICE IN
8	COLORADO BY THE TELECOMMUNICATIONS PROVIDER;
9	(II) PAY ANY REGISTRATION FEE ESTABLISHED BY THE
10	COMMISSION AT THE TIME THE TELECOMMUNICATIONS PROVIDER SUBMITS
11	THE REGISTRATION. THE REGISTRATION FEE MAY BE SET BY THE
12	COMMISSION TO COVER THE COSTS OF ADMINISTERING THE REGISTRATION
13	PROCESS PURSUANT TO THIS SECTION, BUT THE REGISTRATION FEE MUST
14	NOT EXCEED FIFTY DOLLARS.
15	(III) NOTIFY THE COMMISSION OF ANY CHANGES TO THE
16	INFORMATION REQUIRED BY THE COMMISSION IN ACCORDANCE WITH THIS
17	SUBSECTION (3) WITHIN SIXTY DAYS AFTER THE TELECOMMUNICATIONS
18	PROVIDER RECEIVES NOTICE OF THE CHANGE; AND
19	(IV) CERTIFY TO THE COMMISSION BY JANUARY 15 OF EACH YEAR
20	THAT ALL CRITICAL TELECOMMUNICATIONS INFRASTRUCTURE OPERATED
21	BY THE TELECOMMUNICATIONS PROVIDER IN COLORADO:
22	(A) Does not use any telecommunications equipment
23	MANUFACTURED BY A FEDERALLY BANNED ENTITY; OR
24	(B) USES TELECOMMUNICATIONS EQUIPMENT MANUFACTURED BY
25	A FEDERALLY BANNED $\underline{\text{ENTITY}}$, BUT THE TELECOMMUNICATIONS PROVIDER
26	IS A PARTICIPANT IN THE FEDERAL SECURE AND TRUSTED
27	COMMUNICATIONS NETWORKS REIMBURSEMENT PROGRAM, ESTABLISHED

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1	BY THE FEDERAL "SECURE AND TRUSTED COMMUNICATIONS NETWORKS
2	ACT OF 2019", 47 U.S.C. SEC. 1601 ET SEQ., AND IS IN COMPLIANCE WITH
3	THE REIMBURSEMENT PROGRAM.
4	(c) (I) A TELECOMMUNICATIONS PROVIDER MUST REGISTER WITH
5	THE COMMISSION IN ACCORDANCE WITH SUBSECTIONS (3)(a) AND (3)(b)
6	OF THIS SECTION EACH YEAR UNTIL THE TELECOMMUNICATIONS PROVIDER
7	CERTIFIES TO THE COMMISSION THAT ALL TELECOMMUNICATIONS
8	EQUIPMENT PROHIBITED PURSUANT TO SUBSECTION (2)(a) OF THIS SECTION
9	HAS BEEN REMOVED FROM ALL CRITICAL TELECOMMUNICATIONS
10	INFRASTRUCTURE LOCATED WITHIN OR PROVIDING TELECOMMUNICATIONS
11	SERVICE TO COLORADO.
12	(II) A TELECOMMUNICATIONS PROVIDER THAT CERTIFIES,
13	PURSUANT TO SUBSECTION (3)(b)(IV)(A) OF THIS SECTION, THAT IT DOES
14	NOT USE TELECOMMUNICATIONS EQUIPMENT MANUFACTURED BY A
15	FEDERALLY BANNED ENTITY IS NOT REQUIRED TO MAKE ANNUAL REPORTS
16	TO THE COMMISSION IN ACCORDANCE WITH THIS SUBSECTION (3).
17	(d) If a telecommunications provider certifies to the
18	COMMISSION THAT IT IS A PARTICIPANT IN THE FEDERAL SECURE AND
19	TRUSTED COMMUNICATIONS NETWORKS REIMBURSEMENT PROGRAM
20	PURSUANT TO SUBSECTION $(3)(b)(IV)(B)$ of this section, <u>and that the</u>
21	TELECOMMUNICATIONS PROVIDER IS IN THE PROCESS OF REMOVING THE
22	TELECOMMUNICATIONS EQUIPMENT PROHIBITED PURSUANT TO
23	SUBSECTION (2)(a) OF THIS SECTION, THE TELECOMMUNICATIONS
24	PROVIDER SHALL SUBMIT A STATUS REPORT TO THE COMMISSION EVERY
25	QUARTER THAT DETAILS THE TELECOMMUNICATIONS PROVIDER'S
26	COMPLIANCE WITH THE REIMBURSEMENT PROGRAM.
27	<u> </u>

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1	(4) Rules. NOTWITHSTANDING SECTIONS 40-13-203 AND
2	40-15-402, THE COMMISSION SHALL PROMULGATE AND ENFORCE ANY
3	<u>RULES</u> NECESSARY TO IMPLEMENT THIS SECTION, INCLUDING:
4	(a) Developing rules related to a telecommunications
5	PROVIDER'S REPORTING ON THE REMOVAL, DISCONTINUANCE, OR
6	REPLACEMENT OF ANY CRITICAL TELECOMMUNICATIONS INFRASTRUCTURE
7	THAT UTILIZES EQUIPMENT MANUFACTURED BY A FEDERALLY BANNED
8	ENTITY;
9	(b) DEVELOPING PROCEDURES FOR A TELECOMMUNICATIONS
10	PROVIDER TO NOTIFY ANY RELEVANT STATE AGENCIES OR POLITICAL
11	SUBDIVISIONS OF THE STATE WHEN THE TELECOMMUNICATIONS PROVIDER
12	IS PLANNING TO REMOVE, DISCONTINUE, OR REPLACE ANY
13	TELECOMMUNICATIONS EQUIPMENT FROM A FEDERALLY BANNED ENTITY:
14	AND
15	(c) Establishing registration procedures and fees in
16	ACCORDANCE WITH SUBSECTION (3) OF THIS SECTION;
17	_
18	SECTION 3. In Colorado Revised Statutes, 40-15-201, add (3)
19	as follows:
20	40-15-201. Regulation by commission - rules. (3) THE
21	COMMISSION MAY PROMULGATE RULES RELATED TO
22	TELECOMMUNICATIONS SECURITY IN ACCORDANCE WITH SECTION
23	40-15-509.7.
24	SECTION 4. Safety clause. The general assembly finds
25	determines, and declares that this act is necessary for the immediate
26	preservation of the public peace, health, or safety or for appropriations for

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- 1 the support and maintenance of the departments of the state and state
- 2 institutions.

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