May 2, 2013

The Honorable Mike Gatto, Chair
Assembly Appropriations Committee
State Capitol, Room 2114
Sacramento, CA 95814

RE: AB 1100 (Levine) California Teleconnect Fund
As amended April 30, 2013
Position: Sponsor/Support

Dear Assembly Member Gatto:

The California Community Colleges Chancellor’s Office is pleased to support and sponsor Assembly Bill 1100 by Assembly Member Marc Levine. AB 1100 removes a “cap” on reimbursements for discounted telecommunications services imposed only on community colleges through the California Public Utilities Commission’s (CPUC) California Teleconnect Fund (CTF).

Specifically, AB 1100 provides that any limit adopted by the CPUC for CTF recipients shall not discriminate by imposing a cap on a single class of participants. AB 1100 will treat community colleges as equal partners with other California Teleconnect Fund participants, and it will help to ensure that a stable telecommunications infrastructure is in place for programs such as online education.

AB 1100 has no General Fund impact. The CTF is funded by a surcharge assessed on consumers for intrastate telecommunication services. AB 1100 only affects how the CPUC adopts reimbursement limits.

The CTF was established in 1996 to provide discounted rates on certain telecommunication services to qualifying schools, libraries, government-owned health care providers, and community based organizations (CBOs). An important goal of the CTF program has been to provide telecommunications services to rural and low income areas in order to help bridge the “digital divide” between those with easy access to technology and those without. California Community Colleges have 112 campuses throughout the state, serving rural and low income areas providing access to education using telecommunications services.

In 2008 the CPUC expanded the CTF to include community colleges through SB 1427 by Senator Padilla. CBOs providing “211” Information and Referral Services and the California Telehealth Network were also added to the CTF at that time. In response to concerns that community colleges might draw down too much from the fund from a few organizations, the CPUC imposed a regulatory limit on the amount community colleges could request as
reimbursements. However, similar limits were not placed on the other parties added in 2008; the CBOs providing “211” services and the California Telehealth Network.

Consequently, the community colleges are the only CTF eligible entity with a cap on their amount of funding. We have now been participating in the CTF for over four years. During that time our campuses have been responsible participants and there have been no concerns over colleges requesting reimbursement amounts which would result in insufficient funds for other participants.

AB 1100 only seeks to make community colleges equal partners with other participants in the CTF. The CPUC will still control the CTF budget through approved reimbursements. AB 1100 merely specifies that program participants cannot be discriminated against in regards to reimbursement limits.

The California Community Colleges Chancellor’s Office thanks you for your consideration and urges your support on this measure. If you or your staff have any questions, please contact me at (916) 445-4434.

Sincerely,

Michael S. Magee
Director of State Relations, Government Relations Division
California Community Colleges Chancellor’s Office

cc: Assembly Member Marc Levine
    Members of the Assembly Appropriations Committee