

**ASSEMBLY BILL**

**No. 991**

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**Introduced by Assembly Member Papan**

February 25, 1999

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An act to add Section 709.7 to the Public Utilities Code, relating to telecommunications.

LEGISLATIVE COUNSEL'S DIGEST

AB 991, as introduced, Papan. Internet access.

(1) Under the Public Utilities Act, the Public Utilities Commission has the authority to regulate public utilities, including telephone corporations.

This bill would enact the California High Speed Internet Access Act of 1999. The bill would require the commission, not later than January 31, 2000, to establish rules and rates for line sharing that will allow competitive data carriers to provide high bandwidth services over telephone lines simultaneously with the local exchange service provided by the telephone service provider, as prescribed. Because, under the act, a violation of those rules would be a crime, the bill would impose a state-mandated local program by creating a new crime. The bill would make related legislative findings and declarations.

(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: yes.

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

1 SECTION 1. The Legislature hereby finds and  
 2 declares all of the following:

3 (a) The Legislature has encouraged and continues to  
 4 encourage the rapid deployment of advanced  
 5 telecommunications services and capabilities to all  
 6 Californians. In effect, those persons excluded from  
 7 high-speed networks today will find themselves excluded  
 8 from the economic opportunities of tomorrow.

9 (b) High bandwidth connections between the  
 10 telecommunications network and end users in California  
 11 facilitate the availability of important new  
 12 telecommunications services and capabilities, including  
 13 telemedicine, distance learning, telecommuting,  
 14 high-speed Internet access, and video telephony.

15 (c) The California economy will benefit significantly  
 16 from expanded competition and availability of high  
 17 bandwidth services provided over the telephone network  
 18 to individual consumers, small and medium sized  
 19 businesses, and educational facilities.

20 (d) Expanded competition and availability for high  
 21 bandwidth services can add over \$64,000,000,000 to gross  
 22 state output and create over 600,000 new jobs in  
 23 California by the end of the year 2001.

24 (e) In order to ensure that California consumers will  
 25 benefit from broad availability of high-speed access,  
 26 affordable pricing, and the highest quality of consumer  
 27 service, the Legislature must act to preserve freedom of  
 28 choice for consumers in this rapidly emerging market.

29 (f) The total control of telephone lines serving  
 30 California homes and small businesses by existing  
 31 telephone companies stands as a critical barrier to  
 32 competition and the wide-scale deployment of  
 33 affordable, high bandwidth data services. Telephone  
 34 lines can carry, simultaneously, both voice service and  
 35 high bandwidth data services from competing carriers.



1 However, existing telephone service providers will not  
2 allow competitive data carriers to use existing telephone  
3 lines in order to provide high bandwidth data services.

4 (g) It is therefore the intent of the Legislature that the  
5 Public Utilities Commission establish rules for “line  
6 sharing” that will permit competitive data carriers to  
7 provide high bandwidth data services over telephone  
8 lines simultaneously with voice services provided by  
9 existing telephone service providers.

10 SEC. 2. Section 709.7 is added to the Public Utilities  
11 Code, to read:

12 709.7. (a) This section shall be known as and may be  
13 cited as the California High Speed Internet Access Act of  
14 1999.

15 (b) The commission shall establish rules and rates for  
16 line sharing that will allow competitive data carriers to  
17 provide high bandwidth services over telephone lines  
18 simultaneously with the local exchange service provided  
19 by the telephone service provider.

20 (c) The rules described in subdivision (b) shall require  
21 the carriers to provide to competitive data carriers access  
22 to network infrastructure on a nondiscriminatory basis  
23 for high bandwidth shared line data services.

24 (d) For the purpose of this section, network  
25 infrastructure includes, but is not limited to, colocation  
26 space, power, heating, ventilation, and air conditioning  
27 systems, and connectivity.

28 (e) The commission shall, through its expedited  
29 rulemaking procedures, establish rules and rates for line  
30 sharing in the most expeditious manner possible and, in  
31 any event, not later than January 31, 2000.

32 SEC. 3. No reimbursement is required by this act  
33 pursuant to Section 6 of Article XIII B of the California  
34 Constitution because the only costs that may be incurred  
35 by a local agency or school district will be incurred  
36 because this act creates a new crime or infraction,  
37 eliminates a crime or infraction, or changes the penalty  
38 for a crime or infraction, within the meaning of Section  
39 17556 of the Government Code, or changes the definition



1 of a crime within the meaning of Section 6 of Article  
2 XIII B of the California Constitution.

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