

AMENDED IN SENATE MAY 27, 2014

SENATE BILL

No. 1364

Introduced by Senator Fuller

**(Coauthors: Senators Berryhill, Evans, Gaines, Nielsen, Padilla,
and Vidak, and Wolk)**

(Coauthors: Assembly Members Conway, Dahle, Beth Gaines, Gray,
Grove, Logue, Olsen, Pan, Perea, *V. Manuel Pérez*, and Yamada)

February 21, 2014

An act to amend Sections 247.1, 270, 275, 275.6, and ~~739.3~~ of 276 of, and to amend and renumber Section 739.3 of, the Public Utilities Code, relating to telecommunications, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 1364, as amended, Fuller. Telecommunications universal service programs: ~~California High-Cost Fund-A program.~~ *programs.*

Existing law, the federal Telecommunications Act of 1996, establishes a program of cooperative federalism for the regulation of telecommunications to attain the goal of local competition, while implementing specific, predictable, and sufficient federal and state mechanisms to preserve and advance universal service, consistent with certain universal service principles. The universal service principles include the principle that consumers in all regions of the nation, including low-income consumers and those in rural, insular, and ~~high cost~~ *high-cost* areas, should have access to telecommunications and information services, including interexchange services and advanced telecommunications and information services, that are reasonably comparable to those services provided in urban areas and that are

available at rates that are reasonably comparable to rates charged for similar services in urban areas.

Existing law authorizes the Public Utilities Commission to supervise and regulate every public utility in the state, including telephone corporations, and to fix just and reasonable rates and charges for the public utility. Existing law establishes the state's 6 universal service funds in the State Treasury, including the California High-Cost Fund-A Administrative Committee Fund and the California High-Cost Fund-B Administrative Committee Fund, and provides that moneys in each of the state's universal service funds are the proceeds of rates and are held in trust for the benefit of ratepayers and to compensate telephone corporations for their costs of providing universal service. Moneys in the funds may only be expended to accomplish specified telecommunications universal service programs, upon appropriation in the annual Budget Act or upon supplemental appropriation. Existing law, until January 1, 2015, requires the commission to develop, implement, and maintain a suitable program to establish a fair and equitable local rate structure aided by universal service rate support to small independent telephone corporations that serve rural areas and are subject to rate-of-return regulation by the commission (the CHCF-A program). Existing law, until January 1, 2015, requires the commission to develop, implement, and maintain a suitable, competitively neutral, and broadbased program to establish a fair and equitable local rate support structure aided by universal service rate support to telephone corporations serving areas where the cost of providing services exceeds rates charged by providers, as determined by the commission (the CHCF-B program).

This bill would *delete the provision stating that moneys in each of the state's universal service funds are the proceeds of rates and are held in trust for the benefit of ratepayers and to compensate telephone corporations for their cost of providing universal service. The bill would require the commission, in administering the universal service program funds, and in administering state participation in federal universal service programs, to make it a priority, and to take all reasonable steps consistent with the state's universal service policies and goals, to maximize the amount of federal funding to California and to California participants in the federal programs. The bill would extend the repeal date of the CHCF-A program and CHCF-B program requirements until January 1, 2019. The bill would renumber the statute establishing the programmatic requirements for the CHCF-B program so that it is*

located in the code adjacent to the statute establishing the California High-Cost Fund-B Administrative Committee Fund, would delete outdated language, and would make other conforming changes.

Under existing law, a violation of the Public Utilities Act or an order or direction of the commission is a crime.

Because the CHCF-A program and CHCF-B program, that are extended under the provisions of this bill, are within the act and a decision or order of the commission implements the programs' requirements, the bill would impose a state-mandated local program by expanding the definition of a 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. Section 247.1 of the Public Utilities Code is
2 amended to read:

3 247.1. (a) The Mobile Telecommunications Sourcing Act (~~P.L.~~
4 (*Public Law* 106-252) was enacted for the purpose of establishing
5 nationwide uniform sourcing rules for the imposition of state and
6 local taxes, fees, and surcharges on mobile telecommunications
7 services. In order to establish a single, uniform sourcing rule, the
8 federal act partially preempted state and local law imposing taxes,
9 fees, and surcharges on a mobile telecommunications services
10 customer whose place of primary use is outside of the state in
11 which the state and local taxes, fees, or surcharges are imposed.

12 (b) In accordance with the Mobile Telecommunications Sourcing
13 Act, which is incorporated herein by reference, and notwithstanding
14 Sections 275.6, 276.5, 280, 431, ~~739.3~~, 879, and 2881, the
15 surcharges or fees under these sections do not apply to any charges
16 for mobile telecommunications services billed to a customer where
17 those services are provided, or deemed provided, to a customer
18 whose place of primary use is outside this state. Mobile

1 telecommunications services shall be deemed provided by a
2 customer's home service provider to the customer if those services
3 are provided in a taxing jurisdiction to the customer, and the
4 charges for those services are billed by or for the customer's home
5 service provider.

6 (c) For purposes of this section:

7 (1) "Charges for mobile telecommunications services" means
8 any charge for, or associated with, the provision of commercial
9 mobile radio service, as defined in Section 216.8, or any charge
10 for, or associated with, a service provided as an adjunct to a
11 commercial mobile radio service, that is billed to the customer by
12 or for the customer's home service provider, regardless of whether
13 individual transmissions originate or terminate within the licensed
14 service area of a home service provider.

15 (2) "Customer" means either (A) the person or entity that
16 contracts with the home service provider for mobile
17 telecommunications services, or (B) if the end user of mobile
18 telecommunications services is not the contracting party, the end
19 user of the mobile telecommunications service. This paragraph
20 applies only for the purpose of determining the place of primary
21 use. The term "customer" does not include either (A) a reseller of
22 mobile telecommunications service, or (B) a serving carrier under
23 an arrangement to serve the customer outside the home service
24 provider's licensed service area.

25 (3) "Home service provider" means the facilities-based carrier
26 or reseller with which the customer contracts for the provision of
27 mobile telecommunications services.

28 (4) "Licensed service area" means the geographic area in which
29 the home service provider is authorized by law or contract to
30 provide commercial mobile radio service to the customer.

31 (5) "Mobile telecommunications service" means commercial
32 mobile radio service, as defined in Section 216.8.

33 (6) "Place of primary use" means the street address
34 representative of where the customer's use of the mobile
35 telecommunications service primarily occurs, that must be:

36 (A) The residential street address or the primary business street
37 address of the customer.

38 (B) Within the licensed area of the home service provider.

39 (7) (A) "Reseller" means a provider who purchases
40 telecommunications services from another telecommunications

1 service provider and then resells the services, or uses the services
2 as a component part of, or integrates the purchased services into
3 a mobile telecommunications service.

4 (B) “Reseller” does not include a serving carrier with which a
5 home service provider arranges for the services to its customers
6 outside the home service provider’s licensed service area.

7 (8) “Serving carrier” means a facilities-based carrier providing
8 mobile telecommunications service to a customer outside a home
9 service provider’s or reseller’s licensed area.

10 (9) “Taxing jurisdiction” means any of the several states, the
11 District of Columbia, or any territory or possession of the United
12 States, any municipality, city, county, township, parish,
13 transportation district, or assessment jurisdiction, or any other
14 political subdivision within the territorial limits of the United States
15 with the authority to impose a tax, charge, or fee.

16 *SEC. 2. Section 270 of the Public Utilities Code is amended*
17 *to read:*

18 270. (a) The following funds are hereby created in the State
19 Treasury:

20 (1) The California High-Cost Fund-A Administrative Committee
21 Fund.

22 (2) The California High-Cost Fund-B Administrative Committee
23 Fund.

24 (3) The Universal Lifeline Telephone Service Trust
25 Administrative Committee Fund.

26 (4) The Deaf and Disabled Telecommunications Program
27 Administrative Committee Fund.

28 (5) The Payphone Service Providers Committee Fund.

29 (6) The California Teleconnect Fund Administrative Committee
30 Fund.

31 (7) The California Advanced Services Fund.

32 (b) ~~Moneys in the funds are the proceeds of rates and are held~~
33 ~~in trust for the benefit of and to compensate telephone corporations~~
34 ~~for their costs of providing universal service.~~ Moneys in the funds
35 may only be expended pursuant to this chapter and upon
36 appropriation in the annual Budget Act or upon supplemental
37 appropriation.

38 (c) *The commission, in administering the universal service*
39 *program funds listed in subdivision (a), and in administering state*
40 *participation in federal universal service programs, shall make it*

1 *a priority, and take all reasonable steps consistent with the state's*
 2 *universal service policies and goals, to maximize the amount of*
 3 *federal funding to California and to California participants in the*
 4 *federal programs.*

5 (e)

6 (d) Moneys in each fund ~~may~~ shall not be appropriated, or in
 7 any other manner transferred or otherwise diverted, to any other
 8 fund or entity, except as provided in Sections 19325 and 19325.1
 9 of the Education Code.

10 SEC. 3. Section 275 of the Public Utilities Code is amended
 11 to read:

12 275. (a) There is hereby created the California High-Cost
 13 Fund-A Administrative Committee, which is an advisory board to
 14 advise the commission regarding the development, implementation,
 15 and administration of a program to provide for transfer payments
 16 to small independent telephone corporations providing local
 17 exchange services in high-cost rural and small metropolitan areas
 18 in the state to create fair and equitable local rate structures, as
 19 provided for in Section ~~739.3~~, the development of a grant program
 20 for the construction of telecommunications infrastructure as set
 21 forth in Section ~~276.5~~ 275.6, and to carry out the program pursuant
 22 to the commission's direction, control, and approval.

23 (b) All revenues collected ~~by telephone corporations in rates~~
 24 *through surcharges* authorized by the commission to fund the
 25 program specified in subdivision (a) shall be submitted to the
 26 commission pursuant to a schedule established by the commission.
 27 The commission shall transfer the moneys received to the
 28 Controller for deposit in the California High-Cost Fund-A
 29 Administrative Committee Fund. All interest earned by moneys
 30 in the fund shall be deposited in the fund. ~~Any unexpended~~
 31 ~~revenues collected prior to the operative date of this section shall~~
 32 ~~be submitted to the commission, and the commission shall transfer~~
 33 ~~those moneys to the Controller for deposit in the California~~
 34 ~~High-Cost Fund-A Administrative Committee Fund.~~

35 (c) Moneys appropriated from the California High-Cost Fund-A
 36 Administrative Committee Fund to the commission shall be utilized
 37 exclusively by the commission for the program specified in
 38 subdivision (a), including all costs of the board and the commission
 39 associated with the administration and oversight of the program
 40 and the fund.

1 (d) The Legislature finds and declares that, because maintenance
2 of universal public switched telephone network service throughout
3 the state and maintenance of public safety answering points in
4 high-cost areas of the state rely on appropriations from the
5 California High-Cost Fund-A Administrative Committee Fund,
6 maintaining adequate funding levels for the fund is critical to public
7 health and safety.

8 **SECTION 1.**

9 *SEC. 4.* Section 275.6 of the Public Utilities Code is amended
10 to read:

11 275.6. (a) The commission shall exercise its regulatory
12 authority to maintain the California High-Cost Fund-A Program
13 to provide universal service rate support to small independent
14 telephone corporations in amounts sufficient to meet the revenue
15 requirements established by the commission through rate-of-return
16 regulation in furtherance of the state's universal service
17 commitment to the continued affordability and widespread
18 availability of safe, reliable, high-quality communications services
19 in rural areas of the state.

20 (b) For purposes of this section, the following terms have the
21 following meanings:

22 (1) "Carrier of last resort" means a telephone corporation that
23 is required to fulfill all reasonable requests for service within its
24 service territory.

25 (2) "Rate base" means the value of a telephone corporation's
26 plant and equipment that is reasonably necessary to provide
27 regulated voice services and access to advanced services, and upon
28 which the telephone corporation is entitled to a fair opportunity to
29 earn a reasonable rate of return.

30 (3) "Rate design" means the mix of end user rates, high-cost
31 support, and other revenue sources that are targeted to provide a
32 fair opportunity to meet the revenue requirement of the telephone
33 corporation.

34 (4) "Rate-of-return regulation" means a regulatory structure
35 whereby the commission establishes a telephone corporation's
36 revenue requirements, and then fashions a rate design to provide
37 the company a fair opportunity to meet the revenue requirement.

38 (5) "Revenue requirement" means the amount that is necessary
39 for a telephone corporation to recover its reasonable expenses and
40 tax liabilities and earn a reasonable rate of return on its rate base.

1 (6) “Small independent telephone corporations” are rural
2 incumbent local exchange carriers subject to commission
3 regulation.

4 (c) In administering the California High-Cost Fund-A Program,
5 the commission shall do all of the following:

6 (1) Continue to set rates to be charged by the small independent
7 telephone corporations in accordance with Sections 451, 454, 455,
8 and 728.

9 (2) Employ rate-of-return regulation to determine a small
10 independent telephone corporation’s revenue requirement in a
11 manner that provides revenues and earnings sufficient to allow the
12 telephone corporation to deliver safe, reliable, high-quality voice
13 communication service and fulfill its obligations as a carrier of
14 last resort in its service territory, and to afford the telephone
15 corporation a fair opportunity to earn a reasonable return on its
16 investments, attract capital for investment on reasonable terms,
17 and ensure the financial integrity of the telephone corporation.

18 (3) Ensure that rates charged to customers of small independent
19 telephone corporations are just and reasonable and are reasonably
20 comparable to rates charged to customers of urban telephone
21 corporations.

22 (4) Provide universal service rate support from the California
23 High-Cost Fund-A Administrative Committee Fund to small
24 independent telephone corporations in an amount sufficient to
25 supply the portion of the revenue requirement that cannot
26 reasonably be provided by the customers of each small independent
27 telephone corporation after receipt of federal universal service rate
28 support.

29 (5) Promote customer access to advanced services and
30 deployment of broadband-capable facilities in rural areas that is
31 reasonably comparable to that in urban areas, consistent with
32 national communications policy.

33 (6) Include all reasonable investments necessary to provide for
34 the delivery of high-quality voice communication services and the
35 deployment of broadband-capable facilities in the rate base of
36 small independent telephone corporations.

37 (7) Ensure that support is not excessive so that the burden on
38 all contributors to the California High-Cost Fund-A Program is
39 limited.

1 (d) In order to participate in the California High-Cost Fund-A
2 Program, a small independent telephone corporation shall meet
3 all of the following requirements:

- 4 (1) Be subject to rate-of-return regulation.
- 5 (2) Be subject to the commission’s regulation of telephone
6 corporations pursuant to this division.
- 7 (3) Be a carrier of last resort in their service territory.
- 8 (4) Qualify as a rural telephone company under federal law (47
9 U.S.C. ~~Section~~ *Sec.* 153(44)).

10 (e) Upon request from the commission, a small independent
11 telephone corporation that receives support from the California
12 High-Cost Fund-A Program shall provide information regarding
13 revenues derived from the provision of unregulated internet access
14 service by that corporation or its affiliate within that corporation’s
15 telephone service territory. The commission shall treat as
16 confidential any information provided pursuant to this subdivision.

17 (f) The commission shall structure the programs required by
18 this section so that any charge imposed to promote the goals of
19 universal service reasonably equals the value of the benefits of
20 universal service to contributing entities and their subscribers.

21 (g) This section shall remain in effect only until January 1, 2019,
22 and as of that date is repealed, unless a later enacted statute, that
23 is enacted before January 1, 2019, deletes or extends that date.

24 ~~SEC. 2. Section 739.3 of the Public Utilities Code is amended~~
25 ~~to read:~~

26 ~~739.3. (a) The commission shall develop, implement, and~~
27 ~~maintain a suitable program to establish a fair and equitable local~~
28 ~~rate structure aided by universal service rate support to small~~
29 ~~independent telephone corporations serving rural and small~~
30 ~~metropolitan areas. The purpose of the program shall be to promote~~
31 ~~the goals of universal telephone service and to reduce any disparity~~
32 ~~in the rates charged by those companies.~~

33 ~~(b) For purposes of this section, small independent telephone~~
34 ~~corporations means those independent telephone corporations~~
35 ~~serving rural areas, as determined by the commission.~~

36 ~~(c) The commission shall develop, implement, and maintain a~~
37 ~~suitable, competitively neutral, and broadbased program to~~
38 ~~establish a fair and equitable local rate support structure aided by~~
39 ~~universal service rate support to telephone corporations serving~~
40 ~~areas where the cost of providing services exceeds rates charged~~

1 by providers, as determined by the commission. The commission
2 shall develop and implement the program on or before October 1,
3 1996. The purpose of the program shall be to promote the goals
4 of universal telephone service and to reduce any disparity in the
5 rates charged by those companies. Except as otherwise explicitly
6 provided, this subdivision does not limit the manner in which the
7 commission collects and disburses funds, and does not limit the
8 manner in which it may include or exclude the revenue of
9 contributing entities in structuring the program.

10 (d) The commission shall structure the programs required by
11 this section so that any charge imposed to promote the goals of
12 universal service reasonably equals the value of the benefits of
13 universal service to contributing entities and their subscribers.

14 (e) The commission shall investigate reducing the level of
15 universal service rate support, or elimination of universal service
16 rate support in service areas with demonstrated competition.

17 (f) By July 1, 2010, the commission shall prepare and submit
18 to the Legislature a report on the affordability of basic telephone
19 service in areas funded by the California High-Cost Fund-B
20 Administrative Committee Fund. The report, among other things,
21 shall provide information on prices and costs of basic telephone
22 service, and penetration and utilization rates of basic telephone
23 service by income, ethnicity, age, and other demographic
24 characteristics, using surveys and other methods of identifying the
25 factors affecting affordability of basic telephone service for
26 customers and noncustomers. The report shall describe the
27 characteristics of noncustomers and their reasons for not having
28 telephone service. The report shall identify those persons most at
29 risk of losing basic telephone service. The report shall be funded
30 out of the California High-Cost Fund-B Administrative Committee
31 Fund.

32 (g) This section shall only apply to the California High-Cost
33 Fund-B Administrative Committee Fund program.

34 (h) This section shall remain in effect only until January 1, 2019,
35 and as of that date is repealed, unless a later enacted statute, that
36 is enacted before January 1, 2019, deletes or extends that date.

37 *SEC. 5. Section 276 of the Public Utilities Code is amended*
38 *to read:*

39 276. (a) There is hereby created the California High-Cost
40 Fund-B Administrative Committee, which is an advisory board to

1 advise the commission regarding the development, implementation,
 2 and administration of a program to provide for transfer payments
 3 to telephone corporations providing local exchange services in
 4 high-cost areas in the state to create fair and equitable local rate
 5 structures, as provided for in ~~Section 739.3, the development of a~~
 6 ~~grant program for the construction of telecommunications~~
 7 ~~infrastructure as set forth in~~ Section 276.5, and to carry out the
 8 program pursuant to the commission’s direction, control, and
 9 approval.

10 (b) All revenues collected ~~by telephone corporations in rates~~
 11 *through surcharges* authorized by the commission to fund the
 12 program specified in subdivision (a) shall be submitted to the
 13 commission pursuant to a schedule established by the commission.
 14 The commission shall transfer the moneys received to the
 15 Controller for deposit in the California High-Cost Fund-B
 16 Administrative Committee Fund. All interest earned by moneys
 17 in the fund shall be deposited in the fund. ~~Any unexpended~~
 18 ~~revenues collected prior to the operative date of this section shall~~
 19 ~~be submitted to the commission, and the commission shall transfer~~
 20 ~~those moneys to the Controller for deposit in the California~~
 21 ~~High-Cost Fund-B Administrative Committee Fund.~~

22 (c) Moneys appropriated from the California High-Cost Fund-B
 23 Administrative Committee Fund to the commission shall be utilized
 24 exclusively by the commission for the program specified in
 25 subdivision (a), including all costs of the board and the commission
 26 associated with the administration and oversight of the program
 27 and the fund.

28 ~~(d) This section shall become operative on January 1, 2006.~~

29 *SEC. 6. Section 739.3 of the Public Utilities Code is amended*
 30 *and renumbered to read:*

31 *739.3.*

32 *276.5. (a) The commission shall develop, implement, and*
 33 *maintain a suitable program to establish a fair and equitable local*
 34 *rate structure aided by universal service rate support to small*
 35 *independent telephone corporations serving rural and small*
 36 *metropolitan areas. The purpose of the program shall be to promote*
 37 *the goals of universal telephone service and to reduce any disparity*
 38 *in the rates charged by those companies. suitable, competitively*
 39 *neutral, and broadbased program to establish a fair and equitable*
 40 *local rate support structure aided by universal service rate support*

1 *to telephone corporations serving areas where the cost of providing*
2 *services exceeds rates charged by providers, as determined by the*
3 *commission. The purpose of the program shall be to promote the*
4 *goals of universal telephone service and to reduce any disparity*
5 *in the rates charged by those companies. Except as otherwise*
6 *explicitly provided, this subdivision does not limit the manner in*
7 *which the commission collects and disburses funds, and does not*
8 *limit the manner in which it may include or exclude the revenue*
9 *of contributing entities in structuring the program.*

10 ~~(b) For purposes of this section, small independent telephone~~
11 ~~corporations means those independent telephone corporations~~
12 ~~serving rural areas, as determined by the commission.~~

13 ~~(e) The commission shall develop, implement, and maintain a~~
14 ~~suitable, competitively neutral, and broadbased program to~~
15 ~~establish a fair and equitable local rate support structure aided by~~
16 ~~universal service rate support to telephone corporations serving~~
17 ~~areas where the cost of providing services exceeds rates charged~~
18 ~~by providers, as determined by the commission. The commission~~
19 ~~shall develop and implement the program on or before October 1,~~
20 ~~1996. The purpose of the program shall be to promote the goals~~
21 ~~of universal telephone service and to reduce any disparity in the~~
22 ~~rates charged by those companies. Except as otherwise explicitly~~
23 ~~provided, this subdivision does not limit the manner in which the~~
24 ~~commission collects and disburses funds, and does not limit the~~
25 ~~manner in which it may include or exclude the revenue of~~
26 ~~contributing entities in structuring the program.~~

27 ~~(d)~~

28 ~~(b) The commission shall structure the programs required by~~
29 ~~this section so that any charge imposed to promote the goals of~~
30 ~~universal service reasonably equals the value of the benefits of~~
31 ~~universal service to contributing entities and their subscribers.~~

32 ~~(e)~~

33 ~~(c) The commission shall investigate reducing the level of~~
34 ~~universal service rate support, or elimination of universal service~~
35 ~~rate support in service areas with demonstrated competition.~~

36 ~~(f) By July 1, 2010, the commission shall prepare and submit~~
37 ~~to the Legislature a report on the affordability of basic telephone~~
38 ~~service in areas funded by the California High-Cost Fund-B~~
39 ~~Administrative Committee Fund. The report, among other things,~~
40 ~~shall provide information on prices and costs of basic telephone~~

1 service, and penetration and utilization rates of basic telephone
 2 service by income, ethnicity, age, and other demographic
 3 characteristics, using surveys and other methods of identifying the
 4 factors affecting affordability of basic telephone service for
 5 customers and noncustomers. The report shall describe the
 6 characteristics of noncustomers and their reasons for not having
 7 telephone service. The report shall identify those persons most at
 8 risk of losing basic telephone service. The report shall be funded
 9 out of the California High-Cost Fund-B Administrative Committee
 10 Fund.

11 ~~(g)~~

12 *(d)* This section shall only apply to the California High-Cost
 13 Fund-B Administrative Committee Fund program.

14 ~~(h)~~

15 *(e)* This section shall remain in effect only until January 1, 2015
 16 2019, and as of that date is repealed, unless a later enacted statute,
 17 that is enacted before January 1, 2015 2019, deletes or extends
 18 that date.

19 ~~SEC. 3.~~

20 *SEC. 7.* No reimbursement is required by this act pursuant to
 21 Section 6 of Article XIII B of the California Constitution because
 22 the only costs that may be incurred by a local agency or school
 23 district will be incurred because this act creates a new crime or
 24 infraction, eliminates a crime or infraction, or changes the penalty
 25 for a crime or infraction, within the meaning of Section 17556 of
 26 the Government Code, or changes the definition of a crime within
 27 the meaning of Section 6 of Article XIII B of the California
 28 Constitution.

29 ~~SEC. 4.~~

30 *SEC. 8.* This act is an urgency statute necessary for the
 31 immediate preservation of the public peace, health, or safety within
 32 the meaning of Article IV of the Constitution and shall go into
 33 immediate effect. The facts constituting the necessity are:

34 In order to ensure that the Public Utilities Commission has the
 35 necessary statutory direction to fund the state's universal service
 36 programs at the earliest possible time, it is necessary for this act
 37 to take effect immediately.