

WHAT: Advance Consult Group Meeting

WHEN: Monday, April 7, 2025, 2:00 p.m. MT

**HOW:** Advance Consult Group Monthly Meeting

Monday, April 7 · 2:00 - 2:50 pm Time zone: America/Denver

Video call link: https://meet.google.com/ebe-jmbn-nuu

Or dial: (US) +1 417-355-8297 PIN: 362 119 511#

## Governance Reminders

• This group is advisory to the CBO on policies and programs.

- Meetings are open to the public and are recorded.
- It is important to note that the meetings and your contributions will be documented and made available to the public.
- All meetings and documents are subject to the Colorado Open Records Act (CORA).

Contact <u>lauren.francis@state.co.us</u> with questions or topics of discussion

# Agenda

**Legislative Updates** - Paige Asmann - OIT

- Wireless Telecommunications Bills
  - SB25-031: Single Point of Contact Wireless Services
    - Passed <u>House Business Affairs & Labor</u> on April 2; listen to the <u>audio</u>
      - Referred to House Committee of the Whole
  - <u>HB25-1056</u>: Local Government Permitting Wireless Telecommunications Facilities
    - Passed Senate with amendments; listen to the <u>audio</u>.
    - House requested Conference Committee on Senate Amendments
      - Scheduled April 9 @ 8:15 am; listen to <u>audio</u>.
    - Scheduled for House Floor Work May 7

- <u>HB25-1080</u>: Wireless Telephone Infrastructure Deployment Incentives
  - Passed House on March 31
  - Assigned to Senate Business, Labor, & Technology Committee
- The Colorado General Assembly adjourns sine die on the 120th legislative day, Wednesday, May 7, 2025
- OIT's Government Affairs Team Broadband Legislative Stakeholder calls on Thursday, April 10 at 1 p.m. & Thursday, April 24 at 1 p.m. Please Register

# **BEAD** update

- o In the curring and negotiating process now.
- We anticipate making provisional award announcements (directly to applicants) in May.
- We must obtain NTIA approval before we can publicly announce awardees
- There will be a public comment window for stakeholders to review all BEAD provisional awardees (Round 1 and Round 2).
- Final Proposal is due to NTIA on June 3, 2025

## **CPF Round 2**

- \$690K in additional available CPF funds. Projects will be awarded by amendment to the existing CPF grant agreement. Opportunity to be awarded more money to expand CPF project area.
  - o Eligibility: For CPF awardees only, the same requirements as in Round 1
  - Timeline? The Round 2 application window will run from April 14 to May 11, 2025. The program timeline is on page 2 of the addendum.
  - Match requirements: Applicants' match must be at least the same as the related approved award. For example, if the current award has a 30% match, the location expansion must also have a minimum of 30% match.
  - What technology can I use Round 2 funding on? Round 2 funding is only available to connect additional unserved and underserved locations to fiber.
  - How will applications be evaluated? With limited funding, a decision might be made to prioritize a project serving a smaller number of locations if it fits within the available budget, rather than choosing a larger project that exceeds the financial resources.

 The Challenge Process for Round 2 CPF awards will begin ten (10) business days after the awards are announced. Entities eligible to submit challenges to the Advance-CPF Grant Program include internet service providers, local governments and Tribal entities.

# **Notes**

Mar. 3 Notes

April 7 Notes

Legislative Updates-Paige

SB25-031- This bill requires CBO to provide technical assistance to applicants for wireless grants. The CBO is not implicated in the emergency services notification portion. Bill passed House Business Affairs on April 2 and has been referred to House. Not sure when it will be heard but soon.

HB25-1056: This bill creates a shot clock for local governments to approve or deny applications for wireless services. In the Senate, an amendment allows governments to toll the period. The House did not concur and requested a conference committee that will meet on April 9. Bill is scheduled for House on May 7th.

HB25-1080: The first part of the bill allows local governments to provide property tax incentives, and the second part applies to rural broadband sales and use tax refunds. There was a fiscal note, so they amended that out, and there is no longer a fiscal impact, so there is no appropriation. The bill passed the House on March 31 and has been assigned to the Senate Business Labor Technology Committee.

Eric: Remind me where the CBO's current position is on those?

Paige: SB25-031 we are supportive of the amendment that passed. The other bills we do not have a position on. We did have an opposing position to HB25-1080 when it gave HCSM to wireless services but they amended that.

Eric: So that was the fiscal note that got taken out?

Paige: This bill went through a strike below amendment. The original bill required us to create a new program for wireless services to split the HCSM 50/50. We opposed that and they drafted a new bill. The other fiscal note was on the sales and use tax refund from the DOR that was amended but we did not take a position on that.

Sandra: So no longer using the funding from the HCSM and they will be subject to tax credits?

Paige: They struck out the HCSM language from HB25-1080. The other part allows local governments to provide tax incentives but does not require them to.

Brandy: Although the language of the HCSM was stricken from this legislation. When we did HB24-1336, we expanded eligibility for wireless services in tier 2 which is 40% of the funding. So there is still eligibility for wireless.

#### **BEAD-Brian**

Brian: We are in the curing and negotiation process now. We anticipate making provisional award announcements (directly to applicants) in May. We must obtain NTIA approval before we can publicly announce awardees. There will be a public comment period on final announcements before we pass them on to NTIA in June.

We will soon have provisional award announcements, which we will send out for public comment. June 3 is the final submission for NTIA.

Eric: Any sense of how far along between the request and what you had available? Making headway on finding the overlaps and finding ways to get down to the amount you had available to you? How are you dealing with technology preferences? Is it still heavily fiber?

Brian: We are doing our best to review all of the applications with the preferences set in BEAD and following the guidance that we have. We are making good headway but I can't get into details. We are doing our best to fill the gaps. As soon as we have that info. We will make that open for public comment.

### CFP Round 2-Brian

Brian: An email went out today announcing Round 2 for CPF, \$690K available. It is for CPF-eligible entities. We got approval from Treasury to allow applicants who met eligibility requirements and were not awarded and to those who were awarded. We want to spread funding as far as possible.

Match requirements award at 30% you would have to meet that minimum. Mostly available only for fiber, plug the gaps where we can with smaller projects and not a major project.

Application opens on April 14-May 11. The challenge process starts 10 days after CPF Round 2 awards are announced. You can submit challenges ISPs, local govs, tribal entities can make challenges.

Brandy: This is supposed to be a quick program, line extension based to pick up some locations that were left behind. Tricky timing with BEAD and CPF but that is what the challenge process is for. We don't want to step on toes. One thing we reserved the right to, if money does come back to us, we were given ability for Round 3, timeliness is important if there is a Round 3. We are good so far with awardees but you never know.

Brian: There is a map that will be published this week with eligibility. We want to make sure there is no overlap. Will be reviewing all of the information we have to make sure that isn't an issue.

Brandy: In the timeliness of rolling this out, waiting for BEAD applications or ranked and figuring out who is on the shortlist is. We don't want to mix up data.

# Brandy-Middle Mile

Eric: On the middle mile, several presentations have been given by the JTC to get them up to date. Some of it involves CDOT mapping of their fiber locations for state ROWs, and some of it has to do with the park in Trinidad that is being built. Where are we going toward a true middle-mile program?

Brandy: Where we are with the middle mile program, this is going to take years to do, we are at the beginning stages, I finally got our RFPs approved by our agency which has taken 9 months. We haven't done this at OIT and it added an extra year to the process. This month we are going to open up solicitation. The challenge is that the state has no money to do a middle-mile program other than HCSM funding. I was able to pinch some pennies and prioritize certain things in our department's budget. We are hitting a funding constraint on what we can do.

Where CDOT is concerned, they helped with RFP so they are on the same page. So we need to get our agency to publish. There has been a lot of undertaking with staff, procurement, and legal. We want to make sure we do it right. I am hoping to publish this month, it will be a vendor pool. We are creating a whole procurement around the entire program. I am doing some market research to see what budget we need and what the state needs. It all boils down to money. We have been in contact with DNR pilot and they are on board. The budget is the hard part. We won't be able to execute the project until next year bc of budget. It is not as much as we thought but it is still funding. I want to set people's expectations due to funding constraints, it may be 5 years. It will be a while before the public sees progress. The rollout is going to take longer bc of funding.

Eric: We need to know, uncertainty can stall progress. We are going on as if we are on our own. We want to know if there is anything being done at the state level but the funding is always the issue. The other part is long-term dedicated funding, really that funding derives from cellular services, but it is still not enough. It needs to be looked at as far as dedicated funding for cellular and middle mile separately. You are beholden to what you are allowed to put on someone's bill. We need something sustainable. It is not something the rural areas can do on their own. I don't want to see that collapse.

Jud: The first part of oral arguments looked bad for USF but the second part looked good for USF. Might be a 7-2 Supreme Court decision. Maybe Congress will do something to fix it or adjust it to get it to where it should be.

Brandy: We will have some interesting policy discussions around this next session specifically. After BEAD there will still be people that are not going to be connected. There is a real case to be made to look at these initiatives. Funding is always tricky, people don't want fees or taxes. It is not an easy hill to climb with our economic situation. Don't wait for us for the middle mile but we want to collaborate so we are in alignment with your strategies.

Sandra: Colorado is far along in the process but do you foresee any changes from the new administration and Dept. of Commerce?

Brandy: We are all anticipating changes, we have been told there are changes but we don't know what those are yet. We will probably see them in the next 30 days. They need to come up with something soon. We are hoping that they don't change the program to the extent that we start over. We don't want to change the scoring criteria. Our program is technology-neutral, and our state is challenging. I have no idea if we will have a say in the changes. I anticipate the changes being prescriptive. To redo the program would be an unfunded mandate bc the state doesn't have funding to do that.

Brandy: Our next meeting will have more specifics on BEAD. We are excited to share with you the BEAD results.