# Second Regular Session Seventy-first General Assembly STATE OF COLORADO

## **PREAMENDED**

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

LLS NO. 18-0060.02 Jennifer Berman x3286

**SENATE BILL 18-002** 

#### SENATE SPONSORSHIP

Coram and Sonnenberg, Baumgardner, Cooke, Grantham, Holbert

#### HOUSE SPONSORSHIP

Becker K. and Duran,

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

**House Committees** 

#### A BILL FOR AN ACT

101 CONCERNING THE FINANCING OF BROADBAND DEPLOYMENT.

### **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 <a href="http://leg.colorado.gov">http://leg.colorado.gov</a>.)

**Section 1** of the bill amends the definition of "broadband network" to increase the speed of downstream broadband internet service from at least 4 megabits per second to at least 10 megabits per second and the definition of "unserved area" to refer to areas that are unincorporated, or within a city with a population of fewer than 7,500 inhabitants, and that are not receiving federal broadband support.

**Section 2** requires the public utilities commission, on January 1, 2019, to allocate 20% of the total amount of high cost support mechanism

(HCSM) money that nonrural incumbent local exchange carriers would otherwise receive to the HCSM account dedicated to broadband deployment, and to allocate an additional 20% of the total money that nonrural incumbent local exchange carriers would otherwise receive on January 1 of each subsequent year until, on January 1, 2023, all of the money that nonrural incumbent local exchange carriers would otherwise receive is allocated to the HCSM account dedicated to broadband deployment. Section 2 also removes a requirement that the commission reduce the amount of the HCSM surcharge by a certain percentage of the money transferred from the HCSM to the broadband fund for the deployment of broadband into rural areas. Section 2 requires that the HCSM surcharge amount that existed on January 1, 2019, be maintained as the surcharge amount; except that, on and after July 1, 2023, the commission may reduce the rate to ensure that the amount of money collected by the surcharge does not exceed \$25 million per year. Finally, for the period of January 1, 2019, through January 1, 2023, section 2 maintains the amount of support received by rural telecommunications providers for basic service at the level of support they received on January 1, 2016.

Section 3 updates language regarding the use of money from the HCSM for broadband deployment grant applications approved by the broadband deployment board (board) to have money transferred directly from the HCSM to approved broadband deployment grant applicants. Section 3 also allows a grant applicant to apply for grants for multiple projects in a single year; however, the broadband deployment board may only award an applicant grants for more than one project if money is available for broadband deployment grants after the first round of broadband deployment grants have been awarded and disbursed in that year. Section 3 also prohibits the department of local affairs from implementing a broadband deployment program or approving a grant application concerning broadband deployment unless the board has determined that the program or application does not involve the same or a duplicate of any projects approved and funded.

**Section 4** repeals the public utilities commission's functions of administering the high cost support mechanism on September 1, 2024, subject to the department of regulatory agencies' review of the functions through its sunset review process.

- 1 Be it enacted by the General Assembly of the State of Colorado:
- 2 SECTION 1. In Colorado Revised Statutes, 40-15-102, amend
- the introductory portion, (3.7) introductory portion, and (32)(a); and
- 4 <u>repeal (19.3).</u> as follows:

-2-

1	<b>40-15-102. Definitions.</b> As used in this article ARTICLE 15, unless
2	the context otherwise requires:
3	(3.7) "Broadband network" means the plant, equipment,
4	components, facilities, hardware, and software used to provide broadband
5	internet service at measurable speeds of at least four TEN megabits per
6	second downstream and one megabit per second upstream or at
7	measurable speeds at least equal to the federal communications
8	commission's definition of high-speed internet access or broadband,
9	whichever is faster, with:
10	(19.3) "Nondiscriminatory and competitively neutral basis" means
11	that decisions by the commission concerning the distribution of high cost
12	support mechanism funding to eligible providers shall be made using
13	regulatory principles that are neutral in their effect, that do not favor one
14	class of providers over another, and that do not result in the imposition of
15	regulatory requirements or costs on one class of eligible providers that are
16	not imposed on others.
17	(32) (a) "Unserved area" means an area of the state that:
18	(I) Lies outside of municipal boundaries or is a city with a
19	population of fewer than five SEVEN thousand FIVE HUNDRED inhabitants;
20	and
21	(II) Consists of ONLY A SINGLE AREA OF one or more contiguous
22	census blocks in which:
23	(A) A majority of the households IN EACH INDIVIDUAL CENSUS
24	BLOCK IN THAT AREA lack access to at least one provider of a broadband
25	network that uses satellite technology and at least one provider of a
26	broadband network that uses nonsatellite technology; AND
27	(B) NO INCUMBENT BROADBAND PROVIDER IS RECEIVING OR HAS

-3-

1	BEEN AWARDED FEDERAL BROADBAND SUPPORT, WITH RESPECT TO A
2	PROJECT FOR WHICH CONSTRUCTION HAS NOT YET BEEN COMPLETED, FOR
3	A BROADBAND NETWORK TO SERVE A MAJORITY OF THE HOUSEHOLDS IN
4	EACH INDIVIDUAL CENSUS BLOCK IN THE SAME AREA.
5	SECTION 2. In Colorado Revised Statutes, 40-15-208, amend
6	(2)(a)(II), (2)(a)(III), and (3)(a); and add (2)(a)(IV), (2)(a)(V), (4), (5),
7	and (6) as follows:
8	40-15-208. High cost support mechanism - Colorado high cost
9	administration fund - creation - purpose - operation - rules - report
10	- repeal. (2) (a) (II) The commission shall ensure that no local exchange
11	provider is receiving funds from this or any other source that, together
12	with local exchange service revenues, exceeds the cost of providing local
13	exchange service to the provider's customers. The high cost support
14	mechanism shall be supported and distributed equitably and on a
15	nondiscriminatory, competitively neutral basis through a neutral
16	assessment on all telecommunications providers in Colorado.
17	(III) The commission at its regularly scheduled meetings to
18	establish the high cost support mechanism surcharge and surcharge rate
19	shall reduce MAINTAIN the amount RATE of the high cost support
20	mechanism surcharge by the following percentages of the new broadband
21	funds allocated in that year pursuant to section 40-15-509.5 (3) from the
22	high cost support mechanism to the broadband fund, created in section
23	40-15-509.5 (4): AT THE <u>SURCHARGE RATE</u> ESTABLISHED AS OF JANUARY
24	1, 2016; EXCEPT THAT, ON AND AFTER JULY 1, 2023, THE COMMISSION
25	MAY REDUCE THE <u>SURCHARGE</u> RATE TO ENSURE THAT THE AMOUNT OF
26	MONEY COLLECTED DOES NOT EXCEED TWENTY-FIVE MILLION DOLLARS
27	PER YEAR.

-4- 002

1	(A) In years 2016 and 2017, five percent;
2	(B) In years 2018 and 2019, ten percent;
3	(C) In years 2020 and 2021, fifteen percent; and
4	(D) In years 2022 and 2023, twenty percent.
5	(IV) THE COMMISSION SHALL ALLOCATE TO THE HIGH COST
6	SUPPORT MECHANISM ACCOUNT DEDICATED TO BROADBAND DEPLOYMENT
7	THE FOLLOWING PERCENTAGES OF THE TOTAL AMOUNT OF HIGH COST
8	SUPPORT MECHANISM MONEY THAT NONRURAL INCUMBENT LOCAL
9	EXCHANGE CARRIERS WOULD OTHERWISE RECEIVE:
10	(A) On January 1, 2019, twenty percent;
11	(B) On January 1, 2020, forty percent;
12	(C) On January 1, 2021, Sixty Percent;
13	(D) On January 1, 2022, eighty percent; and
14	(E) On January 1, 2023, one hundred percent.
15	(V) IN ACCORDANCE WITH SUBSECTION (2)(a)(IV) OF THIS
16	SECTION, THE COMMISSION, IN MAKING DISTRIBUTIONS OF HIGH COST
17	SUPPORT MECHANISM MONEY IN THE YEARS 2019 THROUGH 2023, SHALL
18	<u>NEITHER:</u>
19	(A) MAKE EFFECTIVE COMPETITION DETERMINATIONS; NOR
20	(B) APPLY ANY SECTION OF THIS ARTICLE 15 THAT REQUIRES AN
21	EFFECTIVE COMPETITION DETERMINATION BE MADE OR THAT IN ANY WAY
22	CONFLICTS WITH SUBSECTION (2)(a)(IV) OF THIS SECTION WITH REGARD
23	TO THE DISTRIBUTIONS.
24	(3) (a) There is hereby created, in the state treasury, the Colorado
25	high cost administration fund, referred to in this section as the "fund",
26	which shall be used to reimburse the commission and its contractors for
27	reasonable expenses incurred in the administration of the high cost

-5- 002

support mechanism, including administrative costs incurred in association with broadband service, as determined by rules of the commission. The general assembly shall appropriate annually the moneys MONEY in the fund that are IS to be used for the direct and indirect administrative costs incurred by the commission and its contractors. At the end of any fiscal year, all unexpended and unencumbered moneys MONEY in the fund remain REMAINS in the fund and shall not be credited or transferred to the general fund or any other fund. Based upon the high cost support mechanism, the balance remaining in the fund, and the amount appropriated annually by the general assembly for use by the commission, each year the commission shall determine the nondiscriminatory, competitively neutral assessment on all telecommunications service providers in Colorado that will be necessary to cover the cost of implementing and administering the high cost support mechanism. Only the moneys MONEY from the assessment IN THE HIGH COST SUPPORT MECHANISM THAT IS NECESSARY for administering the high cost support mechanism shall be transmitted to the state treasurer, who shall credit the same to the fund. All interest derived from the deposit and investment of moneys MONEY in the fund remain REMAINS in the fund and do DOES not revert to the general fund. (4) NOTWITHSTANDING ANY OTHER PROVISION TO THE CONTRARY IN SECTIONS 40-15-207 AND 40-15-502 OR THIS SECTION, RURAL TELECOMMUNICATIONS PROVIDERS RECEIVING SUPPORT FROM THE HIGH COST SUPPORT MECHANISM AS OF JANUARY 1, 2016, WILL CONTINUE TO RECEIVE SUPPORT AT THE SAME LEVEL OF REIMBURSEMENT ESTABLISHED AS OF JANUARY 1, 2016, FOR THE PERIOD OF JANUARY 1, 2019, THROUGH

DECEMBER 1, 2023. THE COMMISSION SHALL ADMINISTER THE HIGH COST

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-6- 002

1	SUPPORT MECHANISM TO ENSURE COMPLIANCE WITH THIS SECTION.
2	(5) ON OR BEFORE DECEMBER 31, 2018, THE COMMISSION SHALL
3	ESTABLISH A PLAN TO ELIMINATE, ON AN
4	EXCHANGE-AREA-BY-EXCHANGE-AREA BASIS, OBLIGATIONS IMPOSED
5	PURSUANT TO SECTIONS 40-15-401 (1)(b)(IV) AND 40-15-502 (5)(b) AND
6	(6)(a) IN THE SAME PROPORTIONS AND AT THE SAME TIMES THAT HIGH
7	COST SUPPORT MECHANISM DISTRIBUTIONS FOR BASIC SERVICE ARE
8	REDUCED PURSUANT TO SUBSECTION (2)(a)(IV) OF THIS SECTION.
9	(6) This section is repealed, effective September 1, 2024.
10	BEFORE THE REPEAL, THE DEPARTMENT OF REGULATORY AGENCIES SHALL,
11	IN ACCORDANCE WITH SECTION 24-34-104, REVIEW THE POWERS, DUTIES,
12	AND FUNCTIONS OF THE COMMISSION REGARDING THE ADMINISTRATION OF
13	THE HIGH COST SUPPORT MECHANISM.
14	SECTION 3. In Colorado Revised Statutes, 40-15-509.5, amend
15	(5)(a), (5)(b), (5)(c) introductory portion, (5)(c)(III), (5)(c)(IV), (5)(f),
16	(7), (8)(a), (8)(c), (8)(j), (9)(a) introductory portion, and (11); repeal
17	(4)(b) and (6); and add (5)(g), (8)(c.5), (8.5), (10.5) and (10.7) as follows:
18	40-15-509.5. Broadband service - report - broadband
19	deployment board - broadband administrative fund - creation -
20	<u>definitions</u> - repeal. (4) (b) The broadband deployment board shall
21	dedicate two hundred thousand dollars of the moneys in the fund to cover
22	the direct and indirect costs incurred by the board, its employees, and its
23	contractors in funding the deployment of broadband service in unserved
24	areas of the state.
25	(5) (a) There is hereby created in the department of regulatory
26	agencies the broadband deployment board, referred to in this section as
27	the "board". The board is an independent board created to implement and

-7-

1	administer the deployment of broadband service in unserved areas. from
2	the fund. The department of regulatory agencies shall staff the board. The
3	board has the powers and duties specified in this section.
4	(b) The board consists of sixteen SEVENTEEN MEMBERS, SIXTEEN
5	OF WHOM ARE VOTING members. The members of the board shall be
6	selected on the basis of their knowledge of and interest in broadband
7	service and shall serve for four-year terms. except that, of the members
8	first appointed to the board, eight members shall serve for terms of two
9	years and eight members shall serve for terms of four years. A member
10	of the board shall not serve more than two consecutive full four-year
11	<u>terms.</u>
12	(c) No more than eight VOTING members of any one major
13	political party may serve on the board at the same time. Members of the
14	board are entitled to seventy-five dollars per diem for attendance at
15	official meetings plus actual and necessary expenses incurred in the
16	conduct of official business. Members of the board shall be appointed as
17	<u>follows:</u>
18	(III) Six EIGHT voting members representing the broadband
19	<u>industry:</u>
20	(A) One of whom represents a wireless provider, as appointed by
21	the minority leader of the house of representatives;
22	(B) One of whom represents a wireline provider, as appointed by
23	the minority leader of the senate;
24	(C) One of whom represents a broadband satellite provider, as
25	appointed by the governor;
26	(D) One of whom represents a cable provider, as appointed by the
27	president of the senate;

-8- 002

1	(E) One of whom represents a rural local exchange carrier, as
2	appointed by the governor; and
3	(F) One of whom represents a competitive local exchange carrier,
4	as appointed by the speaker of the house of representatives;
5	(G) One of whom represents a cable provider serving
6	RURAL AREAS, AS APPOINTED BY THE PRESIDENT OF THE SENATE; AND
7	(H) One of whom represents any other broadband
8	PROVIDER, AS APPOINTED BY THE SPEAKER OF THE HOUSE OF
9	REPRESENTATIVES.
10	(IV) Three Two voting members of the public:
11	(A) One of whom resides in an unserved area of the western slope
12	of the state, as appointed by the president of the senate; AND
13	(B) One of whom resides in an unserved area of the eastern slope
14	of the state, as appointed by the minority leader of the house of
15	representatives. and
16	(C) One of whom resides in an unserved urban area of the state,
17	as appointed by the speaker of the house of representatives.
18	(f) (I) If a board member has a conflict of interest with respect to
19	any matter addressed by the board, including a financial interest in the
20	matter, the member shall recuse himself or herself from any discussion or
21	decisions on the matter.
22	(II) (A) A BOARD MEMBER APPOINTED PURSUANT TO SUBSECTION
23	(5)(c)(I), (5)(c)(II), OR (5)(c)(IV) OF THIS SECTION IS NOT DEEMED TO
24	HAVE A CONFLICT OF INTEREST MERELY BY VIRTUE OF RESIDING IN OR
25	REPRESENTING AN UNSERVED AREA OR AN AREA THAT IS THE SUBJECT OF
26	AN APPLICATION BEFORE THE BOARD.
27	(B) A BOARD MEMBER APPOINTED PURSUANT TO SUBSECTION

-9- 002

1	(5)(c)(111) OF THIS SECTION IS DEEMED TO HAVE A CONFLICT OF INTEREST
2	WITH RESPECT TO AN APPLICATION FILED BY AN ENTITY THAT THE BOARD
3	MEMBER REPRESENTS; HOWEVER, IF SUCH APPLICATION IS FILED, THE
4	BOARD MEMBER MAY STILL PARTICIPATE IN DISCUSSIONS ABOUT OTHER
5	APPLICATIONS BEFORE THE BOARD, BUT SHALL NOT VOTE ON THOSE OTHER
6	APPLICATIONS.
7	(g) IN THE EVENT OF A TIE VOTE OF THE BOARD, THE APPLICATION,
8	APPEAL, PROPOSITION, OR OTHER MATTER BEING VOTED UPON FAILS.
9	(6) The board's powers and duties commence three months after
10	moneys are first allocated from the HCSM to the fund.
11	(7) For a period of at least six months before accepting
12	applications for proposed projects, The board shall provide notice to and
13	requests for proposals from incumbent providers, INCUMBENT
14	BROADBAND PROVIDERS, and local entities about the broadband fund and
15	its THE BOARD'S purpose to deploy broadband service in unserved areas.
16	The board shall ensure that both the manner and amount of notice
17	provided under this subsection (7) are adequate and equitable for all
18	potentially eligible applicants.
19	(8) The board shall direct the commission to transfer money, in a
20	manner consistent with this section, from the account for broadband
21	deployment established in the HCSM to approved grant applicants. The
22	board shall develop criteria for awarding money for new projects
23	expanding broadband networks into unserved areas, including:
24	(a) Developing a project application process that places the burden
25	on an eligible applicant to demonstrate that its proposed project meets the
26	project eligibility criteria established in this subsection (8), including a
27	requirement that the proposal concern a new project, and not a project

-10-

1	already in progress, and a requirement to prove that the area to be served
2	by the proposed project is an unserved area. To prove that the area to be
3	served is an unserved area, the applicant must submit a map
4	demonstrating the insufficient availability of broadband service in the
5	area. The applicant must submit the application and map to the board; the
6	board of county commissioners, city council, or other local entity with
7	authority over the area to be served; and an ALL incumbent provider
8	PROVIDERS OR INCUMBENT BROADBAND PROVIDERS THAT PROVIDE
9	BROADBAND INTERNET SERVICE OR BROADBAND SERVICE IN THE AREA
10	PROPOSED TO BE SERVED IN THE APPLICATION. The board shall establish
11	a notice and comment period of at least sixty days within which the local
12	entity may review and comment on the application.
13	(c) Minimizing DENYING FUNDING FOR conflicts with, or
14	duplication IN WHOLE OR IN PART of, federal sources of high cost support
15	or federal broadband grants FOR CONSTRUCTION OF A BROADBAND
16	NETWORK so as to maximize the total available state and federal support
17	for rural broadband development;
18	(c.5) Denying funding for overbuilding, in whole or in
19	PART, OF EXISTING BROADBAND NETWORKS IN AREAS THAT DO NOT MEET
20	THE DEFINITION OF UNSERVED AREA IN ORDER TO MAXIMIZE THE TOTAL
21	AVAILABLE SUPPORT FOR FINANCING RURAL BROADBAND DEVELOPMENT;
22	(j) Establishing a grant award process that:
23	(I) Allows for only one grant to be awarded per applicant per year
24	AN APPLICANT TO APPLY FOR GRANTS ON MULTIPLE PROJECTS IN A GIVEN
25	YEAR IF THE APPLICANT MAKES A SEPARATE APPLICATION FOR EACH
26	PROJECT. THE BOARD MAY APPROVE MORE THAN ONE OF THE APPLICANT'S
27	PROJECTS WITHIN A SINGLE YEAR.

-11- 002

1	(II) Ensures the geographically equitable distribution of grant
2	awards; <del>and</del>
3	(III) Provides for an appeals process for any party aggrieved by an
4	award or denial of grant moneys MONEY, WHETHER EXERCISING A RIGHT
5	OF FIRST REFUSAL, HAVING FILED ANY COMMENTS REGARDING THE INITIAL
6	GRANT APPLICATION, OR BOTH. IF A PROVIDER OF BROADBAND SERVICE OR
7	A BROADBAND NETWORK THAT ALLEGES FUNDING PROVIDED PURSUANT
8	TO THIS SECTION WILL OVERBUILD OR DUPLICATE, IN WHOLE OR IN PART,
9	THE PROVIDER'S BROADBAND NETWORK, THE PROVIDER IS AN AGGRIEVED
10	PARTY WITH STANDING TO APPEAL UNDER THIS SUBSECTION (8)(j)(III).
11	(IV) REQUIRES THE BOARD TO CONSIDER APPEALS ALLEGING THAT
12	THE APPLICATION AREA IS NO LONGER UNSERVED BECAUSE FEDERAL
13	SUPPORT IMPROVES A BROADBAND NETWORK FOR SERVICE LOCATIONS
14	THAT ARE ADJACENT TO THE AREA RECEIVING THE FEDERAL AWARD AND
15	ARE WITHIN THE APPLICATION AREA.
16	(8.5) (a) The board shall deny an application that contains
17	AN AREA THAT DOES NOT MEET THE DEFINITION OF UNSERVED AREA AND
18	SHALL GRANT AN APPEAL TO AN INCUMBENT BROADBAND PROVIDER THAT
19	DEMONSTRATES, BY A PREPONDERANCE OF THE EVIDENCE, THAT AN AREA
20	COVERED BY AN APPLICATION DOES NOT MEET THE DEFINITION OF
21	UNSERVED AREA.
22	(b) IF ALL OTHER APPLICATION REQUIREMENTS, INCLUDING
23	CONTIGUITY, REMAIN MET, AN APPLICATION MAY BE AMENDED AT ANY
24	TIME TO REMOVE FROM THE APPLICATION COVERAGE OF AN AREA THAT
25	DOES NOT MEET THE CRITERIA ESTABLISHED PURSUANT TO THIS SECTION.
26	(9) (a) The board shall report annually to the transportation and
27	energy committee and THE business AFFAIRS AND labor and economic and

-12-

1	workforce development committee in the house of representatives and to
2	the agriculture, natural resources, and energy committee and business,
3	labor, and technology committee in the senate, or their successor
4	committees, on the projects supported by moneys MONEY from the fund
5	HCSM ACCOUNT DEDICATED TO BROADBAND DEPLOYMENT in a given
6	year, including information on:
7	(10.5) THE BOARD SHALL MAKE EVERY EFFORT TO ENSURE THAT
8	A PROJECT FUNDED PURSUANT TO THIS SECTION DOES NOT DUPLICATE
9	ANOTHER BROADBAND PROJECT OR BROADBAND NETWORK, INCLUDING
10	ANY PROJECT SUPPORTED OR APPROVED BY THE DEPARTMENT OF LOCAL
11	<u>AFFAIRS.</u>
12	(10.7) As used in this section:
13	(a) "INCUMBENT BROADBAND PROVIDER" MEANS A PROVIDER THAT
14	OFFERS BROADBAND INTERNET SERVICE OVER A BROADBAND NETWORK IN
15	AN AREA COVERED BY AN APPLICATION FILED PURSUANT TO THIS SECTION.
16	(b) "Overbuild" or "overbuilding" means providing a
17	BROADBAND NETWORK TO RESIDENTIAL OR BUSINESS ADDRESSES THAT:
18	(I) At the time of application, either have access to a
19	BROADBAND NETWORK OR HAVE RECEIVED FEDERAL SOURCES OF HIGH
20	COST SUPPORT OR FEDERAL BROADBAND GRANTS TO PROVIDE ACCESS TO
21	A BROADBAND NETWORK; AND
22	(II) ACCOUNT FOR TEN PERCENT OR MORE OF THE TOTAL
23	RESIDENTIAL AND BUSINESS ADDRESSES TO BE SERVED BY A PROPOSED
24	PROJECT.
25	(11) This section is repealed, effective September 1, 2024. Before
26	the ITS repeal, the department of regulatory agencies shall review the
27	powers, duties, and functions of the board regarding the administration

-13-

1	DEPLOYMENT of the broadband fund SERVICES INTO UNSERVED AREAS
2	ARE SCHEDULED FOR REVIEW in accordance with section 24-34-104.
3	C.R.S.
4	SECTION 4. In Colorado Revised Statutes, 24-34-104, amend
5	(25)(a)(VI); and <b>add</b> (25)(a)(XVII) as follows:
6	24-34-104. General assembly review of regulatory agencies
7	$and \ functions \ for \ repeal, continuation, or \ reestablishment-legislative$
8	<b>declaration - repeal.</b> (25) (a) The following agencies, functions, or both,
9	are scheduled for repeal on September 1, 2024:
10	(VI) The functions of the broadband deployment board created in
11	section 40-15-509.5; regarding the administration of the broadband fund
12	created in section 40-15-509.5;
13	(XVII) THE FUNCTIONS OF THE PUBLIC UTILITIES COMMISSION
14	WITH REGARD TO THE ADMINISTRATION OF THE HIGH COST SUPPORT
15	MECHANISM CREATED IN SECTION 40-15-208.
16	SECTION 5. Act subject to petition - effective date. This act
17	takes effect at 12:01 a.m. on the day following the expiration of the
18	ninety-day period after final adjournment of the general assembly (August
19	8, 2018, if adjournment sine die is on May 9, 2018); except that, if a
20	referendum petition is filed pursuant to section 1 (3) of article V of the
21	state constitution against this act or an item, section, or part of this act
22	within such period, then the act, item, section, or part will not take effect
23	unless approved by the people at the general election to be held in
24	November 2018 and, in such case, will take effect on the date of the
25	official declaration of the vote thereon by the governor.

-14- 002