Let’s Talk Broadband

Welcome to Let’s Talk Broadband, a newsletter for California policymakers and community leaders on current broadband issues. It is published by the California Emerging Technology Fund (CETF), a statewide non-profit organization established at the direction of the California Public Utilities Commission (CPUC). The mission of CETF is to close the Digital Divide in California by promoting and accelerating broadband deployment and adoption.

Momentum Is Building

The spring of 2016 was a time of high momentum for public and community representatives working to close the Digital Divide.

The Federal Communications Commission (FCC) voted on March 31 to extend the Lifeline program to broadband (generic term for high-speed Internet access). The decision will have a significant effect in enabling the remaining one fifth of Americans and Californians—mostly low-income or rural—to get online at adequate speeds.

The Charter Communications Inc. acquisition of Time Warner Cable and Bright House Networks, which was approved by the FCC on April 22 and the CPUC on May 12, also will get more Californians connected to broadband, especially in the southern part of the state. See below for details about Charter’s voluntary public benefits. The Charter commitments, added to previous agreements by AT&T and Frontier, will have a significant impact.

And last but not least, there has been continuing pressure to ensure that broadband infrastructure reaches the rural and low-income communities of the Golden State, where adoption rates are far behind state goals. Read below more about the Internet For All Now Act of 2016 and efforts to replenish the California Advanced Services Fund.
Funding Opportunities

California Advanced Services Fund (CASF) Broadband Public Housing Account
Applications are accepted on a quarterly basis with upcoming deadlines of July 1, 2016 and October 1, 2016.

California Advanced Services Fund (CASF) Infrastructure Grant and Revolving Loan Accounts
Applications are being accepted on a rolling basis.

The FCC Has Set New Broadband Threshold Speed Goals as 25 Mbps Download and 3 Mbps Upload. Test Your Internet Speed Here!

Partner Organizations
California State Association of Counties (CSAC) League of California Cities (LCC) Rural County Representatives of California (RCRC) California Emerging Technology Fund (CETF) Developed in collaboration with Valley Vision

Affordable Broadband Offers Information Everyone On Cheap Internet Internet Essentials (Comcast) Access (AT&T)

Tools & Resources
Boost Public Engagement with Technology

Some day, we will look back at the spring of 2016 and remember the collective sweat of these efforts and their democratizing results. We thank you for your continued commitment and work in getting all Californians online—a 21st Century Civil Right. The Digital Divide is another manifestation of the Economic Divide and Opportunity Divide—and “access delayed is access denied.”

Sincerely,

Sunne Wright McPeak, President and CEO California Emerging Technology Fund

Leaders in Action

Lifeline
Thanks to broad support from California public officials and community organizations, the FCC made Broadband Lifeline the law of the land, which will provide a $9.25 monthly subsidy to companies to offer affordable high-speed Internet for eligible low-income households.

The support from Los Angeles leaders was particularly strong, including unanimous action by the Los Angeles City Council, Los Angeles County Board of Supervisors, and Los Angeles Unified School District Board. Letters poured into the FCC from respected public officials, such as Assembly Speaker Anthony Rendon, Senate President Pro Tempore Kevin de Leon, and Mayor Eric Garcetti.

Among community organizations, support for Lifeline Broadband was solid—Radio Bilingue, YMCA, Youth Policy Institute, Chicana Latina Foundation, California Seniors United, CUE, Families in Schools, California Workforce Association, Latino Community Foundation, PolicyLink, California Foundation of Independent Living Centers, Eden Housing, Stride Center, Human-I-T, OTX West, First Five of Fresno, Southeast Community Development Corporation, MEDA, El Concilio, EveryoneOn, and dozens more.

CETF applauded FCC Chairman Tom Wheeler’s statements around the Lifeline decision. Wheeler explained high-speed Internet is available in 95 percent of households with annual incomes of more than $150,000, but nearly half of the households with incomes of less than $25,000 a year to not have broadband. “A world of broadband ‘haves’ and ‘have-nots’ is a world where none of us will have the opportunity to enjoy the full fruits of what broadband has to offer,” Wheeler said.

Charter Corporate Consolidation
On May 12, the CPUC approved the application from Charter Communications, Inc. to acquire Time Warner Cable and Bright House Networks, incorporating the Memorandum of Understanding (MOU) between CETF and Charter to provide
significant public benefits as a result of the historic corporate consolidation. CPUC Code 854 requires that utilities companies seeking merger or acquisition approval must provide short-term and long-term economic benefits to ratepayers. Charter—which acquired 2 million customers in the Los Angeles Region, 1 million of whom are low-income—honored this law. Charter agreed to extend broadband access to 150,000 unserved households, provide free public access at 75 anchor institutions, distribute 25,000 hotspots, participate in the California telephone Lifeline program, and set an aspirational goal of getting 350,000 low-income households online.

Further, Charter is launching a $15 per month affordable subscription (for 30 Mbps download and 4 Mbps upload) across its national footprint for families with students on free-or-reduced lunch and seniors on Supplemental Security Income (SSI), for which about half of all low-income households will be eligible. To reach others, Charter is contributing $32.5 million to engage people with disabilities, support community-based organizations to do outreach and digital literacy, and implement School2Home in low-performing schools in disadvantaged neighborhoods—estimated to reach another 100,000 low-income families. Additionally, Charter committed to hire 10,000 workers of color and add 3 minority directors to their corporate board in a MOU with the National Diversity Council.

The CPUC action was supported by substantive data analysis and documentation of need by CETF, active participation from all legal parties, and endorsement from respected community organizations. California consumers—especially low-income residents and rural communities—will receive tangible benefits.

**Internet For All Now Act of 2016**

Cost is not the only reason Californians do not have high-speed Internet. For hundreds of thousands of households, another reason is that broadband is simply unavailable. This is especially true in rural areas, where deploying broadband infrastructure requires significant investment.

This is why the California Advanced Services Fund (CASF)—established by the Legislature and CPUC in 2008—has been crucial and necessary. Over the past 8 years, CASF has supported 56 broadband projects across vast and complex terrain, reaching over 300,000 households. CASF is capitalized by a small monthly fee on phone bills and is authorized
to collect a total of $315 million. Currently, 16 applications are pending before the CPUC that will deplete all the available funds. CASF requires matching funds from applicants and has leveraged a lot of federal dollars, making CASF cost-effective.

Unless the Legislature authorizes additional funds to be collecting into CASF, California will not achieve the goal of reaching 98% of all households with high-speed Internet access as enacted into law by the Legislature in 2013. Further, CETF and rural leaders understand that this Legislative commitment was to strive for 98% broadband deployment in each region, which requires the Legislature to act.

While the 98% goal has been met for urban areas, CASF estimates only 43% of rural households have access to reliable broadband. In addition, 28% of low-income households, 30% of Spanish-speaking families, and 41% of people with disabilities remain offline. It is time that CASF also support efforts to get these Californians online and able to participate in the Digital Economy and have an equal voice in the democracy in a Digital World.

CETF and more than other 60 civic and community partners, including Boards of Supervisors from 17 California Counties, currently are working to extend CASF through the Internet For All Now Act of 2016. Details can be found here.