A BILL FOR AN ACT

CONCERNING INCREASED ENFORCEMENT OF REQUIREMENTS RELATED TO THE LOCATION OF UNDERGROUND FACILITIES.

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://leg.colorado.gov.)

Current law requires a person, before conducting an excavation, to contact a nonprofit notification association (comprised of all owners and operators of underground facilities) by dialing "811" to learn the location of underground facilities in the excavation project area. The owners and operators must then accurately mark the location of their facilities. Violations of the excavation damage prevention law are
enforced exclusively through civil actions initiated by damaged parties to collect specified civil penalties and damages. In 2016, the United States department of transportation's pipeline and hazardous materials safety administration (PHMSA) conducted an adequacy evaluation of Colorado's enforcement of its excavation damage prevention law and determined that the enforcement is inadequate, which may eventually result in the withholding of federal funds from Colorado.

The bill creates the underground damage prevention safety commission (commission) as an independent agency within the department of labor and employment. The commission has rule-making and enforcement authority regarding the excavation damage prevention law and is required to enter into a memorandum of understanding with the notification association to facilitate implementation and administration of the law. The notification association is required to provide administrative support to the commission in performing its duties.

A review committee of the commission initially determines whether a violation of the law has occurred and, if appropriate, recommends remedial action, potentially including a fine. Fines range from $250 for a single minor violation within the previous 12 months to $75,000 for a fourth major violation within the previous 12 months. The full commission is bound by the review committee's determination of facts but determines the final agency action regarding alleged violations. Fines are credited to the damage prevention fund, which the commission will use to develop educational programming, including by making grants, that is designed to improve worker and public safety relating to excavation and underground facilities.

Current law allows only an excavator to submit a location request to the notification association. The bill authorizes a licensed professional engineer designing excavation to submit a location request. The engineer is required to ensure that the engineering plans meet certain standards established by the American Society of Civil Engineers for defining the accuracy of an underground facility location. The notification association will collect a fee for each location request, which is deposited in the safety commission fund and used to pay the commission's expenses.

Current law creates 2 tiers of membership in the notification association. Tier 2 members are limited members with limited benefits and include certain special districts, local governments, cable television providers, and small telecommunications providers; tier 1 members are full members with full benefits, and tier 1 consists of all other owners and operators. If, after receiving a location request, the notification association determines that a tier 1 member owns or operates the underground facilities, the notification association contacts the tier 1 member to arrange for the marking of the underground facilities. If a tier 2 member owns or operates the underground facilities, the excavator must contact the tier 2 member to arrange for the marking of the underground facilities.
facilities. Effective January 1, 2021, all underground facility owners and operators are full members of the notification association with full benefits, and excavators will no longer need to contact the owners or operators to arrange for the marking.

All new underground facilities installed on or after January 1, 2020, must be electronically locatable when installed. Home rule local governments are not subject to the commission's enforcement authority, but the governing body of a home rule local government is required to either adopt a similar enforceable damage prevention safety program or waive its exemption and delegate its damage prevention enforcement authority to the commission.

Information regarding the location of underground facilities is exempt from the "Colorado Open Records Act", pursuant to the existing exemption for specialized details of critical infrastructure.

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

SECTION 1. In Colorado Revised Statutes, 9-1.5-102, amend the introductory portion, (1), and (3); and add (1.5), (3.4), (3.7), (6.2), (6.7), (6.8), and (6.9) as follows:

9-1.5-102. Definitions. As used in this article ARTICLE 1.5, unless the context otherwise requires:

(1) "Damage" includes the penetration or destruction of any protective coating, housing, or other protective device of an underground facility, the partial or complete severance of an underground facility, or the rendering of any underground facility inaccessible. "ASCE 38" means the standard for defining the quality of an underground facility location as defined in the current edition of the American Society of Civil Engineers' "Standard Guideline for the Collection and Depiction of Existing Subsurface Utility Data (CI/ASCE 38-02)" or an analogous successor standard as determined by the safety commission.

(1.5) "Damage" includes the denting, penetration, or
DESTRUCTION OF ANY PROTECTIVE COATING, HOUSING, OR OTHER
PROTECTIVE DEVICE OF AN UNDERGROUND FACILITY, THE PARTIAL OR
COMPLETE SEVERANCE OF AN UNDERGROUND FACILITY, OR THE
RENDERING OF ANY UNDERGROUND FACILITY INACCESSIBLE.

(3) "Excavation" means any operation in which earth is moved or
removed by means of any tools, equipment, or explosives and includes
augering, backfilling, boring, ditching, drilling, grading, plowing-in,
pulling-in, ripping, scraping, trenching, HYDRO EXCAVATING,
POSTHOLING, and tunneling. "Excavation" shall DOES not include:

(a) Routine maintenance on existing planted landscapes; OR
(b) AN EXCAVATION BY A RANCHER OR A FARMER, AS DEFINED IN
SECTION 42-20-108.5, OCCURRING ON A RANCH OR FARM WHEN THE
EXCAVATION INVOLVES:

(I) ANY FORM OF CULTIVATION FOR AGRICULTURAL PURPOSES
THAT IS ROUTINE FOR THAT RANCH OR FARM;
(II) LAND CLEARING; OR
(III) ROUTINE MAINTENANCE OF IRRIGATION FACILITIES OR
EXISTING FENCE LINES.

(3.4) "GRAVITY-FED SYSTEM" MEANS ANY UNDERGROUND
FACILITY THAT IS NOT PRESSURIZED AND THAT UTILIZES GRAVITY AS THE
ONLY MEANS TO TRANSPORT ITS CONTENTS. THESE SYSTEMS INCLUDE
SANITARY SEWER LINES, STORM SEWER LINES, AND OPEN-AIR IRRIGATION
DITCHES.

(3.7) "LICENSED PROFESSIONAL ENGINEER" MEANS A
PROFESSIONAL ENGINEER AS DEFINED IN SECTION 12-25-102.

(6.2) "PHMSA" MEANS THE UNITED STATES DEPARTMENT OF
TRANSPORTATION'S PIPELINE AND HAZARDOUS MATERIALS SAFETY
ADMINISTRATION.

(6.7) "SUBSURFACE UTILITY ENGINEERING NOTIFICATION" MEANS A NOTICE TO THE NOTIFICATION ASSOCIATION THAT A PROJECT IS BEING DESIGNED BY A LICENSED PROFESSIONAL ENGINEER AND THAT THE PROJECT WILL INCLUDE THE INVESTIGATION AND DEPICTION OF EXISTING UNDERGROUND FACILITIES THAT MEET OR EXCEED THE ASCE 38 STANDARD.

(6.8) "SUBSURFACE UTILITY ENGINEERING-REQUIRED PROJECT" MEANS A PROJECT THAT MEETS ALL OF THE FOLLOWING CONDITIONS:

(a) The project involves a construction contract with a public entity, as those terms are defined in Section 24-91-102;

(b) The project has an anticipated excavation footprint that exceeds two feet in depth and that is a contiguous one thousand square feet. The term "two feet in depth" does not include rotomilling, and the contiguous one thousand square feet does not include fencing and signing projects.

(c) The project requires the design services of a licensed professional engineer.

(6.9) "UNDERGROUND DAMAGE PREVENTION SAFETY COMMISSION" OR "SAFETY COMMISSION" MEANS THE ENFORCEMENT AUTHORITY ESTABLISHED IN SECTION 9-1.5-104.2.

SECTION 2. In Colorado Revised Statutes, 9-1.5-103, amend (3)(a), (3)(c), (3)(d), (4)(a), (4)(b), (4)(c)(I), (4)(c)(II), and (6); repeal (7)(c)(V); and add (2.4), (2.7), (6.5), (7)(e), (9), (10), (11), and (12) as follows:

9-1.5-103. Plans and specifications - notice of excavation - duties of excavators - duties of owners and operators - fee - repeal.
(2.4) At the project owner’s expense, a licensed professional engineer designing excavation for a subsurface utility engineering-required project shall:

(a) Notify the notification association with a subsurface utility engineering notification;

(b) Either:

(I) Meet or exceed the ASCE 38 standard for defining the underground facility location in the stamped plans for all underground facilities within the proposed excavation area; or

(II) Document the reasons why any underground facilities depicted in the stamped plans do not meet or exceed ASCE 38 utility quality level B or its successor utility quality level;

(c) Attempt to achieve ASCE 38 utility quality level B or its successor utility quality level on all utilities within the proposed excavation area unless a reasonable rationale by a licensed professional engineer is given for not doing so; and

(d) Document the reasons why any underground facilities depicted in the stamped plans do not meet or exceed ASCE 38 utility quality level A or its successor utility quality level for underground facilities at the point of a potential conflict with the installation of a gravity-fed system.

(2.7) An underground facility owner that receives a subsurface utility engineering notification or other request for information from a designer shall respond to the request within ten business days after the request, not including the day of actual notice, in one or more of the following ways:

(a) Provide underground facility location records that
GIVE THE BEST AVAILABLE INFORMATION ON THE LOCATION, NOT TO INCLUDE DEPTH, OF UNDERGROUND FACILITIES WITHIN THE PROJECT LIMITS;

(b) PROVIDE A MARK ON THE GROUND THAT GIVES THE APPROXIMATE LOCATION, NOT TO INCLUDE DEPTH, OF ITS UNDERGROUND FACILITIES WITHIN THE PROJECT LIMITS; OR

(c) PROVIDE THE BEST AVAILABLE INFORMATION AS TO THE APPROXIMATE LOCATION, NOT TO INCLUDE DEPTH, OF ITS UNDERGROUND FACILITIES WITHIN THE PROJECT LIMITS.

(3) (a) (I) (A) Except in emergency situations and except as to an employee with respect to the employer's underground facilities or as otherwise provided in an agreement with an owner or operator, no person shall NOT make or begin excavation without first notifying the notification association and, if necessary, the tier two members having underground facilities in the area of such excavation. Notice may be given in person, by telephone, by electronic methods approved by the notification association, or in writing if delivered.

(B) THIS SUBSECTION (3)(a)(I) IS REPEALED, EFFECTIVE JANUARY 1, 2021.

(II) EFFECTIVE JANUARY 1, 2021, EXCEPT IN EMERGENCY SITUATIONS AND EXCEPT AS TO AN EMPLOYEE WITH RESPECT TO THE EMPLOYER'S UNDERGROUND FACILITIES, A PERSON SHALL NOT MAKE OR BEGIN EXCAVATION WITHOUT FIRST NOTIFYING THE NOTIFICATION ASSOCIATION. NOTICE MAY BE GIVEN BY ELECTRONIC METHODS APPROVED BY THE NOTIFICATION ASSOCIATION OR BY TELEPHONE.

(c) (I) Any notice given pursuant to paragraph (b) of this subsection (3) shall SUBSECTION (3)(b) OF THIS SECTION MUST include the
following:

(I)  (A) The name and telephone number of the person who is
giving the notice;

(II) (B) The name and telephone number of the excavator; and

(III) (C) The specific location, starting date, and description of the
intended excavation activity.

(II) IF AN AREA OF EXCAVATION CANNOT BE ACCURATELY
DESCRIBED ON THE LOCATE REQUEST, THE EXCAVATOR SHALL NOTIFY THE
OWNER OR OPERATOR OF THE AREA OF EXCAVATION USING ONE OR MORE
OF THE FOLLOWING METHODS:

(A) PHYSICAL DELINEATION WITH WHITE MARKS ON A HARD
SURFACE AREA;

(B) ELECTRONIC DELINEATION ON A MAP, PLAN SHEET, OR AERIAL
PHOTOGRAPH THAT CAN BE TRANSMITTED ELECTRONICALLY FROM THE
EXCAVATOR TO THE FACILITY OWNER OR OPERATOR THROUGH THE
NOTIFICATION ASSOCIATION; OR

(C) SCHEDULING AN ON-SITE MEETING BETWEEN THE EXCAVATOR
AND THE OWNER OR OPERATOR.

(d) An excavator may request a written record of any information
from an owner or operator of an underground facility regarding the
location of specific underground facilities. An excavator requiring
EXISTING MARKED UNDERGROUND FACILITIES TO BE EXPOSED MAY LIST A
SINGLE SECONDARY EXCAVATOR ON ITS NOTICE TO THE NOTIFICATION
ASSOCIATION AND EMPLOY THE SERVICES OF THE LISTED SECONDARY
EXCAVATOR TO EXPOSE MARKED UNDERGROUND FACILITIES USING
REASONABLE CARE TO NOT DAMAGE THE FACILITIES. The secondary
EXCAVATOR MAY EXPOSE MARKED UNDERGROUND FACILITIES UNDER THE
EXCAVATOR'S NOTICE TO THE NOTIFICATION ASSOCIATION ONLY IF THE EXCAVATOR HAS COMPLIED WITH THIS SUBSECTION (3).

(4) (a) (I) Any owner or operator receiving notice pursuant to subsection (3) of this section shall, at no cost to the excavator AND WITHIN TWO BUSINESS DAYS, NOT INCLUDING THE DAY OF ACTUAL NOTICE, use reasonable care to advise the excavator of the location, NUMBER, and size of any underground facilities in the proposed excavation area, INCLUDING LATERALS IN THE PUBLIC RIGHT-OF-WAY, by marking the location of the facilities with clearly identifiable markings within eighteen inches horizontally from the exterior sides of any such facilities. Such markings shall MUST include the depth, if known, and shall be made pursuant to the uniform color code as approved by the utility location and coordinating council of the American Public Works Association. THE DOCUMENTATION REQUIRED BY THIS SUBSECTION (4)(a)(I) SHALL BE PROVIDED TO THE EXCAVATOR THROUGH THE NOTIFICATION ASSOCIATION AND MUST MEET OR EXCEED ANY QUALITY STANDARDS ESTABLISHED BY THE SAFETY COMMISSION PURSUANT TO SECTION 9-1.5-104.2 (1)(a)(I). IN ADDITION TO THE MARKINGS, THE OWNER OR OPERATOR SHALL PROVIDE FOR EACH OF ITS UNDERGROUND FACILITIES:

(A) DOCUMENTATION LISTING THE OWNER'S OR OPERATOR'S NAME AND THE SIZE AND TYPE OF EACH MARKED UNDERGROUND FACILITY; AND

(B) DOCUMENTATION OF THE LOCATION OF THE UNDERGROUND FACILITIES IN THE FORM OF A DIGITAL SKETCH, A HAND-DRAWN SKETCH, OR A PHOTOGRAPH THAT INCLUDES A READILY IDENTIFIABLE LANDMARK, WHERE PRACTICABLE.

(III) THE MARKING OF CUSTOMER-OWNED LATERALS IN THE PUBLIC RIGHT-OF-WAY IS FOR INFORMATIONAL PURPOSES ONLY, AND AN OWNER OR OPERATOR IS NOT LIABLE TO ANY PARTY FOR DAMAGES OR INJURIES RESULTING FROM DAMAGE DONE TO CUSTOMER-OWNED LATERALS.

(IV) In the event any person is involved in excavating across a preexisting underground facility, the owner of such facility shall, upon a predetermined agreement at the request of the excavator or the owner, provide on-site assistance. Any owner or operator receiving notice concerning an excavator's intent to excavate shall use reasonable care to advise the excavator of the absence of any underground facilities in the proposed excavation area by communicating directly with the excavator and providing documentation thereof, if requested, or by clearly marking that no underground facilities exist in the proposed excavation area. Owners and operators PROVIDING POSITIVE RESPONSE DOCUMENTATION TO THE EXCAVATOR THROUGH THE NOTIFICATION ASSOCIATION THAT NO UNDERGROUND FACILITIES EXIST IN THE PROPOSED EXCAVATION AREA. AN OWNER OR OPERATOR shall, within the time limits specified in subsection
(6) of this section, provide to the excavator evidence, if any, of UNDERGROUND facilities abandoned after January 1, 2001, known to the owner or operator to be in the proposed excavation area.

(b) The marking of underground facilities shall be considered valid so long as the markings are clearly visible, but not for more than thirty calendar days FOLLOWING THE DUE DATE OF THE LOCATE REQUEST INITIATED PURSUANT TO SUBSECTION (3) OF THIS SECTION. If an excavation has not been completed within the thirty-day period, the excavator shall notify the affected owner or operator and the notification association at least two business days, not including the day of actual notice, before the end of such THE thirty-day period.

(c) (I) (A) When a person excavates within eighteen inches horizontally from the exterior sides of any MARKED underground facility, such THE person shall USE NONDESTRUCTIVE MEANS OF EXCAVATION TO IDENTIFY UNDERGROUND FACILITIES AND SHALL OTHERWISE exercise such reasonable care as necessary to protect any underground facility in or near the excavation area. It shall be the responsibility of WHEN UTILIZING TRENCHLESS EXCAVATION METHODS, THE EXCAVATOR SHALL EXPOSE UNDERGROUND FACILITIES AND VISUALLY OBSERVE THE SAFE CROSSING OF MARKED UNDERGROUND FACILITIES WHEN REQUESTED TO DO SO BY THE UNDERGROUND FACILITY OWNER OR OPERATOR OR THE GOVERNMENT AGENCY THAT ISSUED A PERMIT FOR THE EXCAVATION.

(B) The excavator shall maintain adequate and accurate documentation, including but not limited to photographs, video, or sketches AND DOCUMENTATION OBTAINED THROUGH THE NOTIFICATION ASSOCIATION, at the excavation site on the location and identification OF ANY UNDERGROUND FACILITY AND SHALL MAINTAIN ADEQUATE MARKINGS.
of any underground facility throughout the excavation period. A PERSON
SHALL NOT USE A SUBSURFACE UTILITY ENGINEERING NOTIFICATION FOR
EXCAVATION PURPOSES.

(II) (A) If the documentation OR MARKINGS maintained pursuant
to subparagraph (I) of this paragraph (c) becomes SUBSECTION (4)(c)(I)
OF THIS SECTION BECOME lost or invalid, the excavator shall notify the
notification association or the affected owner or operator THROUGH THE
NOTIFICATION ASSOCIATION and request an immediate reverification of
the location of any underground facility. Upon receipt of such THE
notification, such THE affected owner or operator shall respond as quickly
as is practicable. The excavator shall cease excavation activities at the
affected location until the location of any underground facilities has been
reverified.

(B) If the documentation OR MARKINGS maintained pursuant to
subparagraph (I) of this paragraph (c) is SUBSECTION (4)(c)(I) OF THIS
SECTION ARE determined to be inaccurate, the excavator shall immediately
notify the affected owner or operator THROUGH THE NOTIFICATION
ASSOCIATION and shall request an immediate reverification of the location
of any underground facility. Upon receipt of such THE notification, such
THE affected owner or operator shall respond as quickly as practicable.
The excavator may continue excavation activity if such THE excavator
exercises due caution and care to prevent damaging any underground
facility.

(6) If documentation OR MARKINGS requested and needed by an
excavator pursuant to subsection (4) of this section IS ARE not provided
by the owner or operator pursuant thereto within two business days, not
including the day of actual notice, or such later time as agreed upon by
the excavator and the owner or operator, or, if the documentation or
MARKINGS provided fail to identify the location of the underground
facilities, the excavator shall immediately give notice to THROUGH the
notification association or to the owner or operator, and may proceed
WITH THE EXCAVATION, and shall not be liable for such damage except
upon proof of such the excavator's lack of reasonable care.

(6.5) IF POSITIVE RESPONSE REQUIRED PURSUANT TO SUBSECTION
(4) OF THIS SECTION IS NOT PROVIDED BY THE OWNER OR OPERATOR
WITHIN TWO BUSINESS DAYS, NOT INCLUDING THE DAY OF ACTUAL NOTICE,
OR BY A LATER TIME AS OTHERWISE AGREED UPON IN WRITING, THE
NOTIFICATION ASSOCIATION SHALL SEND AN ADDITIONAL RENOTIFICATION
TO THAT OWNER OR OPERATOR. THE NOTIFICATION ASSOCIATION SHALL
CONTINUE TO SEND OUT RENOTIFICATIONS DAILY UNTIL THE NOTIFICATION
ASSOCIATION RECEIVES THE POSITIVE RESPONSE.

(7) (c) The notification association shall create and publicize to its
members a reporting process, including the availability of electronic
reporting and a threshold at which reporting is required, to compile the
following information:

(V) The number of persons whose service may have been
interrupted;

(e) (I) ON OR BEFORE JULY 1 OF EACH YEAR, THE NOTIFICATION
ASSOCIATION SHALL PREPARE AND SUBMIT TO THE SAFETY COMMISSION
AN ANNUAL REPORT FOR EACH OWNER OR OPERATOR SUMMARIZING THE
FOLLOWING DATA FROM THE PRIOR CALENDAR YEAR:

(A) THE NUMBER OF LOCATE REQUESTS SUBMITTED TO THE OWNER
OR OPERATOR PURSUANT TO SUBSECTION (4) OF THIS SECTION;

(B) THE NUMBER OF NOTICES SUBMITTED TO THE OWNER OR
OPERATOR PURSUANT TO SUBSECTION (6) OF THIS SECTION;

(C) THE PERCENTAGE OF LOCATE REQUESTS RESULTING IN NOTICES
SUBMITTED TO THE OWNER OR OPERATOR PURSUANT TO SUBSECTION (6)
of this section;

(D) THE NUMBER OF RENOTIFICATIONS SUBMITTED TO THE OWNER
OR OPERATOR PURSUANT TO SUBSECTION (6.5) OF THIS SECTION; AND

(E) THE PERCENTAGE OF LOCATE REQUESTS RESULTING IN
RENOTIFICATIONS SUBMITTED TO THE OWNER OR OPERATOR PURSUANT TO
SUBSECTION (6.5) OF THIS SECTION.

(II) THE NOTIFICATION ASSOCIATION SHALL MAKE THE DATA IN
THE ANNUAL REPORT ELECTRONICALLY ACCESSIBLE TO THE SAFETY
COMMISSION FOR CUSTOMIZED REPORTS OR RESEARCH.

(9) IF DAMAGE RESULTS IN THE ESCAPE OF ANY
PHMSA-REGULATED NATURAL GAS OR OTHER GAS OR HAZARDOUS
LIQUID, THE EXCAVATOR SHALL PROMPTLY REPORT TO APPROPRIATE
AUTHORITIES BY CALLING THE 911 EMERGENCY TELEPHONE NUMBER OR
ANOTHER EMERGENCY TELEPHONE NUMBER. THE REPORTING IS IN
ADDITION TO ANY REPORTING REQUIRED TO BE MADE TO ANY STATE OR
LOCAL AGENCY.

(10) ALL NEW UNDERGROUND FACILITIES, INCLUDING LATERALS
UP TO THE STRUCTURE OR BUILDING BEING SERVED, INSTALLED ON OR
AFTER JANUARY 1, 2020, MUST BE ELECTRONICALLY LOCATABLE WHEN
INSTALLED.

(11) NOTHING IN THIS ARTICLE 1.5 AFFECTS OR IMPAIRS ANY
LOCAL ORDINANCES OR OTHER PROVISIONS OF LAW REQUIRING PERMITS TO
BE OBTAINED BEFORE AN EXCAVATION. A PERMIT ISSUED BY A
GOVERNMENT AGENCY DOES NOT RELIEVE AN EXCAVATOR FROM
COMPLYING WITH THIS ARTICLE 1.5.

(12) THE NOTIFICATION ASSOCIATION SHALL COLLECT A FEE IN AN AMOUNT SPECIFIED BY THE SAFETY COMMISSION BY RULE TO APPROXIMATE ITS DIRECT AND INDIRECT COSTS IN ADMINISTERING THIS ARTICLE 1.5 FOR EACH NOTIFICATION TO THE NOTIFICATION ASSOCIATION MADE PURSUANT TO SUBSECTION (2.4) OR (3) OF THIS SECTION. THE NOTIFICATION ASSOCIATION SHALL TRANSMIT THE MONEY TO THE STATE TREASURER, WHO SHALL CREDIT IT TO THE SAFETY COMMISSION FUND CREATED IN SECTION 9-1.5-104.8.

SECTION 3. In Colorado Revised Statutes, add 9-1.5-104.2, 9-1.5-104.4, 9-1.5-104.7, and 9-1.5-104.8 as follows:

9-1.5-104.2. Underground damage prevention safety commission - creation - review of violations - enforcement - rules.

(1) (a) THERE IS HEREBY CREATED THE UNDERGROUND DAMAGE PREVENTION SAFETY COMMISSION IN THE DEPARTMENT OF LABOR AND EMPLOYMENT. THE SAFETY COMMISSION IS TRANSFERRED TO THE DEPARTMENT BY A TYPE 1 TRANSFER AS THAT TERM IS DEFINED IN SECTION 24-1-105. THE SAFETY COMMISSION SHALL:

(I) ADVISE THE NOTIFICATION ASSOCIATION AND OTHER STATE AGENCIES, THE GENERAL ASSEMBLY, AND LOCAL GOVERNMENTS ON:

(A) BEST PRACTICES AND TRAINING TO PREVENT DAMAGE TO UNDERGROUND UTILITIES; AND

(B) POLICIES TO ENHANCE WORKER AND PUBLIC SAFETY, INCLUDING THE ESTABLISHMENT AND PERIODIC UPDATING OF INDUSTRY BEST STANDARDS, INCLUDING MARKING AND DOCUMENTATION BEST PRACTICES AND TECHNOLOGY ADVANCEMENTS; AND

(II) REVIEW COMPLAINTS ALLEGING VIOLATIONS OF THIS ARTICLE
1.5 INVOLVING PRACTICES RELATED TO UNDERGROUND FACILITIES AND
ORDER APPROPRIATE REMEDIAL ACTION OR PENALTIES.

(b) THE SAFETY COMMISSION AND THE NOTIFICATION ASSOCIATION
SHALL ENTER INTO A MEMORANDUM OF UNDERSTANDING TO FACILITATE
IMPLEMENTATION AND ADMINISTRATION OF THIS SECTION AND SECTIONS
9-1.5-104.4, 9-1.5-104.7, AND 9-1.5-104.8.

(c) NOTWITHSTANDING THE POWERS AND DUTIES ASSIGNED TO THE
SAFETY COMMISSION, THIS SECTION AND SECTION 9-1.5-104.4 DO NOT
APPLY TO A HOME RULE COUNTY, CITY AND COUNTY, OR MUNICIPALITY,
AND NOTHING IN THIS ARTICLE 1.5 AUTHORIZES THE SAFETY COMMISSION
TO IMPOSE A CIVIL PENALTY ON OR ENFORCE A RECOMMENDATION OR
CORRECTIVE ACTION REGARDING AN ALLEGED VIOLATION OF THIS ARTICLE
1.5 AGAINST A HOME RULE COUNTY, CITY AND COUNTY, OR MUNICIPALITY;
EXCEPT THAT:

(I) THE SAFETY COMMISSION SHALL:

(A) INFORM A HOME RULE COUNTY, CITY AND COUNTY, OR
MUNICIPALITY OF AN ALLEGED VIOLATION OF THIS ARTICLE 1.5; AND

(B) AT THE REQUEST OF THE APPLICABLE HOME RULE COUNTY,
CITY AND COUNTY, OR MUNICIPALITY, SUGGEST CORRECTIVE ACTION; AND

(II) NOTHING IN THIS SUBSECTION (1)(c) PROHIBITS A HOME RULE
COUNTY, CITY AND COUNTY, OR MUNICIPALITY FROM PARTICIPATING IN
PROCEEDINGS OF THE SAFETY COMMISSION.

(d) THE GOVERNING BODY OF A HOME RULE COUNTY, CITY AND
COUNTY, OR MUNICIPALITY SHALL ADOPT BY RESOLUTION, ORDINANCE, OR
OTHER OFFICIAL ACTION EITHER:

(I) A DAMAGE PREVENTION SAFETY PROGRAM SIMILAR TO THAT
ESTABLISHED PURSUANT TO THIS ARTICLE 1.5; OR
A WAIVER OF THE EXEMPTION SPECIFIED IN SUBSECTION (1)(c) OF THIS SECTION THAT DELEGATES ITS DAMAGE PREVENTION ENFORCEMENT AUTHORITY TO THE SAFETY COMMISSION.

(2)(a) THE GOVERNOR SHALL APPOINT THE FOLLOWING THIRTEEN MEMBERS OF THE SAFETY COMMISSION, TAKING INTO CONSIDERATION NOMINATIONS MADE PURSUANT TO THIS SUBSECTION (2)(a), SUBJECT TO CONSENT BY THE SENATE:

(I) LOCAL GOVERNMENTS: THREE MEMBERS, INCLUDING ONE INDIVIDUAL NOMINATED BY COLORADO COUNTIES, INC., TO REPRESENT COUNTIES; ONE INDIVIDUAL NOMINATED BY THE COLORADO MUNICIPAL LEAGUE TO REPRESENT MUNICIPALITIES; AND ONE INDIVIDUAL NOMINATED BY THE SPECIAL DISTRICT ASSOCIATION OF COLORADO TO REPRESENT SPECIAL DISTRICTS;

(II) OWNERS OR OPERATORS: FIVE MEMBERS NOMINATED BY MEMBERS OF THE BOARD OF DIRECTORS OF THE NOTIFICATION ASSOCIATION AND REPRESENTING OWNERS OR OPERATORS OF UNDERGROUND FACILITIES, OF WHICH AT LEAST ONE MUST BE A FACILITY REGULATED BY PHMSA AND ONE MUST REPRESENT A NON-RATE-REGULATED UTILITY;

(III) EXCAVATORS: FOUR MEMBERS NOMINATED BY THE EXCAVATOR MEMBERS OF THE NOTIFICATION ASSOCIATION; AND

(IV) THE NOTIFICATION ASSOCIATION: ONE MEMBER NOMINATED BY THE CHIEF EXECUTIVE OFFICER OF THE NOTIFICATION ASSOCIATION.

(b) THE GOVERNOR SHALL MAKE INITIAL APPOINTMENTS BY JANUARY 1, 2019. THE MEMBERS' TERMS OF OFFICE ARE THREE YEARS; EXCEPT THAT THE INITIAL TERM OF ONE OF THE MEMBERS APPOINTED PURSUANT TO:
(I) Subsections (2)(a)(I), (2)(a)(II), and (2)(a)(III) of this section is one year; and

(II) Subsections (2)(a)(I), (2)(a)(II), and (2)(a)(III) of this section is two years.

(c) Within six months after its creation, the Safety Commission shall adopt bylaws and provide for those organizational processes that are necessary to complete the Safety Commission's tasks.

(d) The Safety Commission may promulgate rules to implement this Article 1.5 and may revise the rules as needed.

(3) The Safety Commission shall meet at least once every three months. The Safety Commission shall operate independently of the Notification Association; however, the Notification Association and the Department of Labor and Employment shall provide administrative support to the Safety Commission in performing its duties as outlined in this section.

(4) The Safety Commission may review complaints of alleged violations of this Article 1.5. Any person may bring a complaint to the Safety Commission regarding an alleged violation.

(5) To review a complaint of an alleged violation, the Safety Commission shall appoint at least three and not more than five of its members as a review committee. The review committee must include the same number of members representing excavators and owners or operators and at least one member that does not represent excavators or owners or operators. A Safety Commission member who has a conflict of
INTEREST WITH REGARD TO A PARTICULAR MATTER SHALL RECUSE
HIMSELF OR HERSELF FROM SERVING ON A REVIEW COMMITTEE WITH
REGARD TO THAT MATTER.

(6)(a) BEFORE REVIEWING A COMPLAINT, THE REVIEW COMMITTEE
SHALL NOTIFY THE PERSON MAKING THE COMPLAINT AND THE ALLEGED
VIOLATOR OF ITS INTENT TO REVIEW THE COMPLAINT AND OF THE
OPPORTUNITY FOR BOTH PARTIES TO PARTICIPATE. THE NOTIFICATION
MUST INCLUDE THE HEARING DATE FOR THE COMPLAINT, WHICH MUST BE
SCHEDULED FOR A DATE WITHIN NINETY DAYS AFTER THE DATE ON WHICH
THE SAFETY COMMISSION RECEIVED THE COMPLAINT, AND A STATEMENT
THAT THE PARTIES MAY SUBMIT WRITTEN OR ORAL COMMENTS AT THE
HEARING. THE HEARING DATE CAN BE POSTPONED BY MUTUAL
AGREEMENT OF THE PARTIES TO A DATE THAT IS ACCEPTABLE TO THE
REVIEW COMMITTEE. THE COMPLAINING PARTY MAY VOLUNTARILY
WITHDRAW THE COMPLAINT PRIOR TO A HEARING BY THE REVIEW
COMMITTEE. THE SAFETY COMMISSION SHALL PROMULGATE RULES
GOVERNING THE CONDUCT OF HEARINGS UNDER THIS SECTION.

(b) THE REVIEW COMMITTEE SHALL DETERMINE WHETHER A
VIOLATION OF THE LAW HAS OCCURRED AND, IF APPROPRIATE,
RECOMMEND REMEDIAL ACTION CONSISTENT WITH THE GUIDANCE
DEVELOPED PURSUANT TO SECTION 9-1.5-104.4(2). A RECOMMENDATION
OF REMEDIAL ACTION THAT INCLUDES A FINE REQUIRES A UNANIMOUS
VOTE OF THE REVIEW COMMITTEE. WITHIN SEVEN BUSINESS DAYS AFTER
THE COMPLETION OF THE HEARING, THE REVIEW COMMITTEE SHALL
PROVIDE TO THE SAFETY COMMISSION IN WRITING A REPORT OF ITS
FINDINGS OF FACTS, ITS DETERMINATION OF WHETHER A VIOLATION OF THE
LAW HAS OCCURRED, AND ANY RECOMMENDATION OF REMEDIAL ACTION
(7) The Safety Commission is bound by the Review Committee’s findings of fact and decision, but the Safety Commission may adjust the Review Committee’s recommendation of remedial action or penalty if an adjustment is supported by at least nine members of the Safety Commission. Within ten business days after the Safety Commission meeting to review the findings and recommendations of the Review Committee, the Safety Commission shall provide in writing to the person making the complaint and the alleged violator a summary of the Review Committee’s findings and the Safety Commission’s final determination with respect to any required remedial action or penalty.

(8) If a decision by the Safety Commission involves a fine authorized by Section 9-1.5-104.4, the Safety Commission shall invoice for and collect the fine indicating that a violation of this Article 1.5 has been committed by a person or involving the underground facilities of a person. The Safety Commission may enforce the fine assessed under this Article 1.5 as provided in Section 24-30-202.4.

(9) (a) If a person does not comply with the Safety Commission’s decision, the Safety Commission, represented by the Attorney General, may enforce this Article 1.5 by bringing an action in the Denver District Court. In an action brought by the Safety Commission pursuant to this section, the Court may award the Safety Commission all costs of investigation and trial, including reasonable attorney fees fixed by the Court.
(b) Any costs incurred by the Safety Commission as a result of administering this Article 1.5, including legal services, shall be paid from the Safety Commission Fund created in Section 9-1.5-104.8. Any costs and fees awarded by the court pursuant to this subsection (9) shall be deposited in the Safety Commission Fund created in Section 9-1.5-104.8.

(10) (a) A person may appeal a decision by the Safety Commission by filing a written notice of appeal with the Office of Administrative Courts no later than thirty-five days after the service or mailing of the notice specified in subsection (7) of this section. The person shall also serve the notice of written appeal on the Safety Commission. Any service required under this article 1.5 shall be conducted in accordance with the "State Administrative Procedure Act", article 4 of title 24.

(b) The Office of Administrative Courts shall assign the appeal to an Administrative Law Judge. A hearing conducted by an Administrative Law Judge pursuant to this subsection (10) shall be conducted in accordance with section 24-4-105. The Administrative Law Judge may affirm, modify, or set aside the Safety Commission's decision. The decision of the Administrative Law Judge is final agency action subject to review by the District Court pursuant to section 24-4-106.

9-1.5-104.4. Penalties - guidance. (1) A person who violates this Article 1.5 is subject to a fine of not more than five thousand dollars for an initial violation and not more than seventy-five thousand dollars for each subsequent violation within a twelve-month period.
(2) In the performance of its duties regarding any complaint, the Safety Commission is encouraged to consider training, support services, or other remediation measures that will improve the behavior of the party and further the goals of this Article 1.5 to ensure the safety of all participants and Coloradans. The Safety Commission shall develop guidance for the recommendation of remedial actions that are consistent with the following principles:

(a) Guidance shall be developed to help the Review Committee in determining whether an alleged violation should be classified as a minor, moderate, or major violation; and

(b) Alternatives to fines may be considered, especially for a party that the Safety Commission has not found to be responsible for a violation in the previous twelve months.

(3) The maximum fines for the three different classifications of violations are as follows:

**NUMBER OF VIOLATIONS WITHIN THE PREVIOUS TWELVE MONTHS**

<table>
<thead>
<tr>
<th>Number of Violations</th>
<th>One</th>
<th>Two</th>
<th>Three</th>
<th>Four</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minor</td>
<td>$250</td>
<td>$500</td>
<td>$1,000</td>
<td>$5,000</td>
</tr>
<tr>
<td>Moderate</td>
<td>$1,000</td>
<td>$2,500</td>
<td>$5,000</td>
<td>$25,000</td>
</tr>
<tr>
<td>Major</td>
<td>$5,000</td>
<td>$25,000</td>
<td>$50,000</td>
<td>$75,000</td>
</tr>
</tbody>
</table>

**9-1.5-104.7. Damage prevention fund.** (1) The damage prevention fund, referred to in this section as the "fund", is hereby created in the state treasury. The fund consists of:

(a) All receipts from money directed by law to be deposited to the fund;

(b) All fines collected pursuant to section 9-1.5-104.4; and
(c) Any other money that the general assembly may appropriate or transfer to the fund.

(2) The state treasurer shall credit all interest and income derived from the deposit and investment of money in the fund to the fund.

(3) Only the safety commission may authorize expenditures from the fund. Subject to annual appropriation by the general assembly, the safety commission may use money deposited in the fund only to:

(a) Develop and disseminate educational programming designed to improve worker and public safety relating to excavation and underground facilities; and

(b) Provide grants to persons who have developed educational programming that the notification association and the safety commission deem appropriate for improving worker and public safety relating to excavation and underground facilities.

9-1.5-104.8. Safety commission fund. (1) The safety commission fund, referred to in this section as the "fund", is hereby created in the state treasury. The fund consists of:

(a) All receipts from money directed by law to be deposited to the fund, including costs and fees awarded by a court pursuant to section 9-1.5-104.2 (9)(b);

(b) All fees collected pursuant to section 9-1.5-103 (12);

and

(c) Any other money that the general assembly may appropriate or transfer to the fund.
(2) The state treasurer shall credit all interest and income derived from the deposit and investment of money in the fund to the fund.

(3) Only the safety commission may authorize expenditures from the fund. Subject to annual appropriation by the general assembly, the safety commission may use money deposited in the fund only to pay for its expenses in administering this article 1.5.

SECTION 4. In Colorado Revised Statutes, amend 9-1.5-104.3 as follows:

9-1.5-104.3. Alternative dispute resolution. The notification association shall create a voluntary alternative dispute resolution program in consultation with its members and all affected parties. The alternative dispute resolution program shall be available to all owners or operators, excavators, and other interested parties regarding disputes arising from damage to underground facilities, including, but not limited to, any cost or damage incurred by the owner or operator or the excavator as a result of any delay in the excavation project while the underground facility is restored, repaired, or replaced, exclusive of civil penalties set forth in AND FINES ASSESSED PURSUANT TO section 9-1.5-104.5 OR 9-1.5-104.4, that cannot be resolved through consultation and negotiation. The alternative dispute resolution program shall include mediation, arbitration, or other appropriate processes of dispute resolution. The issue of liability and amount of damages under Colorado law may be decided by an appointed arbitrator or by the parties in mediation. Nothing in this section shall be construed to change the basis for civil liability for damages.
SECTION 5. In Colorado Revised Statutes, 9-1.5-105, amend (1), (2) introductory portion, (3), (4), and (6); repeal (2.3); and add (2.1) and (2.4) as follows:

9-1.5-105. Notification association - structure and funding requirements - duties of owners and operators - report - repeal.

(1) There is hereby created a nonprofit corporation in the state of Colorado, referred to in this article ARTICLE 1.5 as the "notification association", which shall consist of all owners or operators of underground facilities. All such owners and operators shall join the notification association and shall participate in a statewide program which utilizes a single, toll-free telephone number which excavators can use to notify the notification association of pending excavation plans. Upon its organization and incorporation, the association shall file a letter to such effect with the public utilities commission so that the commission may refer inquiries arising under this article to an appropriate person.

(2) All underground facility owners and operators except the Colorado department of transportation shall be members of the notification association. which shall be THE NOTIFICATION ASSOCIATION SHALL PROVIDE MEMBERS THAT WERE NOT TIER ONE MEMBERS ON OR BEFORE THE EFFECTIVE DATE OF THIS SUBSECTION (2), AS AMENDED, WITH ELECTRONIC NOTIFICATIONS BEGINNING ON JANUARY 1, 2019, AT NO COST FOR TWENTY-FOUR MONTHS. ON OR BEFORE JANUARY 1, 2021, ALL OWNERS AND OPERATORS BECOME FULL MEMBERS OF THE NOTIFICATION ASSOCIATION AND ARE ENTITLED TO RECEIVE FULL SERVICE BENEFITS AS PART OF MEMBERSHIP AS SPECIFIED IN THIS ARTICLE 1.5. NOTHING PRECLUDES A TIER TWO MEMBER FROM BECOMING A TIER ONE MEMBER
WITH THE TWO-YEAR WAIVER OF NO-COST NOTIFICATIONS AT ANY TIME
BEFORE JANUARY 1, 2021. UNTIL DECEMBER 31, 2020, MEMBERSHIP IS
organized as follows:

(2.1) SUBSECTION (2) OF THIS SECTION AND THIS SUBSECTION (2.1)
ARE REPEALED, EFFECTIVE JANUARY 1, 2021.

(2.3) Any association member may alter the status of its
membership and move from tier one to tier two or from tier two to tier
one at any time that such member chooses; except that every tier one
member shall remain a tier one member for at least two years after
becoming a tier one member.

(2.4) EFFECTIVE JANUARY 1, 2021, ALL UNDERGROUND FACILITY
OWNERS AND OPERATORS ARE MEMBERS OF THE NOTIFICATION
ASSOCIATION. ALL MEMBERS ARE FULL MEMBERS OF THE NOTIFICATION
ASSOCIATION AND ARE ENTITLED TO RECEIVE FULL SERVICE BENEFITS AS
PART OF MEMBERSHIP AS SPECIFIED IN THIS ARTICLE 1.5.

(3) (a) (I) Except as provided in subsection (2) of this section,
each member of the notification association shall provide all of the
locations of any underground facilities which such
member owns or operates to the notification association, and the association shall
maintain such the information on file for use by excavators.

(II) THIS SUBSECTION (3)(a) IS REPEALED, EFFECTIVE JANUARY 1,
2021.

(b) EFFECTIVE JANUARY 1, 2021, EACH MEMBER OF THE
NOTIFICATION ASSOCIATION SHALL PROVIDE ALL OF THE LOCATIONS OF
ANY UNDERGROUND FACILITIES THAT THE MEMBER OWNS OR OPERATES
AND THE MEMBER'S CONTACT INFORMATION, BOTH OF WHICH SHALL BE
UPDATED ANNUALLY, TO THE NOTIFICATION ASSOCIATION, AND THE
ASSOCIATION SHALL MAINTAIN THE INFORMATION ON FILE IN A MANNER
THAT ENSURES THE CONFIDENTIALITY AND SECURITY OF THE
INFORMATION.

(c) INFORMATION Regarding THE LOCATION OF UNDERGROUND
FACILITIES PROVIDED TO THE NOTIFICATION ASSOCIATION BY AN OWNER
OR OPERATOR OR TO THE SAFETY COMMISSION BY THE NOTIFICATION
ASSOCIATION is EXEMPT FROM THE "COLORADO OPEN Records ACT",
PART 2 OF ARTICLE 72 OF TITLE 24, PURSUANT TO SECTION 24-72-204
(2)(a)(VIII)(A) REGARDING SPECIALIZED DETAILS OF CRITICAL
INFRASTRUCTURE.

(4) (a) (I) The notification association shall be governed by a
board of directors, which is representative of the membership of
the association.

(II) (A) and shall until December 31, 2020, the board must
have at least one director that is a tier two member.

(B) This subsection (4)(a)(II) is repealed, effective January 1, 2021.

(b) The board of directors shall be elected by the membership of
the association pursuant to the bylaws of the association.

(6) This section does not apply to:

(a) Any owner or occupant of real property under which
underground facilities are buried if such facilities are used solely to
furnish service or commodities to such real property and no part of
such facilities is located in a public street, county road, alley, or
right-of-way dedicated to public use; OR

(b) ANY homeowner.

SECTION 6. In Colorado Revised Statutes, 9-1.5-106, amend (3)
as follows:

9-1.5-106. Notice requirements - repeal. (3) (a) (I) The notification association shall provide prompt notice of any proposed excavation to each affected tier one member that has any underground facilities in the area of the proposed excavation site. The notification association shall also provide the excavator with the name and telephone number of each tier two member that has any underground facilities in the area of the proposed excavation.

(II) THIS SUBSECTION (3)(a) IS REPEALED, EFFECTIVE JANUARY 1, 2021.

(b) EFFECTIVE JANUARY 1, 2021, THE NOTIFICATION ASSOCIATION SHALL PROVIDE PROMPT NOTICE OF ANY PROPOSED EXCAVATION TO EACH AFFECTED MEMBER THAT HAS ANY UNDERGROUND FACILITIES IN THE AREA OF THE PROPOSED EXCAVATION SITE.

SECTION 7. In Colorado Revised Statutes, 24-1-121, add (3)(j) as follows:

24-1-121. Department of labor and employment - creation.

(3) The department of labor and employment consists of the following divisions and programs:

(j) THE UNDERGROUND DAMAGE PREVENTION SAFETY COMMISSION CREATED BY SECTION 9-1.5-104.2. THE COMMISSION AND ITS POWERS, DUTIES, AND FUNCTIONS ARE TRANSFERRED BY A TYPE 1 TRANSFER TO THE DEPARTMENT OF LABOR AND EMPLOYMENT.

SECTION 8. Act subject to petition - effective date - applicability. (1) This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 8, 2018, if adjournment sine die is on May 9,
2018); except that, if a referendum petition is filed pursuant to section 1
(3) of article V of the state constitution against this act or an item, section,
or part of this act within such period, then the act, item, section, or part
will not take effect unless approved by the people at the general election
to be held in November 2018 and, in such case, will take effect on the
date of the official declaration of the vote thereon by the governor.

(2) This act applies to conduct occurring on or after the applicable
effective date of this act.