

AMENDED IN SENATE JULY 12, 2017

AMENDED IN SENATE JULY 3, 2017

AMENDED IN ASSEMBLY MAY 2, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 1665

Introduced by Assembly Members Eduardo Garcia, Aguiar-Curry, Holden, McCarty, Bonta, Dahle, Gallagher, Low, Santiago, Mark Stone, and Wood

(Principal coauthors: Assembly Members Chiu, Eggman, Mathis, and Mullin)

(Coauthors: Assembly Members Caballero, Gipson, Jones-Sawyer, Lackey, Levine, Medina, Reyes, and Rubio)

February 17, 2017

An act to amend Sections 281, 912.2, and 914.7 of the Public Utilities Code, relating to ~~communications~~: *communications, and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1665, as amended, Eduardo Garcia. Telecommunications: California Advanced Services Fund.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including telephone corporations. Existing law establishes, among other funds related to telecommunications, the California Advanced Services Fund (CASF) in the State Treasury. Existing law requires the commission to develop, implement, and administer the CASF to encourage deployment of high-quality advanced communications services to all Californians that will promote economic growth, job creation, and the substantial social benefits of advanced

information and communications technologies, as provided in specified decisions of the commission and in the CASF statute. Existing law requires the commission to give priority to projects that provide last-mile broadband access to households that are unserved by an existing facilities-based broadband provider. Existing law establishes that the goal of the program is, no later than December 31, 2015, to approve funding for infrastructure projects that will provide broadband access to no less than 98% of California households. Existing law authorizes the commission to collect a surcharge for deposit into the CASF not to exceed \$315,000,000 in total and authorizes the surcharge until 2020. Existing law establishes 4 accounts, the Broadband Infrastructure Grant Account, the Rural and Urban Regional Broadband Consortia Grant Account, the Broadband Infrastructure and Revolving Loan Account, and the Broadband Public Housing Account, within the CASF and specifies the amount of moneys to be deposited into each account.

This bill would revise the goal of the program to provide that its goal is to approve funding for infrastructure projects that will provide broadband access to no less than 98% of California households in each consortia region, as identified by the commission, by December 31, 2022. The bill would eliminate the Broadband Infrastructure and Revolving Loan Account and would require the transfer of the remaining unencumbered moneys in that account as of January 1, 2018, and the deposit of moneys collected that would be owed to that account into the Broadband Infrastructure Grant Account. The bill would establish within the CASF the Broadband Adoption Account and would require specified amounts of moneys to be deposited into this new account, the Broadband Infrastructure Grant Account, and the Rural and Urban Regional Broadband Consortia Grant Account. The bill repeals the current authorization to collect up to \$315,000,000 for deposit in the CASF at a rate of up to \$25,000,000 per year through the 2020 calendar year, and instead would authorize the commission to collect \$330,000,000 for deposit into the CASF beginning January 1, 2018, and continuing through the 2022 calendar year. The bill would revise the eligibility requirements for projects and project applicants for grants funded from the Broadband Infrastructure Grant Account. The bill would make moneys from the Rural and Urban Regional Broadband Consortia Grant Account available to facilitate the deployment of broadband infrastructure by assisting infrastructure grant applicants in the project development or grant application process. The bill would require recipients of those moneys to conduct an annual audit and to

submit to the commission an annual report regarding activities funded by those moneys. The bill would make available moneys in the Broadband Adoption Account to specified entities for digital literacy training, public education, and outreach programs to increase broadband adoption by consumers.

Existing law requires the commission to conduct and report to the Legislature, by April 1, 2021, a final financial audit and a final performance audit of the CASF.

This bill would require the commission to conduct and report to the Legislature, by April 1, 2020, an interim financial audit and an interim performance audit. The bill would extend the date for the submission of the final audits to April 1, 2023.

Existing law requires the commission to annually report specified information relative to the CASF to the Legislature. Existing law repeals these reporting requirements on January 1, 2022.

This bill would revise the information specified for inclusion in the report. The bill would repeal these reporting requirements on January 1, 2024. The bill would require the commission to identify unserved areas and delineate the areas in the annual reports. The bill would require the commission to consult regional consortia, stakeholders, and consumers regarding priority areas and cost-effective strategies to achieve the broadband access goal through public workshops conducted at least annually no later than April 30 of each year.

~~This bill would include a change in state statute that would result in a taxpayer paying a higher tax within the meaning of Section 3 of Article XIII A of the California Constitution, and thus would require for passage the approval of $\frac{2}{3}$ of the membership of each house of the Legislature.~~

Under existing law, a violation of the Public Utilities Act or any order, decision, rule, direction, demand, or requirement of the commission is a crime.

Because a violation of an order or decision of the commission implementing the bill's requirements would be a crime, this bill would impose a state-mandated local program by creating a new crime.

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.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: 2/3. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

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

1 SECTION 1. This act shall be known, and may be cited, as the
2 Internet for All Now Act.

3 SEC. 2. (a) The Legislature finds and declares both of the
4 following:

5 (1) The availability of high-speed Internet access, referred to
6 generically as “broadband” and including both wired and wireless
7 technologies, is essential 21st century infrastructure for economic
8 competitiveness and quality of life. Economic studies confirm that
9 the use of broadband technologies increases economic productivity
10 as a foundation for increased efficiency in organizational operations
11 and enhanced profitability in business.

12 (2) Broadband infrastructure is also vital to the operation and
13 management of other critical infrastructure, such as energy
14 generation systems and the electrical grid, water supply systems,
15 and public safety and emergency response networks. There is a
16 need for world-class broadband infrastructure throughout California
17 to support these major infrastructure investments, and thereby to
18 protect lives, property, and the environment.

19 (b) It is the intent of the Legislature that California be a national
20 leader and globally competitive in the deployment and adoption
21 of broadband technology and in implementing quality universal
22 access for all residents.

23 (c) It is the policy of the state to encourage collaboration among
24 stakeholders and to promote public-private partnerships to harness
25 the expertise and strengths of all partners to serve the public
26 interest.

27 SEC. 3. Section 281 of the Public Utilities Code is amended
28 to read:

29 281. (a) The commission shall develop, implement, and
30 administer the California Advanced Services Fund program to
31 encourage deployment of high-quality advanced communications
32 services to all Californians that will promote economic growth,
33 job creation, and the substantial social benefits of advanced
34 information and communications technologies, consistent with
35 this section.

1 (b) (1) The goal of the program is, no later than December 31,
2 2022, to approve funding for infrastructure projects that will
3 provide broadband access to no less than 98 percent of California
4 households in each consortia region, as identified by the
5 commission as of January 1, 2017. The commission shall be
6 responsible for achieving the goals of the program.

7 (2) In approving infrastructure projects, the commission shall
8 approve projects that provide last-mile broadband access to
9 households that are unserved by an existing facilities-based
10 broadband provider. The commission shall provide each applicant,
11 and any party challenging an application, the opportunity to
12 demonstrate actual levels of broadband service in the project area,
13 which the commission shall consider in reviewing the application.

14 (c) The commission shall establish the following accounts within
15 the fund:

16 (1) The Broadband Infrastructure Grant Account.

17 (2) The Rural and Urban Regional Broadband Consortia Grant
18 Account.

19 (3) The Broadband Public Housing Account.

20 (4) The Broadband Adoption Account.

21 (d) (1) The commission shall transfer the moneys received by
22 the commission from the surcharge imposed to fund the accounts
23 to the Controller for deposit in the California Advanced Services
24 Fund. Moneys collected shall be deposited in the following
25 amounts in the following accounts:

26 (A) Three hundred million dollars (\$300,000,000) into the
27 Broadband Infrastructure Grant Account.

28 (B) Ten million dollars (\$10,000,000) into the Rural and Urban
29 Regional Broadband Consortia Grant Account.

30 (C) Twenty million dollars (\$20,000,000) into the Broadband
31 Adoption Account.

32 (2) All interest earned on moneys in the fund shall be deposited
33 in the fund.

34 (3) The commission may collect a sum not to exceed three
35 hundred thirty million dollars (\$330,000,000) for a sum total of
36 moneys collected by imposing the surcharge described in paragraph
37 (1). The commission may collect the sum beginning with the
38 calendar year starting on January 1, 2018, and continuing through
39 the 2022 calendar year, in an amount not to exceed sixty-six million
40 dollars (\$66,000,000) per year, unless the commission determines

1 that collecting a higher amount in any year will not result in an
 2 increase in the total amount of all surcharges collected from
 3 telephone customers that year.

4 (e) All moneys in the California Advanced Services Fund shall
 5 be available, upon appropriation by the Legislature, to the
 6 commission for the program administered by the commission
 7 pursuant to this section, including the costs incurred by the
 8 commission in developing, implementing, and administering the
 9 program and the fund.

10 (f) (1) The commission shall award grants from the Broadband
 11 Infrastructure Grant Account on a technology-neutral basis,
 12 including both wireline and wireless technology.

13 (2) The commission shall consult with regional consortia,
 14 stakeholders, local governments, existing facility-based providers,
 15 and consumers regarding areas and cost-effective strategies to
 16 achieve the broadband access goal through public workshops
 17 conducted at least annually no later than April 30 of each year
 18 through year 2022.

19 (3) The commission shall identify unserved areas and delineate
 20 the areas in the annual report prepared pursuant to Section 914.7.

21 (4) (A) The commission shall annually offer an existing
 22 facility-based provider the opportunity to demonstrate that it will
 23 provide broadband access to a delineated unserved area within a
 24 reasonable timeframe. The commission shall not approve funding
 25 for a project providing broadband access to a delineated unserved
 26 area if the existing facility-based provider demonstrates to the
 27 commission that it will, within a reasonable timeframe, upgrade
 28 existing service to provide broadband access throughout the project
 29 area.

30 (B) Any information submitted to the commission that includes
 31 the provider’s plans for future broadband deployment shall not be
 32 publicly disclosed.

33 (C) An existing facility-based provider may, but is not required
 34 to, apply for funding from the Broadband Infrastructure Grant
 35 Account to make an upgrade pursuant to this subdivision.

36 (D) (i) Except as provided in clause (ii), for an existing
 37 facility-based provider that is willing to upgrade facilities pursuant
 38 to this subdivision, a “reasonable timeframe” as used in
 39 subparagraph (A) shall be the timeframe that the commission would

1 otherwise allow for the completion of a project funded pursuant
2 to this subdivision.

3 (ii) If an existing facility-based provider makes an upgrade
4 pursuant to this subdivision with funding from the Connect
5 America Fund program or similar federal public program funding
6 broadband infrastructure, “reasonable timeframe” as used in
7 subparagraph (A) shall be consistent with the upgrade deadlines
8 associated with that program and with the construction deadlines
9 applicable to projects funded by the Broadband Infrastructure
10 Grant Account.

11 (5) Projects eligible for grant awards shall meet both of the
12 following requirements:

13 (A) The project deploys infrastructure capable of providing
14 broadband access at speeds of a minimum of 10 megabits per
15 second (mps) downstream and one mps upstream to unserved
16 households in census blocks where no provider offers access at
17 speeds of 6 mps downstream and one mps upstream.

18 (B) All or a significant portion of the project deploys last-mile
19 infrastructure to provide service to unserved households. Projects
20 that only deploy middle-mile infrastructure are not eligible for
21 grant funding. For a project that includes funding for middle-mile
22 infrastructure, the commission shall verify that the proposed
23 middle-mile infrastructure is indispensable for accessing the
24 last-mile infrastructure.

25 (6) An individual household or property owner shall be eligible
26 to apply for a grant to offset the costs of connecting the household
27 or property to an existing or proposed facility-based provider. Any
28 infrastructure built to connect a household or property with funds
29 provided under this paragraph shall become the property of, and
30 part of, the network of the facility-based provider to which it is
31 connected.

32 (7) An entity that is not a telephone corporation shall be eligible
33 to apply to participate in the program administered by the
34 commission pursuant to this section to provide access to broadband
35 to an unserved household, if the entity otherwise meets the
36 eligibility requirements and complies with program requirements
37 established by the commission.

38 (8) The commission shall provide each applicant, and any party
39 challenging an application, the opportunity to demonstrate actual

1 levels of broadband service in the project area, which the
2 commission shall consider in reviewing the application.

3 (9) A local governmental agency may be eligible for an
4 infrastructure grant only if the infrastructure project is for an
5 unserved household or business, the commission has conducted
6 an open application process, and no other eligible entity applied.

7 (10) The commission shall establish a service list of interested
8 parties to be notified of any California Advanced Services Fund
9 applications. Any application and any amendment to an application
10 for project funding shall be served to those on the service list and
11 posted on the commission's Internet Web site at least 30 days
12 before publishing the corresponding draft resolution.

13 (11) A grant awarded pursuant to this subdivision may include
14 funding for the following costs consistent with paragraph (5) of
15 subdivision (f):

16 (A) Costs directly related to the deployment of infrastructure.

17 (B) Costs to lease access to property or for Internet backhaul
18 services for a period not to exceed five years.

19 (C) Cost incurred by an existing facility-based provider to
20 upgrade its existing facilities to provide for interconnection.

21 (12) A grant from the Broadband Infrastructure Grant Account
22 shall not include funding for costs of broadband infrastructure
23 already funded by the Connect America Fund program or other
24 similar federal public program that funds that infrastructure. This
25 paragraph does not apply to funding from the federal high-cost
26 support programs that support operations, including High Cost
27 Loop Support (HCLS), Connect America Fund-Broadband Loop
28 Support (CAF-BLS), or the Alternative Connect America Cost
29 Model (A-CAM).

30 (13) The commission may award grants to fund all or a portion
31 of the project. The commission shall determine, on a case-by-case
32 basis, the level of funding to be provided for a project and shall
33 consider factors that include, but are not limited to, the location
34 and accessibility of the area, the existence of communication
35 facilities that may be upgraded to deploy broadband, and whether
36 the project makes a significant contribution to achievement of the
37 program goal.

38 (14) The commission may require each infrastructure grant
39 applicant to indicate steps taken to first obtain any available
40 funding from the Connect America Fund program or similar federal

1 public programs that fund broadband infrastructure. This paragraph
2 does not authorize the commission to reject a grant application on
3 the basis that an applicant failed to seek project funding from the
4 Connect America Fund program or another similar federal public
5 program.

6 (g) (1) Moneys in the Rural and Urban Regional Broadband
7 Consortia Grant Account shall be available for grants to eligible
8 consortia to facilitate deployment of broadband services by
9 assisting infrastructure applicants in the project development or
10 grant application process. An eligible consortium may include, as
11 specified by the commission, representatives of organizations,
12 including, but not limited to, local and regional government, public
13 safety, elementary and secondary education, health care, libraries,
14 postsecondary education, community-based organizations, tourism,
15 parks and recreation, agricultural, business, workforce
16 organizations, and air pollution control or air quality management
17 districts, and is not required to have as its lead fiscal agent an entity
18 with a certificate of public convenience and necessity.

19 (2) Each consortium shall conduct an annual audit of its
20 expenditures for programs funded pursuant to this subdivision and
21 shall submit to the commission an annual report that includes both
22 of the following:

23 (A) A description of activities completed during the prior year,
24 how each activity promotes the deployment of broadband services,
25 and the cost associated with each activity.

26 (B) The number of project applications assisted.

27 (h) (1) All remaining moneys in the Broadband Infrastructure
28 Revolving Loan Account that are unencumbered as of January 1,
29 2018, shall be transferred to the Broadband Infrastructure Grant
30 Account.

31 (2) All repayments of loans funded by the former Broadband
32 Infrastructure Revolving Loan Account shall be deposited into the
33 Broadband Infrastructure Grant Account.

34 (i) (1) For purposes of this subdivision, the following terms
35 have the following meanings:

36 (A) “Publicly subsidized” means either that the housing
37 development receives financial assistance from the United States
38 Department of Housing and Urban Development pursuant to an
39 annual contribution contract or is financed with low-income
40 housing tax credits, tax-exempt mortgage revenue bonds, general

1 obligation bonds, or local, state, or federal loans or grants and the
2 rents of the occupants, who are lower income households, do not
3 exceed those prescribed by deed restrictions or regulatory
4 agreements pursuant to the terms of the financing or financial
5 assistance.

6 (B) “Publicly supported community” means a publicly
7 subsidized multifamily housing development that is wholly owned
8 by either of the following:

9 (i) A public housing agency that has been chartered by the state,
10 or by any city or county in the state, and has been determined to
11 be an eligible public housing agency by the United States
12 Department of Housing and Urban Development.

13 (ii) An incorporated nonprofit organization as described in
14 Section 501(c)(3) of the Internal Revenue Code (26 U.S.C. Sec.
15 501(c)(3)) that is exempt from taxation under Section 501(a) of
16 that code (26 U.S.C. Sec. 501(a)), and that has received public
17 funding to subsidize the construction or maintenance of housing
18 occupied by residents whose annual income qualifies as “low” or
19 “very low” income according to federal poverty guidelines.

20 (2) Moneys in the Broadband Public Housing Account shall be
21 available for the commission to award grants and loans pursuant
22 to this subdivision to an eligible publicly supported community if
23 that entity otherwise meets eligibility requirements and complies
24 with program requirements established by the commission.

25 (3) (A) Not more than twenty million dollars (\$20,000,000)
26 shall be available for grants and loans to a publicly supported
27 community to finance a project to connect a broadband network
28 to that publicly supported community. A publicly supported
29 community may be an eligible applicant only if the publicly
30 supported community can verify to the commission that the
31 publicly supported community has not denied a right of access to
32 any broadband provider that is willing to connect a broadband
33 network to the facility for which the grant or loan is sought and
34 the publicly supported community is unserved.

35 (B) (i) In its review of applications received pursuant to
36 subparagraph (A), the commission shall award grants only to
37 unserved housing developments, regardless of when the applicant
38 filed its application.

1 (ii) For purposes of this subparagraph, a housing development
2 is unserved when at least one housing unit within the housing
3 development is not offered broadband Internet service.

4 (C) Only after all funds available pursuant to this paragraph in
5 the Broadband Public Housing Account have been awarded may
6 a publicly supported community otherwise eligible to submit an
7 application for funding from the Broadband Public Housing
8 Account submit an application for funding for these purposes from
9 the Broadband Infrastructure Grant Account.

10 (4) (A) Not more than five million dollars (\$5,000,000) shall
11 be available for grants and loans to a publicly supported community
12 to support programs designed to increase adoption rates for
13 broadband services for residents of that publicly supported
14 community. A publicly supported community may be eligible for
15 funding for a broadband adoption program only if the residential
16 units in the facility to be served have access to broadband services
17 or will have access to broadband services at the time the funding
18 for adoption is implemented.

19 (B) A publicly supported community may contract with other
20 nonprofit or public agencies to assist in implementation of a
21 broadband adoption program.

22 (C) Only after all funds available pursuant to this paragraph in
23 the Broadband Public Housing Account have been awarded may
24 a publicly supported community otherwise eligible to submit an
25 application for funding from the Broadband Public Housing
26 Account submit an application for funding for these purposes from
27 the Broadband Adoption Grant Account pursuant to subdivision
28 (j).

29 (5) To the extent feasible, the commission shall approve projects
30 for funding from the Broadband Public Housing Account in a
31 manner that reflects the statewide distribution of publicly supported
32 communities.

33 (6) In reviewing a project application under this subdivision,
34 the commission shall consider the availability of other funding
35 sources for that project, any financial contribution from the
36 broadband service provider to the project, the availability of any
37 other public or private broadband adoption or deployment program,
38 including tax credits and other incentives, and whether the applicant
39 has sought funding from, or participated in, any reasonably
40 available program. The commission may require an applicant to

1 provide match funding, and shall not deny funding for a project
2 solely because the applicant is receiving funding from another
3 source.

4 (7) Any moneys in the Broadband Public Housing Account that
5 have not been awarded pursuant to this subdivision by December
6 31, 2020, shall be transferred back to the Broadband Infrastructure
7 Grant Account.

8 (j) (1) Moneys in the Broadband Adoption Account shall be
9 available to the commission to award grants for digital literacy
10 training programs and public education and outreach programs to
11 increase broadband adoption by consumers in low-income,
12 disadvantaged communities, senior communities, schools, and
13 public libraries.

14 (2) Eligible applicants are schools, public libraries, nonprofit
15 organizations, and community-based organizations with programs
16 to increase broadband adoption by providing public education,
17 outreach, or digital literacy training.

18 (3) Payment pursuant to a grant shall be based on the actual
19 verification of broadband subscriptions resulting from the program
20 funded by the grant.

21 (4) Payment pursuant to a grant for digital literacy programs
22 shall be based on a participant’s verified completion of the
23 program.

24 (5) The commission shall give preference to applications for
25 programs in low-income and disadvantaged communities.

26 (6) The commission shall develop, by June 30, 2018, criteria
27 for awarding grants and a process and methodology for verifying
28 broadband adoption based on new subscriptions. The commission
29 shall be prepared to accept applications for grants from the
30 Broadband Adoption Account no later than July 1, 2018.

31 (7) Moneys awarded pursuant to this subdivision shall not be
32 used to subsidize the costs of providing broadband service to
33 households.

34 (k) For purposes of this section, the following definitions apply:

35 (1) “Disadvantaged community” means a community identified
36 as disadvantaged pursuant to Section 39711 of the Health and
37 Safety Code.

38 (2) “Low-income community” means ____.

1 (3) “Unserved household” means a household for which no
2 facility-based provider offers broadband service at speeds of at
3 least 6 mps downstream and 1 mps upstream.

4 SEC. 4. Section 912.2 of the Public Utilities Code is amended
5 to read:

6 912.2. (a) The commission shall conduct an interim financial
7 audit and a final financial audit and an interim performance audit
8 and a final performance audit of the implementation and
9 effectiveness of the California Advanced Services Fund to ensure
10 that funds have been expended in accordance with the approved
11 terms of the grant awards and loan agreements pursuant to Section
12 281. The commission shall report its interim findings to the
13 Legislature by April 1, 2020. The commission shall report its final
14 findings to the Legislature by April 1, 2023. The reports shall also
15 include an update to the maps in the final report of the California
16 Broadband Task Force and data on the types and numbers of jobs
17 created as a result of the program administered by the commission
18 pursuant to Section 281.

19 (b) Pursuant to Section 10231.5 of the Government Code, this
20 section is repealed on January 1, 2027.

21 SEC. 5. Section 914.7 of the Public Utilities Code is amended
22 to read:

23 914.7. (a) By April 1, 2019, and by April 1 of each year
24 thereafter, until April 1, 2023, the commission shall provide a
25 report to the Legislature that includes all of the following
26 information:

27 (1) The remaining unserved areas in the state.

28 (2) The amount of funds expended from the California Advanced
29 Services Fund in the prior year.

30 (3) The recipients of funds expended from the California
31 Advanced Services Fund in the prior year.

32 (4) The geographic regions of the state affected by funds
33 expended from the California Advanced Services Fund in the prior
34 year, including information by county.

35 (5) The expected benefits to be derived from the fund expended
36 from the California Advanced Services Fund in the prior year.

37 (6) Details on the status of each project funded through the
38 California Advanced Services Fund and whether the project has
39 been completed or the expected completion date of the project.

1 (7) Actual broadband adoption levels from funds expended from
2 the California Advanced Services Fund in the prior year.

3 (8) The cost per household for each project.

4 (9) The number of formerly unserved households subscribing
5 to broadband service in areas covered by projects funded by the
6 California Advanced Services Fund.

7 (10) The number of subscriptions resulting from the broadband
8 adoption program funded by the California Advanced Services
9 Fund.

10 (11) An update on the expenditures from the California
11 Advanced Services Fund, broadband adoption levels, the progress
12 in achieving the goals of the program, and an accounting of the
13 remaining unserved households in each region of the state as of
14 December 31 of the immediately preceding year.

15 (12) The amount of funds expended from the California
16 Advanced Services Fund to match federal funds.

17 (13) Addition details on efforts to leverage non-California
18 Advanced Services Fund moneys.

19 (14) The status of the California Advanced Services Fund
20 balance and the projected amount to be collected in each year
21 through 2022 to fund approved projects.

22 (b) This section is repealed on January 1, 2024, and as of that
23 date is repealed, unless a later enacted statute that is enacted before
24 January 1, 2024, deletes or extends that date.

25 SEC. 6. No reimbursement is required by this act pursuant to
26 Section 6 of Article XIII B of the California Constitution because
27 the only costs that may be incurred by a local agency or school
28 district will be incurred because this act creates a new crime or
29 infraction, eliminates a crime or infraction, or changes the penalty
30 for a crime or infraction, within the meaning of Section 17556 of
31 the Government Code, or changes the definition of a crime within
32 the meaning of Section 6 of Article XIII B of the California
33 Constitution.

34 SEC. 7. *This act is an urgency statute necessary for the*
35 *immediate preservation of the public peace, health, or safety within*
36 *the meaning of Article IV of the California Constitution and shall*
37 *go into immediate effect. The facts constituting the necessity are:*

38 *To ensure that the Public Utilities Commission adopts the*
39 *necessary orders or decisions to facilitate the achievement of the*
40 *goal of providing broadband access to not less than 98 percent of*

- 1 *California households in each consortia region at the earliest*
- 2 *possible moment, it is necessary for this measure to take effect*
- 3 *immediately.*

O