because the federal government did. The federal government kicks in, why do we need this bill? If California doesn't need it,...can you answer that? Why do we need this if...?

SENATOR SMITH: Why do we need it? Because we were told five years ago that the federal government is doing something, and they haven't done it yet. Senator Bourne says that it starts in July. Actually, with a list of...long list of exemptions, you can start subscribing in July. That does not take effect until October. Now, those exemptions currently, even after October, would...all phone companies would be exempt, all insurance companies, banking, and nonprofit organizations. And I think when you look at it, most people are annoyed by large telephone companies calling them to switch their service and someone asking for a donation.

SENATOR HARTNETT: Senator Smith, the $3 goes where? It's got $3 in the fiscal note, as I look at it here.

SENATOR SMITH: Right. Should the green copy become law, the $3 would go to the cash fund to be administered by the Public Service Commission.

SENATOR HARTNETT: And with the committee amendment, the $3 goes away? How they going to hire (inaudible)?

SENATOR SMITH: Not with the committee amendment. With an amendment that I intend to offer.

SENATOR HARTNETT: Okay. Thank you.

SENATOR SCHIMEK: Thank you, Senator. Senator Synowiecki.

SENATOR SYNOWIECKI: Thank you, Senator Schimek, members. Senator Smith, could you yield? Or Senator Baker?

SENATOR SCHIMEK: Senator Smith, would you yield to a question?

SENATOR SMITH: Yes.

SENATOR SYNOWIECKI: Senator Smith, under the definition of a