



**Carolyn McIntyre**  
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March 15, 2021

Governor Gavin Newsom  
State Capitol, Suite 1173  
Sacramento, CA 95814

President pro Tempore Toni Atkins  
California State Senate  
State Capitol, Room 205  
Sacramento, CA 95814

Speaker Anthony Rendon  
California State Assembly  
State Capitol, Room 219  
Sacramento, CA 95814

Dear Governor Newsom, Pro Tem Atkins, and Speaker Rendon:

The California Cable and Telecommunications Association ("CCTA") applauds your leadership to prioritize closing the Digital Divide and ensuring that all Californians have access to high-speed internet service, which has been more critical than ever with virtually all of life moving online during the pandemic. CCTA has been engaging with each of your offices on initiatives to advance both broadband deployment in unserved areas and adoption by consumers with access to service who do not subscribe. With President Biden signing the American Rescue Plan Act Thursday, ***CCTA urges you to act immediately to designate new federal funds to support California's state broadband programs that currently lack funding.***

It is CCTA's understanding that the Rescue Plan provides \$220 billion to states for uses that include investments in broadband infrastructure. California's share is estimated to be \$26 billion and will be available starting in May for expenditure through the end of 2024.

California has existing programs and pending proposals to increase broadband access that need funding, and the Rescue Plan provides a unique opportunity to immediately connect Californians who cannot afford service and fund infrastructure deployment in unserved areas over the next three years. Use of Rescue Plan funds to support the California Advanced

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Services Fund ("CASF") and other broadband programs will negate the need to fund these state programs with potentially billions of dollars collected as surcharges from consumers or long-term debt financing.

Congress specifically called out broadband as a permitted use of Rescue Plan state funds. While other parts of the Rescue Plan provide direct relief to families struggling to pay bills during the pandemic, it would be unfair and make no sense to require those same families to pay for state programs through increased monthly surcharges when federal funds are now available.

Specifically, CCTA urges you to advance urgency legislation to do the following:

Designate at least \$1 billion of Rescue Plan funds for the CASF program. The CASF program awards broadband infrastructure grants to connect households that do not have an existing provider of high-speed Internet service. The program has been funded since 2008 by about \$770 million in surcharges on monthly bills paid by customers of voice communications service. Several bills pending in the Legislature would require customers to pay billions of dollars more over an indefinite period to fund the CASF program.

Designate at least \$1 billion of Rescue Plan funds for internet access for distance learning and public housing. Rescue Plan funds would be appropriate to support two pending bills that can do more to immediately expand digital inclusion for low-income public housing residents and K-12 students than any other proposed policy solutions.

[AB 1560 \(Daly\)](#) would provide an immediate pathway to connect more low-income K-12 students with free or low-cost Internet services in their homes without receiving a bill or facing eligibility hurdles to sign up for service. The bill would allow the state to negotiate and pay for bulk rate residential broadband service, on behalf of local school districts, to ensure all students have services essential for remote and distance learning. These "sponsored service agreements" are a proven model for getting eligible students connected quickly without each school district incurring the burden, expense and delay of entering into an individual contract.

[SB 743 \(Bradford\)](#) would authorize the California Department of Housing and Community Development to issue grants to fund free or low-cost Internet services, devices, and onsite computer labs for low-income public housing residents. SB 743 is tailored to meet the unique broadband needs of public housing communities to access service in individual housing units and in common areas transformed into computer labs offering digital literacy training. The bill also authorizes the Department to issue grants for partnership agreements with Internet Service Providers to purchase Internet service at bulk rates to provide free or low-cost service without residents facing hurdles to sign up and prove eligibility.

In closing, I want to emphasize that CCTA is committed to working with you to advance California's state broadband goals. At this moment, we urge you to not delay and seize this opportunity to make real immediate progress to get all Californians connected.

Sincerely,

*Carolyn McIntyre*

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President

cc: Senator Lena Gonzalez, SD 33  
Assemblymember Cecilia Aguiar-Curry, AD 4