

SUMMARY

AB 14 prioritizes the deployment of broadband infrastructure in California's most vulnerable and unserved rural and urban communities by extending the ongoing collection of funds deposited into the California Advanced Services Fund (CASF) to provide communities with grants necessary to bridge the digital divide.

BACKGROUND

As evidenced by the ongoing global COVID-19 pandemic the capacity to rapidly connect all California residents with evolving emergency information is essential to safeguarding public health and safety during these unprecedented times. A Pew Research Study conducted in April 2020 found that roughly half of United States adults (53%) say the internet has been essential for them personally during the pandemic.

Although barriers to broadband connectivity have persisted for decades, the COVID-19 pandemic has highlighted the digital divide that separates Californians without internet connectivity from those who already have and depend on fast and reliable internet access as a normal part of their daily lives. As record unemployment rates persist, internet access it vital for economic recovery and resiliency. This is especially important for our most vulnerable Californians who remain disproportionately disconnected, including those who are low-income, living in rural areas, and Black or Latino.

Further, lack of reliable access to academic resources and distance learning tools diminishes our youngest Californians' opportunity to thrive. This is a preventable barrier for far too many students, as nearly 1 million (15.6%) school-aged children (ages 6-17) have no internet connection at home and over 1.6 million (27.5%) of children do not have broadband access.

THIS BILL

AB 14 recognizes that reliable internet connectivity is a critical necessity now, and that this will remain the case even after the COVID-19 pandemic has subsided. This bill equips Internet Service Providers, Local Governments, and Tribal Governments with the opportunity to expedite the connection of their communities to reliable broadband access indefinitely.

AB 14 ensures grants administered by the California Public Utilities Commission (CPUC) from the CASF are awarded to applicants who are willing and able to quickly and efficiently connect households, community anchor institutions, small businesses, and employers. Specifically, AB 14:

- Authorizes the ongoing collection of the existing CASF surcharge.
- Creates a Broadband Bond Financing and Securitization Account to support costs related to financing the deployment of broadband infrastructure by a local government agency or nonprofit organization, including but not limited to, payments of costs of debt issuance, obtaining credit enhancement, and establishment and funding of reserves for the payment of principal and interest on debt.
- Requires CASF Infrastructure Grant applications must provide broadband access at speeds of a *minimum* of 25 megabits downstream and 25 megabits upstream with a goal of of 100 megabits per (mbps) second downstream.
- Identifies all households with speeds of at least 25 mbps downstream and 3 mbps upstream as 'unserved'.
 - Maintains prioritization of those 'unserved' households with speeds of at least 10 mbps downstream and 1 mbps upstream in addition to prioritization of high-poverty unserved households, meaning those within a census tract in which at least 50 percent of residents are designated low-income
- Ensures 'anchor institutions' defined as schools maintaining kindergarten or any of grades 1 to 12, inclusive, community colleges, libraries, hospitals, health clinics, public safety entities, government buildings, and community organizations are eligible for CASF grants on a fair cost-sharing basis for interconnection along the path of deployment.
- Authorizes the CPUC to approve an application for funding to deploy or upgrade broadband services upon making a finding that the existing facility-based broadband provider is unwilling or unable to deploy broadband for the project application service area.
- Requires the Governor's Office of Business and Economic Development (Go-BIZ), in consultation with the California Broadband Council, Public Utilities Commission, Department of Transportation, and



- land use approval and construction permit processes for projects related to broadband infrastructure deployment and connectivity.
- Requires the California Department of Education to post information voluntarily reported by Local Education Agencies regarding the needs for computing devices and internet connectivity adequate for at-home learning on their website, in addition to an annual report of computing device and connectivity needs.
- Authorizes the CPUC to require each internet service provider to report information regarding each available free, low-cost, income-qualified, or affordable internet service plan advertised by the provider, including the cost of plan, eligibility requirements, data limitations, number of California residents enrolled in the plan, and a description of their outreach efforts to eligible populations.

AB 14 is a critical step towards expediting the deployment of broadband infrastructure throughout California. This bill provides a vital pathway to connect California's workforce to gainful employment, harness the life-saving technology of telemedicine, democratize distance learning, enable precision agriculture, and sustain economic transactions in times of emergencies.

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