

**First 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. 13-0364.01 Jennifer Berman x3286

HOUSE BILL 13-1255

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House Committees

Business, Labor, Economic, & Workforce Development

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE EXEMPTION OF CERTAIN INTERNET**
102 **PROTOCOL-ENABLED SERVICES FROM OVERSIGHT BY THE**
103 **PUBLIC UTILITIES COMMISSION.**

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 clarifies that certain internet protocol-enabled services, including voice-over-internet protocol services, are exempt from regulation. The bill also explains that it does not affect the public utilities commission's authority with respect to the following:

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.

HOUSE
Amended 2nd Reading
April 18, 2013

- ! Wholesale rates, services, and agreements among telecommunications service providers; and
- ! The aggregation and transport of emergency 911 service provided by basic emergency service providers.

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

2 **SECTION 1.** In Colorado Revised Statutes, 40-15-102, **amend**
3 (3), (10), and (29); and **add** (4.5), (14.5), and (32) as follows:

4 **40-15-102. Definitions.** As used in this article, unless the context
5 otherwise requires:

6 (3) "Basic local exchange service" or "basic service" means the
7 telecommunications service ~~which~~ THAT provides:

8 (a) A local dial tone; ~~line; and~~

9 (b) Local usage necessary to place or receive a call within an
10 exchange area; and ~~any other services or features that may be added by~~
11 ~~the commission under section 40-15-502 (2).~~

12 (c) ACCESS TO EMERGENCY, OPERATOR, AND INTEREXCHANGE
13 TELECOMMUNICATIONS SERVICES.

14 (4.5) "COMMERCIAL MOBILE RADIO SERVICE" OR "CMRS" MEANS
15 CELLULAR OR WIRELESS SERVICE, PERSONAL COMMUNICATIONS SERVICE,
16 PAGING SERVICE, RADIO COMMON CARRIER SERVICE, RADIO MOBILE
17 SERVICE, OR ENHANCED SPECIALIZED MOBILE RADIO SERVICE.

18 (10) "~~Informational~~ INFORMATION services" ~~means nonstandard~~
19 ~~services provided to customers by means of personnel and facilities which~~
20 ~~include personalized intercept, synthesized voice messages, specialized~~
21 ~~bill services, and personalized number services~~ HAS THE SAME MEANING
22 AS SET FORTH IN 47 U.S.C. SEC. 153.

23 (14.5) "INTERNET PROTOCOL-ENABLED SERVICE" OR "IP-ENABLED

1 SERVICE" MEANS A SERVICE, FUNCTIONALITY, OR APPLICATION, OTHER
2 THAN VOICE-OVER INTERNET PROTOCOL, THAT USES INTERNET PROTOCOL
3 OR A SUCCESSOR PROTOCOL AND ENABLES AN END USER TO SEND OR
4 RECEIVE A VOICE, DATA, OR VIDEO COMMUNICATION IN INTERNET
5 PROTOCOL FORMAT OR A SUCCESSOR FORMAT, UTILIZING A BROADBAND
6 CONNECTION AT THE END USER'S LOCATION.

7 (29) "Telecommunications service" AND "TELECOMMUNICATIONS"
8 ~~means the electronic or optical transmission of information between~~
9 ~~separate points by prearranged means~~ HAVE THE SAME MEANING AS SET
10 FORTH IN 47 U.S.C. SEC. 153.

11 (32) (a) "VOICE-OVER-INTERNET PROTOCOL SERVICE" OR "VOIP
12 SERVICE" MEANS A SERVICE THAT:

13 (I) ENABLES REAL-TIME, TWO-WAY VOICE COMMUNICATIONS
14 ORIGINATING FROM OR TERMINATING AT A USER'S LOCATION IN INTERNET
15 PROTOCOL OR A SUCCESSOR PROTOCOL;

16 (II) UTILIZES A BROADBAND CONNECTION FROM THE USER'S
17 LOCATION; AND

18 (III) PERMITS A USER TO GENERALLY RECEIVE CALLS THAT
19 ORIGINATE ON THE PUBLIC SWITCHED TELEPHONE NETWORK AND TO
20 TERMINATE CALLS TO THE PUBLIC SWITCHED TELEPHONE NETWORK.

21 (b) A SERVICE IS NOT A VOICE-OVER-INTERNET PROTOCOL SERVICE
22 IF IT:

23 (I) USES ORDINARY CUSTOMER PREMISES EQUIPMENT WITHOUT
24 ENHANCED FUNCTIONALITY;

25 (II) ORIGINATES AND TERMINATES ON THE PUBLIC SWITCHED
26 TELEPHONE NETWORK;

27 (III) DOES NOT UNDERGO A NET PROTOCOL CONVERSION; AND

1 (IV) DOES NOT PROVIDE END USERS WITH ENHANCED
2 FUNCTIONALITY BASED ON THE PROVIDER'S USE OF INTERNET PROTOCOL
3 TECHNOLOGY.

4 **SECTION 2.** In Colorado Revised Statutes, 40-15-401 **amend** (1)
5 (b), (1) (c), (1) (i), and (1) (k); **repeal** (1) (d); and **add** (1) (q), (1) (r),
6 (1.5), (2), (3), (3.5), (4), and (5) as follows:

7 **40-15-401. Services, products, and providers exempt from**
8 **regulation.** (1) The following products, services, and providers are
9 exempt from regulation under this article or under the "Public Utilities
10 Law" of the state of Colorado:

11 (b) ~~Cellular telecommunications services~~ BASIC SERVICE; EXCEPT
12 THAT:

13 (I) IN GEOGRAPHIC AREAS WHERE THE COMMISSION PROVIDES A
14 HIGH COST SUPPORT MECHANISM FOR BASIC SERVICE PURSUANT TO
15 SECTIONS 40-15-208 AND 40-15-502 (5) AND IN GEOGRAPHIC AREAS
16 WHERE THE FEDERAL COMMUNICATIONS COMMISSION PROVIDES A HIGH
17 COST SUPPORT MECHANISM PURSUANT TO 47 U.S.C. SEC. 254, THE
18 COMMISSION RETAINS AUTHORITY TO DESIGNATE PROVIDERS OF LAST
19 RESORT PURSUANT TO SECTION 40-15-502 (6) AND DETERMINE A
20 MAXIMUM ALLOWABLE PRICE FOR BASIC SERVICE PURSUANT TO SECTION
21 40-15-502 (3) (b), IF THE COMMISSION DOES NOT PLACE THE OBLIGATIONS
22 ON A PROVIDER THAT DOES NOT RECEIVE FEDERAL OR STATE HIGH COST
23 SUPPORT MECHANISM FUNDING FOR THOSE GEOGRAPHIC AREAS; AND

24 (II) PROVIDERS OF BASIC SERVICE REMAIN SUBJECT TO THE
25 FOLLOWING FEES AND SURCHARGES:

26 (A) HIGH COST SUPPORT MECHANISM ASSESSMENTS CALCULATED
27 PURSUANT TO SECTION 40-15-502 (5) (a);

1 (B) EMERGENCY SERVICE SURCHARGES ASSESSED PURSUANT TO
2 PART 1 OF ARTICLE 11 OF TITLE 29, C.R.S., TO SUPPORT 911 SERVICE; AND

3 (C) TELECOMMUNICATIONS RELAY SERVICE CHARGES ASSESSED
4 PURSUANT TO ARTICLE 17 OF TITLE 40;

5 (c) COMMERCIAL mobile radio ~~service~~ SERVICES;

6 (d) ~~Radio paging service;~~

7 (i) ~~Informational~~ INFORMATION services;

8 (k) Advanced features; ~~offered and provided to nonresidential~~
9 ~~customers with more than five lines;~~

10 (q) INTERNET PROTOCOL-ENABLED SERVICES; AND

11 (r) VOICE-OVER-INTERNET PROTOCOL SERVICE.

12 (1.5) NOTHING IN THIS SECTION AFFECTS, MODIFIES, OR EXPANDS:

13 (a) AN ENTITY'S OBLIGATIONS UNDER SECTIONS 251 AND 252 OF
14 THE FEDERAL "COMMUNICATIONS ACT OF 1934", AS AMENDED AND
15 CODIFIED IN 47 U.S.C. SEC. 251 AND 252;

16 (b) ANY [REDACTED] COMMISSION AUTHORITY OVER WHOLESALE
17 TELECOMMUNICATIONS RATES, SERVICES, AGREEMENTS, PROVIDERS, OR
18 TARIFFS; OR

19 (c) ANY [REDACTED] COMMISSION AUTHORITY ADDRESSING OR AFFECTING
20 THE RESOLUTION OF DISPUTES REGARDING INTERCARRIER COMPENSATION.

21 (2) NOTHING IN THIS SECTION AFFECTS, MODIFIES, OR EXPANDS
22 ANY COMMISSION AUTHORITY OVER BASIC EMERGENCY SERVICE OR ANY
23 BASIC EMERGENCY SERVICE PROVIDER'S OBLIGATION TO PROVIDE BASIC
24 EMERGENCY SERVICE IN ACCORDANCE WITH APPLICABLE STATE AND
25 FEDERAL LAWS AND RULES.

26 (3) IF A TELECOMMUNICATIONS SERVICE OR PRODUCT IS NOT
27 DEFINED IN PART 1 OF THIS ARTICLE AND IS NOT ALREADY CLASSIFIED

1 UNDER PART 2 OR 3 OF THIS ARTICLE, THE TELECOMMUNICATIONS SERVICE
2 OR PRODUCT IS CLASSIFIED AS A DEREGULATED TELECOMMUNICATIONS
3 SERVICE UNDER THIS PART 4.

4 (3.5) NOTHING IN THIS LEGISLATION SHALL BE CONSTRUED TO
5 ADDRESS CURRENT 911 OR NEXT GENERATION 911 SERVICES, WHICH
6 SHALL BE SUBJECT TO SEPARATE STUDY BY THE GENERAL ASSEMBLY
7 DURING THE 2013 INTERIM.

8 (4) THIS SECTION DOES NOT AFFECT THE ESTABLISHMENT OR
9 ENFORCEMENT OF STANDARDS, REQUIREMENTS, OR PROCEDURES,
10 INCLUDING PROCUREMENT POLICIES, APPLICABLE TO ANY DEPARTMENT,
11 AGENCY, COMMISSION, OR POLITICAL SUBDIVISION OF THE STATE, OR TO
12 THE EMPLOYEES, AGENTS, OR CONTRACTORS OF A DEPARTMENT, AGENCY,
13 COMMISSION, OR POLITICAL SUBDIVISION OF THE STATE, RELATING TO THE
14 PROTECTION OF INTELLECTUAL PROPERTY.

15 (5) NOTHING IN THIS SECTION AFFECTS, MODIFIES, OR EXPANDS
16 THE ELIGIBILITY REQUIREMENTS FOR THE RECEIPT OF STATE OR FEDERAL
17 FINANCIAL ASSISTANCE THROUGH A HIGH COST SUPPORT MECHANISM.

18 **SECTION 3. Safety clause.** The general assembly hereby finds,
19 determines, and declares that this act is necessary for the immediate
20 preservation of the public peace, health, and safety.