



March 18, 2021

Governor Gavin Newsom
State Capitol
Sacramento, CA 95814

Re: Broadband For All Funding Plan

The California State Association of Counties, California Forward Action Fund, California Hospital Association, California Association of School Business Officials, Urban Counties Caucus, and Rural County Representatives of California respectfully request a one-time appropriation of \$8 billion to make a serious, concentrated effort to help close the Digital Divide.

With these funds, California—home to Silicon Valley and cutting edge biotech companies, but also to the largest number of unconnected households of any state in the U.S.—can once again be a leader in digital access.

Closing the Digital Divide has for too long been a goal that seemed impossibly far out of reach, given our state's rugged geography, far-flung communities, and economic inequality. But a recent report, the California State Broadband Cost Model (attached), found that the cost of building future-proof fiber connections to every unserved building and house in the state with an investment of \$6.8 billion. Even if the sum does not achieve the goal of access to every structure in the state, the progress made would be an enormous improvement over the current situation, and the state can continue using important tools such as the California Advanced Services Fund (CASF) program, general obligation bonds, federal funds, and other resources to complement and further these efforts.

Of the \$6.8 billion investment we are requesting for access infrastructure, \$2.2 billion would construct a statewide middle mile network with open access fiber and \$4.6 billion would provide 100/10 Mbps fiber optics to locations currently without it. Either of these pieces—the middle mile or the last mile—is insufficient when taken alone, but together they can transform the educational, economic, and quality-of-life landscape of our state by providing these unconnected properties access to reliable broadband.

However, we know that simply providing access cannot be the end of our efforts. That is why we are requesting the infrastructure investment be paired with \$1.2 billion for programs to increase adoption. These efforts could include providing devices, digital skills training, service subsidies, and language access necessary for Californians to be able to use the broadband service available to their homes and businesses. Partnering with local agencies, schools, the California Public Utilities Commission, and long-committed nonprofits can help ensure the success of these programs.

We realize there are many calls on the one-time funds the state has and the federal funding recently established through the American Rescue Plan Act. However, investing in universal broadband access is the ideal use of one-time funds. It is a largely one-time cost and it would both improve lives in the short-term and increase the speed and size of the economic recovery, thereby producing medium- and long-term gains for all levels of government and the state's economy as a whole. Using the state's financial resources to expand broadband is a public good that is both moral and practical.

The allocation will pay other dividends as well. It will help secure our fair share of federal funds for both deployment and adoption, which the pandemic revealed is a greater need than anyone anticipated, and accelerate broadband as a "green strategy" to help meet GHG emission reductions.

Those among us who are children or grandparents, your colleagues with disabilities, your friends of all races and ethnicities, speaking all different languages, your neighbors on tribal lands, your fellow Californians in rural areas—these are the people who have been disproportionately left out of modern life as the Digital Divide has widened and turned into a Digital Cliff.

The goal of universal access has eluded us for so long that it can be hard to conceive how achievable that future might now be. By no means will this one-time appropriation be the end of our efforts—we will need to continue increasing adoption and bridging any infrastructure gaps that remain with the CASF program and other critical resources—but we must act now or this once-in-a-generation opportunity will pass us by.

Committing \$8 billion to the items detailed above would be the state's most serious effort yet to help close the Digital Divide...once and for all.