

AMENDED IN ASSEMBLY JUNE 18, 2002

AMENDED IN SENATE MAY 20, 2002

AMENDED IN SENATE APRIL 30, 2002

AMENDED IN SENATE APRIL 22, 2002

SENATE BILL

No. 1563

Introduced by Senator Polanco

February 20, 2002

An act to amend Section 709 of, *to add Section 709.1 to*, and to add and repeal Section ~~709.1~~ 709.3 of, the Public Utilities Code, relating to telecommunications.

LEGISLATIVE COUNSEL'S DIGEST

SB 1563, as amended, Polanco. Telecommunications: services.

Existing law, the Public Utilities Act, sets forth the findings and declarations of the Legislature regarding described policies for telecommunications in California.

This bill would require certain consumer education practices to be employed by telecommunication providers in the provision of telecommunication services in this state.

Because, under existing law, a violation of the Public Utilities Act is a crime, this bill would impose a state-mandated local program by creating a new crime.

This bill, would include within those policies, assisting in bridging the “digital divide” by encouraging expanded access to state-of-the-art technologies for rural, inner-city, low-income, and disabled Californians, and encouraging fair treatment of consumers through consumer-oriented conduct.

The bill would also require the Public Utilities Commission, not later than April 1, 2003, to convene a proceeding to develop a plan for encouraging the widespread availability of advanced telecommunications infrastructure, and would require the proceeding to encourage participation from a broad cross section of the telecommunications industries, including those entities that the commission does not regulate, as well as users and community representatives. The bill would require the commission ~~would be required~~ to encourage participation by community-based organizations, including nonprofit community technology ~~centers~~ *programs, as defined*, and libraries.

The bill would require the commission to submit a report to the Governor and the Legislature no later than ~~February 1, 2004~~ *December 31, 2004*, of its findings and recommendations regarding the plan, that identifies areas where telecommunications infrastructure is inadequate, assesses the consequences of this inadequacy, and develops strategies for encouraging the deployment of adequate investment.

The bill would provide that the provisions concerning the commission's convening of a proceeding and the related report would be repealed on January 1, 2005.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: ~~no~~ yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 709 of the Public Utilities Code is
2 amended to read:

3 709. The Legislature hereby finds and declares that the
4 policies for telecommunications in California are as follows:

5 (a) To continue our universal service commitment by assuring
6 the continued affordability and widespread availability of
7 high-quality telecommunications service to all Californians.

8 (b) To encourage the development and deployment of new
9 technologies and the equitable provision of services in a way that

1 efficiently meets consumer need and encourages the ubiquitous
2 availability of a wide choice of state-of-the-art services.

3 (c) To assist in bridging the “digital divide” by encouraging
4 expanded access to state-of-the-art technologies for rural,
5 inner-city, low-income, and disabled Californians.

6 (d) To promote economic growth, job creation, and the
7 substantial social benefits that will result from the rapid
8 implementation of advanced information and communications
9 technologies by adequate long-term investment in the necessary
10 infrastructure.

11 (e) To promote lower prices, broader consumer choice, and
12 avoidance of anticompetitive conduct.

13 (f) To remove the barriers to open and competitive markets and
14 promote fair product and price competition in a way that
15 encourages greater efficiency, lower prices, and more consumer
16 choice.

17 (g) To encourage fair treatment of consumers through
18 provision of sufficient information for making informed choices,
19 establishment of reasonable service quality standards, and
20 establishment of processes for equitable resolution of billing and
21 service problems.

22 SEC. 2. Section 709.1 is added to the Public Utilities Code, to
23 read:

24 ~~709.1. (a)~~

25 *709.1. The following protections shall be employed by*
26 *telecommunications providers in the provision of*
27 *telecommunications services for all consumers of those services in*
28 *this state:*

29 (a) *A consumer shall receive clear and complete information*
30 *about rates, terms, and conditions for available products and*
31 *services, and be charged only according to the rates, terms, and*
32 *conditions to which he or she has agreed.*

33 (b) *A consumer shall be allowed to select his or her services and*
34 *vendors, and have his or her choices respected by the*
35 *telecommunications industry.*

36 (c) *The personal privacy of a consumer shall be protected,*
37 *including, but not limited to, protection from unauthorized use of*
38 *consumer records and personal information, and maintaining the*
39 *freedom of a consumer to reject intrusive communications and*
40 *technology.*

1 (d) A consumer shall be given maximum opportunities for
2 participation in public policy proceedings, be informed of his or
3 her rights and privileges, be provided access to information
4 regarding agencies enforcing those rights and privileges, and be
5 given effective recourse upon violation of these rights and
6 privileges.

7 (e) A consumer shall be provided clear and accurate billings
8 for products and services that he or she authorizes, and be allowed
9 fair, prompt, and courteous redress for problems he or she
10 encounters.

11 (f) Every consumer shall be treated equally to all other
12 similarly situated consumers, which shall be free of prejudice or
13 disadvantage.

14 (g) The safety and security of a consumer's person and property
15 shall be protected to the extent that those protections relate to the
16 provision of telecommunications products and services.

17 SEC. 3. Section 709.3 is added to the Public Utilities Code, to
18 read:

19 709.3. (a) (1) No later than April 1, 2003, the commission
20 shall convene a proceeding to develop a plan for encouraging the
21 widespread availability of advanced telecommunications
22 infrastructure. The proceeding shall encourage participation that
23 includes a broad cross section of the telecommunications
24 industries, including those entities that the commission does not
25 regulate, as well as users and community representatives. The
26 commission shall also encourage participation by
27 community-based organizations, including, but not limited to,
28 nonprofit community technology ~~centers~~ programs and libraries,
29 that have demonstrated success in assisting low-income residents
30 in bridging the digital divide.

31 (2) For the purposes of this section, "nonprofit community
32 technology program" means a community-based nonprofit
33 organization that is exempt from taxation under Section 501(c)(3)
34 of the Internal Revenue Code and engages in diffusing technology
35 into local communities and training local communities that have
36 no access to, or have limited access to, the Internet and other
37 technologies.

38 (b) The mission of the plan is to identify areas where
39 telecommunications infrastructure is inadequate, assess the

1 consequences of this inadequacy, and develop strategies for
2 encouraging the deployment of adequate investment.

3 (c) The commission shall submit a report of its findings and
4 recommendations to the Governor and Legislature, not later than
5 ~~February 1~~ December 31, 2004.

6 (d) This section shall remain in effect only until January 1,
7 2005, and as of that date is repealed, unless a later enacted statute,
8 that is enacted before January 1, 2005, deletes or extends that date.

9 *SEC. 4. No reimbursement is required by this act pursuant to*
10 *Section 6 of Article XIII B of the California Constitution because*
11 *the only costs that may be incurred by a local agency or school*
12 *district will be incurred because this act creates a new crime or*
13 *infraction, eliminates a crime or infraction, or changes the penalty*
14 *for a crime or infraction, within the meaning of Section 17556 of*
15 *the Government Code, or changes the definition of a crime within*
16 *the meaning of Section 6 of Article XIII B of the California*
17 *Constitution.*

