



Assemblymember Eduardo Garcia, 56th Assembly District

AB 1665– Internet for All Now Act of 2017

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BACKGROUND

In 2008, the Legislature established the California Advanced Services Fund (CASF) to support deployment of *broadband* into *unserved* areas to help close the Digital Divide in rural and urban low- income communities.

The availability of high-speed Internet access, including both wired and wireless technologies, is essential to 21st century infrastructure for economic competitiveness and quality of life.

CASF is administered by the California Public Utilities Commission (CPUC) and revenues are generated from a small fee on phone bills (a few cents per month which is less than 1% for most customers).

However, too many Californians—especially people of color, people living in rural areas and people living in areas with high poverty rates—do not have access to this crucial *broadband* technology.

The California Legislature must provide the pivotal leadership to finish the job of closing the Digital Divide in California—it is vital for the economy, environment, education and equity.

ISSUE

The CPUC reports that broadband infrastructure deployment applications significantly exceed available funds in CASF.

Thus, additional collections into CASF need to be authorized by the Legislature.

BILL SUMMARY

The **Internet For All Now Act** (AB 1665) is a landmark piece of legislation to ensure California continues to be a national leader in Digital Inclusion.

AB 1665 extends the California Advanced Service Fund (CASF) and authorizes additional collections of a modest fee on telephone bills to support broadband infrastructure deployment and adoption in unserved and disadvantaged communities. Internet access should be treated as a right, not a luxury. It is a basic necessity to access education, health care and economic opportunity. This bill will ensure vulnerable

communities across the state are not left behind in the 21st century.

Specifically, AB 1665:

- Will authorize the PUC to collect \$330M total through customer surcharge, beginning January 1, 2018 through the 2022 calendar year, in an amount not to exceed \$66 million per year.
- Moneys will be distributed among the following accounts:
 - Infrastructure Grant Account: \$300M
 - Adoption Account: \$20M
 - Consortium Account: \$10M
 - Eliminates the Loan Account
 - Public Housing Account: after the remaining money in this account is expended, applicants may apply directly to the Infrastructure Grant Account or Adoption Account to request funding for those purposes.
- Revises the goal of the program to provide that its goal is to approve funding for infrastructure projects that will provide broadband access to no less than 98% of CA households in each consortia region, as identified by the PUC. Once the 98% per consortia region goal has been achieved, up to \$30 million may be used to serve regions with service speeds between 6/1 and 10/1.
- Provides funding for adoption and digital literacy programs in communities with limited broadband adoption, including low-income communities, senior communities and communities facing socioeconomic barriers to broadband adoption.
- Requires the CPUC to be responsible for achieving the goals of CASF and to consult regional consortia, stakeholders, and consumers regarding priority areas and cost-effective strategies to achieve the broadband access goals.
- Requires an annual report due April 1 each year, and a final independent financial and performance audit due April 1, 2023.

SUPPORT

- California Emerging Technology Fund (*Sponsor*)
- Amador Tuolumne Community Action Agency

- Anza Electric Cooperative, Inc.
- AT&T
- Boyle Heights Arts Conservatory
- Brawley Chamber of Commerce
- CalCom
- California Cable & Telecommunications Association
- California Catholic Conference
- California Foundation for Independent Living Centers
- California Partnership for the San Joaquin Valley
- California State University, San Bernardino
- California's Independent Telecommunications Companies
- California-Nevada Conference of Operating Engineers
- Central Sierra Connect Broadband Consortia
- Centro Binacional para el Desarrollo Indigena Oaxaqueño
- Chicana/Latina Foundation
- City of Cathedral City
- City of Coachella
- City of Parlier
- Coldwell Banker Borrego
- Communications Workers of America, District 9
- Community Technology Network
- County of El Dorado, Supervisor Frentzen
- County of Riverside
- County of San Bernardino
- Desert Regional Consortia
- El Concilio of San Mateo County
- First 5 Fresno County
- First 5 Monterey County
- Fresno County Economic Development Corporation
- Frontier Communications, support if amended
- Great Harvest Community Center
- Greenfield Communications, Inc.
- Harris & Associates
- High Desert Community Foundation
- Imperial County Board of Supervisors
- Imperial Valley Economic Development Corporation
- Inland Congregations United for Change
- Inland Empire Economic Partnership
- Inland Empire United Way
- Kern Community College District
- La Cuna De Aztlan Radio
- Lake County Broadband Solutions
- Los Angeles Community College District
- Manchester Community Technologies, Inc.
- Mixteco/Indigena Community Organizing Project
- Mono County Board of Supervisors
- Monterey County Business Council
- National Public Lands News.com
- Newberry Springs Community Alliance
- North Bay Leadership Council
- Office of Community and Economic Development at Fresno State
- Ollin, Inc.
- Peoples' Self-Help Housing
- Placer County Board of Supervisors
- Pueblo y Salud, Inc.
- Radio Bilingue
- Reading and Beyond
- Redwoods Community College District
- Richard Design Associates, Inc.
- San Diego East County Economic Development Council
- San Diego State University-Imperial Valley
- Sierra Business Council
- SmartRiverside
- Spiral Internet
- Tahoe Prosperity Center
- The Dahm Team Real Estate Company, Inc.
- Town of Yucca Valley
- TruConnect Communications, Inc.
- United Way Bay Area
- United Way Fresno and Madera Counties
- United Ways of California
- Valley Vision
- Workforce Development Board of Madera County
- Yuba Community College District

FOR MORE INFORMATION

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