



California Emerging Technology Fund
A Strategic Partner for the American Recovery and Reinvestment Act
April 2009

California is a Strategic Partner for ARRA with High ROI

- California is a “shovel-ready” partner for the federal government because of existing leadership, management capacity and accountability mechanisms to effectively invest significant amounts of federal funds: California Emerging Technology Fund (CETF), California Public Utilities Commission California Advanced Services Fund (CASF), and California Chief Information Officer (CIO) on behalf of Governor’s Office and State of California Administration.
- California has established the baseline for deployment (broadband mapping in 2007) and for adoption (PPIC Statewide Survey in 2008). CETF is intensely outcomes-driven with metrics for accountability, assuring a high return on investment (ROI) for federal funding.
- Existing working partnerships between CETF and local governments, regional consortia, and community-based organizations enable the preparation and administration of consolidated proposals with multiple implementers, making it easier for the federal government to partner with a broad spectrum of California agencies and organizations.

California is Key to Closing the Digital Divide in America

- The Digital Divide in California is the equivalent of having an Illinois, New Mexico, Maine, Alaska and Kentucky all inside one state. Californians not connected to broadband include:
 - 45% All Californians: 17M (15.6M urban) – equal to 5th most populated state, ahead of Illinois.
 - 64% People with Disabilities: 2.4M – equal to 36th most populated state, ahead of New Mexico.
 - 4% Californians in Rural Areas: 1.4M – equal to 40th most populated state, ahead of Maine.
 - 25% California Land Area: equal to the 37th largest state, about the size of Kentucky.
 - Majority of Native Americans: .68M – larger than the population of Alaska.
- California leaders and representatives need to join forces to secure a fair share of ARRA federal funding for broadband deployment and adoption, which would be at least \$1 billion.*

California is “Shovel-Ready” to Invest Federal Funds

- California Telehealth Network (CTN): Expand infrastructure deployment and develop network management and operations (>\$75M could be utilized to augment committed \$25M+).
- Rural Infrastructure Deployment: Construct rural infrastructure (>\$150M), including backhaul and jumpstart for WISPs (see “shovel-ready” projects from Rural Regional Consortia)—perhaps led by CPUC and coordinated and/or leveraged through CASF.
- Telehealth, Telemedicine, HIT Projects: Develop robust operating CTN (see attached list).
- Native Americans: Achieve connectivity among all tribal lands and link to CTN.
- Digital Literacy: Conduct benchmarking pilot and mobilize training resources (\$.5-\$2M).
- School2Home: Launch School2Home (>\$20-30M) in next school year (September 2009).
- Broadband Adoption: Increase digital literacy training, workforce development, distance learning, computer refurbishing, regional collaboratives (>\$100M – CETF will assist with 20% match of NTIA funds – 10% CETF + 10% local match—see attached list).
- Smart Housing: Connect <100,000 units (retrofit and rehabilitation) and train residents.
- Accessibility: Expand California Accessibility Initiative to all State and education agencies.
- Homeland Security and Public Safety: Connect rural first responders; improve interoperability.
- Broadband Mapping: Update broadband baseline maps (led by CPUC with support from CETF).

[*13% of ARRA available for broadband and related programs estimated to be at least \$1B for California broadband: 13% of \$7.2B USDA RUS & NTIA BTOP = \$936M for broadband + a reasonable share of related programs should < \$1B. 13% of ARRA funding categories into which broadband can be integrated include the following: \$715M Native Americans + \$1.04B Housing + \$3.497B Education + \$513M Labor Training + \$55.9M Rural Development + \$375M Law Enforcement and R&D + \$702M Health IT and Telemedicine = \$6.898B for potential broadband-related funding that should >\$64M.]

CALIFORNIA IS KEY TO CLOSING THE DIGITAL DIVIDE IN AMERICA

Kentucky

44,000 Square Miles
Unserved

Maine

1.4 M Rural Residents
without Access

Illinois

17 M Californians
Not Connected

New Mexico

2.4 M People with Disabilities

Alaska

.68 M Native Americans

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