

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: June 23, 2010  
POSITION: Neutral, note concerns

BILL NUMBER: SB 1462  
AUTHOR: A. Padilla

**BILL SUMMARY: Telecommunications: State Broadband Council**

Existing law requires the California Public Utilities Commission (PUC) to promote deployment of affordable and high-quality advance communications throughout the state. This is done through various PUC programs, including the California Advanced Services Fund program, the High-Cost Fund-B program, the Rural Telecommunications Infrastructure Grant Program, and the California Emerging Technology Fund program.

This bill would establish a nine-member California Broadband Council (Council) to promote broadband development throughout the state.

**FISCAL SUMMARY**

The PUC indicates the costs associated with this bill are minor and absorbable within existing resources. Additionally, the bill could result in administrative costs to the entity from which the council chair is appointed to conduct and organize council meetings. Such costs likely would be minor.

**COMMENTS**

Finance is neutral on this bill, but notes concern regarding the necessity of a state level council.

The Broadband Task Force final report recommends reconvening the California Broadband Task Force periodically and developing community Broadband Leadership Councils, comprised of local residents, in unserved and underserved communities. However, this bill would establish a state level council whose purpose is to share information within state agencies and ensure state agencies stay abreast of broadband development. While such a council could address unserved and underserved communities, it is unclear how a formal council would better achieve the report recommendations more effectively than a mere reconvening of the Task Force.

Currently, 96 percent of California households have basic broadband access. But, the Broadband Task Force report dated January 2008, noted nearly 2,000 communities are still unable to access high-speed internet and only half of Californians have access to broadband at speeds greater than 10 Mbps.

The author's intent is that this bill will maximize California's opportunities to receive federal funds under the new National Broadband Plan, increase coordination of the state resources for broadband networks, and ensure continuation of broadband deployment and adoption, with the ultimate goal of improving Californians' access to high speed internet service.

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Analyst/Principal (0621) K. DaRosa	Date	Program Budget Manager Karen Finn	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

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**COMMENTS (Continued)**

In October 2006, Executive Order S-23-06 created a 21-member California Broadband Task Force composed of public and private stakeholders with the expertise to advise policymakers on a framework for making California a global leader in the telecommunications revolution. The Task Force was responsible for delivering two reports. The first report, released in June 2007, describes administrative actions that state government can immediately act upon to increase broadband availability and adoption in California.

The final report, released in January 2008, contains a comprehensive assessment of the state of broadband in California. It includes detailed maps of current broadband availability and speed, recommendations to achieve universal access and increased use, and a timeframe in which to meet these critical goals.

The Council would consist of:

- The State Chief Information Officer
- The President of the PUC
- The Secretary of California Emergency Management
- The Superintendent of Public Instruction
- The Director of General Services
- The Secretary of Business, Transportation and Housing
- The President of the California Emerging Technology Fund
- A member of the Senate
- A member of the Assembly

The Council would be responsible for:

- Ensuring communication among state agencies regarding California's participation in proceedings related to the National Broadband Plan adopted by the Federal Communication Commission.
- Ensuring state agencies share all relevant information in order to maximize California's opportunities for federal and private funding for broadband deployment and adoption.
- Ensuring that all relevant state agencies are made aware of actions necessary to fully implement recommendations in the 2008 Broadband Task Force Report.
- Identifying opportunities for state agencies and state broadband networks to share facilities, right-of-way, or other resources related to broadband deployment and adoption.
- Taking any other actions to ensure that state agencies are coordinating efforts and resources to promote broadband deployment and adoption.

The bill would require the president of the Public Utilities Commission to hold the first meeting of the Council no later than March 1, 2011 and establish a chair. The office of the council member serving as chair would provide administrative support to the council. The Council would meet at the discretion of the chair but not less than three times annually.

**BILL ANALYSIS/ENROLLED BILL REPORT--(CONTINUED)**

**AUTHOR**

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Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							Fund Code
	LA	(Dollars in Thousands)							
	CO	PROP							
	RV	98	FC	2009-2010	FC	2010-2011	FC	2011-2012	
8660/PUC	SO	No		-----	No/Minor	Fiscal Impact	-----	0462	
<u>Fund Code</u>	<u>Title</u>								
0462	Publ Utilities Comm Utilities Reimb Acct								