

## Senate Bill No. 720

### CHAPTER 531

An act to amend Section 884 of the Public Utilities Code, relating to telecommunications.

[Approved by Governor September 24, 2003. Filed with Secretary of State September 25, 2003.]

#### LEGISLATIVE COUNSEL'S DIGEST

SB 720, Bowen. Telecommunications services.

(1) Existing law declares the Legislature's policies for telecommunications in California. Existing law states the intent of the Legislature that the Public Utilities Commission should provide a nonprofit community technology program, as defined, with discounts comparable to those that are provided to schools and libraries to address inequality of access to advanced telecommunications services.

This bill would state the intent of the Legislature that the commission provide a nonprofit community technology program, as defined, with discounts comparable to those that are provided to schools and libraries to address inequality of access to advanced telecommunications services, as defined.

(2) Existing law establishes the California Teleconnect Fund Administrative Committee to advise the commission regarding the implementation, development, and administration of a program to advance universal service by providing discounted rates to qualifying schools, libraries, hospitals, health clinics, and community organizations, and to carry out the program pursuant to the commission's direction, control, and approval. Existing law establishes the California Teleconnect Fund Administrative Committee Fund in the State Treasury, and requires that moneys from the fund may only be expended upon appropriation in the annual Budget Act and requires that the moneys appropriated be utilized exclusively by the commission for the authorized programs. Pursuant to this authority, the commission has established the California Teleconnect Fund Program, which provides discounted services to qualifying schools, libraries, hospitals, and other community-based organizations.

This bill would, if consistent with the purposes for which the funds are appropriated, authorize the commission to expend up to \$3,000,000 for up to an additional 40% of the one-time installation costs of advanced telecommunications services for entities that do not have access to those services, from the unencumbered difference between what is



appropriated and what is expended by the commission from the California Teleconnect Fund Administrative Committee Fund for the 2003–04 and 2004–05 fiscal years.

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

SECTION 1. Section 884 of the Public Utilities Code is amended to read:

884. (a) It is the intent of the Legislature that any program administered by the commission that addresses the inequality of access to advanced telecommunications services by providing those services to schools and libraries at a discounted price, provide comparable discounts to a nonprofit community technology program.

(b) If the moneys expended from the California Teleconnect Fund Administrative Committee Fund are less than the amounts appropriated in the annual Budget Act for the 2003–04 and 2004–05 fiscal years, from the unencumbered difference between what was appropriated and what was expended, notwithstanding any other law or existing program of the commission but consistent with the purposes for which those funds are appropriated, the commission may expend up to three million dollars (\$3,000,000) for up to an additional 40 percent of the one-time installation costs for entities that do not have access to advanced telecommunications services.

(c) For the purpose of this section:

(1) “Advanced telecommunications services” includes high speed communications services such as digital subscriber line (DSL) services and T-1 technology.

(2) “Nonprofit community technology program” means a community-based nonprofit organization that is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code and engages in diffusing technology into local communities and training local communities that have no access to, or have limited access to, the Internet and other technologies.

