SENATE COMMITTEE ON ENERGY, UTILITIES AND COMMUNICATIONS Senator Josh Becker, Chair 2025 - 2026 Regular

Bill No:	AB 470		Hearing Date:	7/15/2025
Author:	McKinnor			
Version:	6/19/2025	Amended		
Urgency:	No		Fiscal:	Yes
Consultant:	Sarah Smith	1		

SUBJECT: Telephone corporations: carriers of last resort

DIGEST: This bill establishes a process that requires the California Public Utilities Commission (CPUC) to allow a telephone corporation to relinquish its status as a "carrier of last resort" (COLR). This bill also establishes certain requirements for a COLR seeking to relinquish its obligation to provide telephone service and requires the CPUC to cease imposing certain rate and regulatory requirements on a telephone corporation that relinquishes its COLR designation.

ANALYSIS:

Existing law:

- 1) Authorizes the CPUC to supervise and regulate every public utility in the state and permits the CPUC to do anything that is necessary and convenient to exercise its power and jurisdiction. (Public Utilities Code §701)
- 2) Makes various statements about California's telecommunications policy, including supporting the continuance of the state's commitment to universal service by assuring the continued affordability and widespread availability of high-quality telecommunications to all Californians. (Public Utilities Code §709)
- 3) Defines a "carrier of last resort" as a telephone corporation that is required to fulfill all reasonable requests for service within its service territory. (Public Utilities Code §275.6)
- 4) Establishes the California High Cost funds (CHCF-A and CHCF-B) to provide subsidies to COLRs in high-cost areas of the state to ensure residents' access to basic telephone services. (Public Utilities Code §§276 and 276.5)
- 5) Requires the CPUC, when administering CHCF-A subsidies and setting telephone rates, to ensure that rates charged to customers of small independent

telephone corporations are just and reasonable and are reasonably comparable to rates charged to customers of urban telephone corporations. (Public Utilities Code §276.5)

This bill:

- 1) Defines "Alternative voice basic service" means a retail service made available through a technology or service arrangement by a provider that provides, as a stand-alone service or as part of a bundled service, all of the following:
 - a) Voice access interconnected with the public switched telephone network.
 - b) Access to emergency 9-1-1 service and E-9-1-1 service in compliance with current state and federal laws and regulations.
 - c) Compatibility with a backup power source.
 - d) A billing option with monthly rates and without contract or early termination penalties.
 - e) Access to the California Relay Service pursuant to §2881 for deaf or hearing-impaired persons or individuals with speech disabilities.
 - f) Access to customer service for information about service termination, repair, and billing inquiries.
 - g) Free access to 800 and 8YY toll-free services with no additional usage charges for such calls.
- 2) Defines an area of the state "well-served" by telecommunications service as an area where at least three different facilities-based service providers (not including the basic exchange copper telephone corporation acting as the COLR) offer alternative voice basic service in compliance with CPUC rules regarding emergency plans and backup power requirements. At least one of these providers must be a wireline provider. At least one provider must offer a comparatively priced alternative basic voice service, and at least one provider must be a participant in the Lifeline telephone program. A well-served area must have alternative voice basic service at all the serviceable locations in the area, based on the Federal Communications Commission (FCC) National Broadband Map showing fixed and wireless broadband coverage.
- 3) Authorizes a telephone corporation to submit an application to the CPUC to change its COLR status and requires the CPUC to approve the application if the applicant complies with this bill and other conditions that the CPUC may impose that are consistent with this bill.
- 4) Requires the CPUC to adopt a map designating well-served areas of the state by December 15, 2026. This bill requires the CPUC to include data from existing

maps used for the Broadband Equity, Access, and Deployment (BEAD) program or the FCC's National Broadband Map.

- 5) Requires a telephone corporation to demonstrate compliance with service quality rules for at least 12 months prior to submitting a request to amend its COLR status.
- 6) Requires the CPUC to work with the Office of Emergency Services (OES) to adopt a process by December 15, 2026, enabling a telephone corporation to use a Tier 2 advice letter to change its COLR status for portions of the state where the United States Census Bureau reports no population and where the telephone corporation provides no basic exchange service to any address located within the area. This bill specifies the components that must be included this process, including, but not limited to a 90-day period in which households in an area can submit challenges to the application.
- 7) Requires the CPUC to work with the OES to adopt a process by December 15, 2026, enabling a telephone corporation to use a Tier 2 advice letter to change its COLR status for portions of the state that are well-served based on maps adopted by the CPUC. This bill specifies the components that must be included this process, including, but not limited to a 180-day period in which households in an area can submit challenges to the application.
- 8) Requires a telephone corporation that has changed its COLR status pursuant to this bill to do all the following:
 - a) Demonstrate within six years that it has built out fiber optic facilities to at least three times the number of households in the state as the number of basic telephone customers served by the telephone corporation at the time its COLR status changed. Half of the buildout must occur in areas of the state that are not well-served, as specified.
 - b) Provide continuing service to a customer who subscribes to basic exchange service for at least 12 months from the date the telephone corporation COLR relief if the customer elects not to transition to an alternative voice basic service.
 - c) To the extent technically feasible, offer an existing residential customer a comparatively priced alternative voice basic service for at least 24 months from the date the telephone corporation obtains COLR relief.
 - d) To the extent technically feasible, offer a discounted broadband plan in each area where the corporation has received COLR relief. This plan must be offered to eligible consumers for at least 24 months from the date the telephone corporation obtains amended status. To qualify, a household shall

have an income that is at or below 400% of the federal poverty guidelines or at least one member of the household shall participate in a specified qualifying public assistance program.

- e) Provide specified assistance for alarm system migration, public safety technology upgrade grants, public outreach assistance, labor and workforce development, and digital literacy support for 24 months after obtaining COLR relief.
- f) Conduct workshops in legislative districts as specified, including at the request of an Assembly Member or Senator.
- 9) Establishes a fund in the State Treasury to finance public safety technology upgrade grants provided after a telephone corporation obtains COLR relief.
- 10) Authorizes the CPUC to assess penalties if a telephone corporation granted COLR relief violates any conditions of its relief specified in this bill. This bill stipulates that these penalties may include a civil money penalty up to \$50,000 for each violation.
- 11) Specifies that for a 10-year period after a telephone corporation is granted COLR relief, the telephone corporation must provide alternative basic service to a household that is unable to obtain this service from any other provider in the area. The household must submit a specified notice regarding the absence of alternative basic service and the CPUC must determine if no alternative provider exists within 30 days. This obligation may be terminated if the telephone corporation can demonstrate that alternative basic service is available at the residential customer's location.
- 12) Exempts the following from the bill's requirements:
 - a) Certain islands off the California coast that contain at least one area that is well-served.
 - b) Specified legacy telecommunication systems used for public safety from the bill's requirements.
- 13) Specifies that once the CPUC relieves a telephone corporation from its COLR obligations, the CPUC cannot establish a new COLR for the area in which COLR relief is granted.
- 14) Clarifies that nothing in this bill affects the CPUC's authority over other voice services or COLR obligations in areas of the state where a telephone corporation cannot change its COLR status.

Background

COLR is the obligation to provide service. Provider of last resort obligations are considered cornerstones of utility regulation. The principle that an entity must be designated to guarantee service stems from the "common carrier" precedent established in *Munn v. Illinois* (1876). In this case, the United States Supreme Court determined that certain industries affect the common good and are subject to regulation by the state to ensure that the interests of the public are protected. Common carriers must serve all customers who request service. This bill establishes a process by which telecommunications companies can terminate their COLR status, which ends the requirement that the company provide service to all customers within their jurisdiction upon request.

COLR = *POLR*. Consistent with federal common carrier laws, California's electric and telecommunications sectors have requirements to ensure that an entity exists to provide customers with service in the event that newer competitors are unable or unwilling to do so. In the regulated electric utility sector, the state's investor-owned utilities (IOUs) serve as providers of last resort (POLRs). In the telecommunications sector, those incumbent telecommunications companies that grew from the monopoly telephone system were designated as COLR. The establishment of POLRs and COLRs were necessary to ensure that consumers retained access to services while electric utility and telecommunications sectors, the providers of last resort are legacy facilities-based incumbent utilities.

Unlike POLR, California's COLR requirements are established entirely in CPUC regulation. In 1996, the CPUC adopted a decision (D. 96-10-066), requiring incumbent local exchange carriers to serve as COLRs in their service territories until other carriers could be designated as COLRs. The CPUC established COLR obligations to ensure that consumers always have a POLR to supply basic telephone service as deregulation in the telecommunications sector accelerated. In both the electric and telecommunications sectors, bankruptcies have led to the dissolution of competitive providers. In these circumstances, the state has relied on POLRs and COLRs to provide electric and telephone service to those customers whose providers ceased operation.

In 2012, the CPUC updated its basic telephone service requirements. This update clarified the process by which a carrier can withdraw from COLR obligations. Under the CPUC's rules, if a COLR is the only carrier remaining in a designated geographic area, it must file an application at the CPUC to withdraw as a COLR, and it must continue to act as the COLR until the application is approved or a new COLR is designated.

Historically, providers of last resort exist as a safeguard to ensure consumers' access to essential utility services while facilitating competitions between existing incumbent providers and new competitive entrants to the market. Since the expansion of internet and wireless communications, traditional telephone corporations have faced significant challenges maintaining legacy networks while customers migrate to new, unregulated services. Two companies, AT&T and Frontier, serve as COLRs for 99% of the state, with AT&T serving as the COLR for the vast majority of the state.

Maintaining COLR and expanding broadband are not necessarily mutually exclusive. The CPUC's COLR requirements are technology neutral; a COLR can provide basic telephone service through wireline telephone service or other technologies, including Voice over Internet Protocol (VoIP). Whatever service a COLR uses to meet its basic service requirements becomes subject to certain CPUC regulations to ensure the reliability and affordability of basic telephone service. A COLR may provide other, unregulated telecommunications services in addition to their basic service offering. Historically, COLRs have used their legacy copper telephone network to meet COLR obligations. During the period in which VoIP overtook legacy telephone service as the dominant home and business telephone service, California statute limited the CPUC's ability to set requirements on internet-enabled communications. In 2020, that statute sunset, providing the CPUC with greater authority to regulate internet-based communications to the degree that federal law permits such actions.

Bill follows CPUC's denial of AT&T's application to terminate COLR obligations. In March 2023, AT&T submitted an application (A.23-03-003) to the CPUC to obtain relief for its COLR obligations. Multiple parties, including a variety of counties and cities, submitted comments opposing the application. On June 20, 2024, the CPUC rejected AT&T's application for COLR relief with prejudice. This ruling prohibits AT&T from filing another COLR relief application until at least one year after the CPUC has issued a decision in a proceeding the CPUC intends to open to modify COLR rules. On June 20, 2024, the CPUC simultaneously opened a rulemaking (R. 24-06-012) to consider change to update COLR rules. The CPUC expects to render a decision in this proceeding in early 2026. This bill follows the CPUC's rejection of AT&T's application by establishing a framework by which AT&T can relinquish its COLR obligations outside the CPUC's application process. As a result, this bill may conflict with the CPUC's ongoing rulemaking to update COLR rules and require the CPUC to rescope this proceeding.

Ending COLR obligations may have far-reaching consequences, necessitating additional statutory and regulatory changes. While this bill follows the rejection

of AT&T's application at the CPUC, this bill applies more broadly to all COLRs and may establish a process by which the obligation to provide basic telephone service could cease to exist as a regulatory concept in California. Many aspects of the state's universal service programs are intertwined with COLR obligations. For example, the administration of the state's High Cost Funds are directly linked to those companies' COLR designation. The High Cost Funds help subsidize the rate of basic telephone service in areas of the state where the cost to provide this service is uniquely expensive, which tend to be rural regions of the state with challenging terrain and limited economies of scale. The High Cost Fund – B (CHCF-B) program provides subsidies to large telephone corporations that serve these areas. The High Cost Fund – A (CHCF-A) program provides subsidies to the small independent telephone corporations that are largely fully rate-regulated. Existing law requires the CPUC to administer the CHCF-A program in a manner that ensures that rates for the small independent telephone corporations are consistent with rates for regulated telephone service in urban areas. To the extent that this bill enables the deregulation of urban telephone rates through de-tariffing and shifts towards unregulated services, this bill may limit the extent to which the CPUC can use urban rates as a benchmark for ensuring rate fairness between urban and rural telephone customers. It may be necessary to adopt additional legislation to address the extent to which de-tariffing of large portions of the state would impact other telecommunications policies, including the High Cost Funds.

Some of this bill's safeguards may not sufficiently protect access to services. This bill establishes a process by which the CPUC must relieve a telephone corporation of its obligation to serve customers pursuant to COLR. While some areas may have multiple providers and could meet this bill's definition of "well-served," only COLRs are obligated to actually provide telephone service upon request by a consumer. All other providers may offer services in the area without actually guaranteeing service to each household in that area. As a result, households in well-served areas may face difficulty compelling any providers to serve specific addresses. This bill establishes a process by which a former COLR must provide phone service to a household that cannot obtain service from any other provider during a 10-year period after the company has been relieved of its COLR duties. However, the process established by this bill requires a customer to submit a specified request to the CPUC and provides the CPUC up to 30 days to make a determination about whether the former COLR is obligated to provide phone service. This bill does not identify a timeline by which the former COLR must actually provide the service to an unserved household. It is not clear that waiting in excess of 30 days for a remedy would sufficiently safeguard against public safety risks posed to a household that lacks any telephone service.

Bill would also release a telephone corporation from other obligations if it abandons COLR. In the event that the CPUC provides COLR relief to a telephone corporation under this bill, this bill also requires the CPUC to release the COLR from other obligations. These obligations are not currently defined in this bill; however, they may include certain tariffs for basic telephone services, other tariffs associated with certain requirements for meeting specific service obligations, and other regulatory requirements that apply to telephone services. If a telephone corporation is relieved of COLR duties, a certain amount of de-tariffing is likely necessary; however, certain tariffs on telecommunications services are necessary – regardless of COLR status. For example, 9-1-1 services, including Next Generation 9-1-1 (NG 911) are tariffed to ensure the reliability and accessibility of the 9-1-1 system.

Potential impacts to affordability. Once a company is no longer required to serve as a COLR, this bill would allow that company to de-tariff its services in the area where it has obtained COLR relief. Tariffs are a regulatory mechanism that enables the CPUC to oversee, and in the case of utility services like telephone service, regulate the cost, terms, and conditions of providing service. While this bill stipulates that a COLR may seek relief from its COLR duties in a well-served area where at least 1 of 3 alternative voice providers in the area offers voice service at comparable prices to the former COLR's rates, it is not clear that the CPUC would have a mechanism to ensure that such a provider exists. Additionally, if the sole affordable voice alternative ceases operation in the area, a community may be left with no affordable telephone services. The majority of alternative voice providers will likely be internet-based and wireless telephone providers. These providers do not have any rate oversight for their services and do not file tariffs with the CPUC for their basic telephone offerings. Since the CPUC does not have rate control over alternative voice providers, nothing limits these providers from raising their rates after a telephone corporation relinquishes its COLR duties.

De-tariffing telephone services may not inherently raise rates; however, it will remove oversight and controls for telephone rates and the terms and conditions on which telephone services are offered. While this bill sets up a framework in which COLR relief may only be granted in areas that are well-served by alternative providers, providers that are not COLRs can generally choose the conditions under which they will offer service. If an internet service provider (ISP) offers VoIP as part of a bundled service, the ISP may require a household to subscribe to its internet service as a condition of obtaining telephone service. Paying for a bundled plan would substantially increase the cost of obtaining telephone service that may otherwise be offered as a standalone product. While this bill requires at least one of the three providers in a well-served area to be a Lifeline provider, it is likely that wireless providers will be the only Lifeline option in the vast majority of areas.

For households that rely on Lifeline wireline service, no other providers may exist. To the extent that removing COLR obligations reduces the availability of basic telephone service in areas of the state, the lower amount of competition and lack of tariffed benchmarks for telephone service may also encourage providers to raise rates for any voice services.

Bill requires the CPUC to use certain existing maps pertaining to broadband to map access to telephone service. Several portions of this bill require the CPUC to use data from existing FCC and state maps pertaining to broadband infrastructure access. While these maps may be beneficial for identifying addresses where broadband infrastructure is accessible to an address, these maps may not provide a sufficient picture of whether telephone service can be provided to a specific address in a manner that meets all the obligations in this bill. For example, this bill partly defines a well-served area as an area where all the broadband serviceable locations (BSLs) in the area have voice service based on broadband maps by the FCC that identify BSLs. However, the FCC's definition of a BSL is not the same as an address. Since these maps are intended to identify the extent to which broadband infrastructure is sufficiently accessible to a building to support the installation of broadband, the map does not count each address as a separate serviceable location. For apartment complexes, a building comprised of many apartments may be a serviceable location, but individual units within the complex are not counted as separate service locations. The FCC's website notes: "Individual units within an apartment or condo building are not considered BSLs, but each building in an apartment or condo complex is typically counted as a single BSL." Additionally, designation as a BSL does not mean that services already exist at that location. Instead, a BSL is a location where services already exist or can be installed within 10 business days. The gap between the BSLs in the FCC maps and the lack of service at specific addresses has led to a number of disputes about the accuracy of these maps. The CPUC vetted a number of challenges to broadband maps as part of its efforts to ensure that BEAD and FCC maps included the most accurate information about unserved California households; however, not all challenges may have been addressed and neither the BEAD or FCC broadband maps address the extent to which voice service is sufficiently reliable at a specific address. BEAD maps are also established a specific point-in-time for the BEAD program, and may be several years old by the time a telephone corporation submits a successful application for COLR relief under this bill.

Need for amendments. As currently written, this bill may not provide sufficient protections for households that use Lifeline for wireline service. While this bill creates a broadband buildout obligation for a company relieved of COLR duties, it does not set a speed standard for that internet buildout. This bill also requires the CPUC to relieve a company of other obligations once its COLR status has changed

without clarifying which obligations or tariffs should be relieved. This bill also requires the CPUC to use certain maps that may not have sufficient data to fully reflect service needs that influence the ability to provide COLR relief under this bill. While this bill requires the CPUC to approve a COLR application that meets certain criteria, it does not clarify whether the CPUC can amend a COLR application to reflect any verified challenges or limitations that occur as part of the review process. This bill also prohibits the CPUC from designating a new COLR for an area while also authorizing the CPUC to exercise regulatory authority over alternative voice basic service, potentially raising the possibility that alternative voice basic service obligations could replace COLR obligations. This bill requires a telephone corporation granted COLR relief to offer certain labor and workforce development support in response to the termination of COLR; however, if the termination of COLR services also contributes to greater migration to digital services, additional support for workers may be needed. *To the extent that the* author and committee wish to establish a process by which company will be relieved of its COLR duties as laid out in this bill, the author and committee may wish to amend this bill to do the following:

- Exempt households enrolled in Lifeline from the locations where a telephone corporation may be relieved of its COLR duties.
- Clarify that the only additional obligations relieved at the time that COLR relief is granted are solely those tariffs pertaining to COLR telephone service.
- Clarify that nothing in this bill modifies other duties and obligations established separately from COLR, including a corporation's eligible telecommunications carrier status.
- Allow the CPUC to use additional data sources for the purpose of creating maps pursuant to this bill and identifying areas that are well-served.
- Clarify that the CPUC can amend and approve a COLR application based on the Tier 2 advice letter process established in the bill.
- *Prohibit de-tariffing of 9-1-1 or NG 9-1-1 services.*
- Establish additional guarantees of labor obligation for the workforce of a telephone corporation that obtains COLR relief.
- Clarify that the termination of COLR in an area does not enable the CPUC to designate an alternative voice basic service provider as the COLR.
- Technical and conforming changes.

This bill specifies that a well-served area is one in which at least 1 of 3 alternative voice providers offers voice service at prices comparable to COLR service. However, this bill does not specify a mechanism for the CPUC to verify that these conditions exist and no mechanism exists to ensure that affordable offers continue to exist if the lone affordable alternative ceases to offer voice service in an area where COLR relief is granted. *To the extent that the author and committee wish to*

also ensure that the CPUC can verify that alternative voice offerings are comparably priced to the tariffed COLR offering and prevent the removal of COLR from areas where there are an insufficient number of affordable alternatives, the author and committee may wish to amend this bill to clarify that a well-served area must be a location in which at least 2 providers offer alternative voice basic service at prices comparable to tariffed basic service, as confirmed by CPUC.

Dual Referral. Should this bill be approved by this committee, it will be re-referred to the Senate Judiciary Committee.

Prior/Related Legislation

AB 2797 (McKinnor) of 2024, contained certain provisions substantially similar to this bill. The bill would have required the CPUC to relieve a telephone corporation of its COLR duties if certain criteria existed. The bill died in the Senate.

AB 1366 (Daly) of 2019, expanded the authority of the OES to regulate provision of next generation 9-1-1 services. A prior version of the bill heard by this committee would have extended laws prohibiting state and local governments from regulating VoIP services and other internet-based communications. The bill died in the Senate Energy, Utilities and Communications Committee.

AB 2395 (Low) of 2016, would have established a process by which a telecommunications provider could cease offering traditional telephone services. The bill died in the Assembly Appropriations Committee.

FISCAL EFFECT: Appropriation: Yes Fiscal Com.: Yes Local: Yes

SUPPORT:

Mayor James T. Butts, City of Inglewood Mayor Scott Donaldson, City of Del Rey Oaks Mayor Dennis Donohue, City of Salinas Mayor Matt Mahan, City of San Jose Mayor Kevin McCarty, City of Sacramento Mayor Ian N. Oglesby, City of Seaside Supervisor Joel Anderson, San Diego County Supervisor Rich Desmond, Sacramento County District 3 Supervisor Jose Medina, Riverside County Supervisor Doug Verboon, Kings County Councilmember Courtney Walsh, City of Emeryville Sheriff John Zanoni, Fresno County 101 Enterprises Foundation

Asian Pacific American Community Center Asian Pacific Islander American Vote **Barona Band of Mission Indians Big Valley Band of Pomo Indians Black Business Association Black Education Expo** Boys & Girls Club of Central Orange Coast Boys & Girls Club of Kern County Boys & Girls Clubs of Carson Boys & Girls Clubs of Fresno County **Business Council San Joaquin County Business of Student Success** California LULAC California Nations Indian Gaming Association California Tennis Association for Underprivileged Youth California Valley Miwok Tribe California-Hawaii State Conference of the NAACP Chamber of Commerce: Alameda County Latina, California, California African American, California Asian Pacific, California Hispanic, Carlsbad, Greater Bakersfield, Greater Los Angeles African American, Greater Riverside, Los Angeles Area, Newport Beach, North Orange County, Oceanside, Orange County Black, Orange County Hispanic, Palos Verdes Peninsula, San Diego County Hispanic, Santa Ana, Santa Clarita Valley, Torrance Area, Tulare Kings Hispanic, and Ventura Chemehuevi Indian Tribe Coalition for Responsible Community Development Concerned Black Men of Los Angeles **Concerned Citizens Community Involvement Digital LIFT** East Bay Leadership Council **EMAC** Construction **Empowerment Dess Perkins Foundation Enterprise Rancheria** Equality California Ewiiaapaayp Band of Kumeyaay Indians EXP – the Opportunity Engine Hopland Band of Pomo Indians **Iipay Nation of Santa Ysabel** Jamul Indian Village of California Janet Goeske Foundation Japanese American Citizens League Kern Economic Development Foundation

kidSTREAM Children's Museum La Jolla Band of Luiseño Indians Latino Education and Advocacy Days Los Angeles County Business Federation Los Angeles Mission Mesa Grande Band of Mission Indians Metro Area Advisory Committee Project Monterey County Hospitality Association Morongo Band of Mission Indians Mother Lode Rehabilitation Enterprises Inc. OCA- Asian Pacific American Advocates **ONE**generation **Orange County Business Council** Pala Band of Mission Indians Pauma Band of Luiseño Indians **Pinoleville Pomo Nation** Porterville Sheltered Workshop Rancho Cienega Tennis Shop **Reality Changers Redding Rancheria** Rincon Band of Luiseño Indians **RISE San Diego** Robinson Rancheria Pomo Indians of California Salvadoran American Leadership & Educational Fund San Diego North Economic Development Council San Gabriel Valley Conservation and Service Corps San Pasqual Band of Mission Indians Silicon Valley Leadership Group Small Business Diversity Network Soboba Band of Luiseño Indians **Tejon Indian Tribe** The Arc of California The Fresno Center United Way Bay Area Vermont-Slauson Economic Development Corporation Weave Inc.

OPPOSITION:

#OaklandUndivided AARP Alliance for a Better Community Arts for LA

Bridge the Digital Divide California Alliance for Digital Equity California Alliance for Retired Americans California Chapter National Emergency Number Association California Community Foundation California Federation of Labor Unions, AFL-CIO California Federation of Teachers Center for Accessible Technology Center for Leadership, Equity, and Research Communication Workers of America, District 9 Communities in Schools of Los Angeles Community Coalition of the Antelope Valley **Consejo De Federaciones Mexicanas** County of Humboldt County of Kern County of Marin, unless amended County of San Joaquin County of Shasta **Destination Crenshaw Digital Equity LA Diversity in Leadership Institute Electronic Frontier Foundation** EveryoneOn Families in Schools Fiber-Up My Neighborhood Fresno Coalition for Digital Inclusion **GPSN** Hack the Hood Healing and Justice Center **Innovate Public Schools** Institute for Local Self-reliance Insure the Uninsured Project Kapor Center Las Virgenes-Malibu Council of Governments Latino Equality Alliance League of California Cities-Los Angeles County Los Angeles Unified School District Los Angeles Urban League Media Alliance NextGen California Our Voice: Communities for Quality Education Pacoima Beautiful

Para Los Ninos Parent Engagement Academy Parent Institute for Quality Education Public Advocates Office, unless amended PUENTE Learning Center Southeast Community Development Corporation The Utility Reform Network TRiO Plus UNITE-LA United Parents and Students Vision y Compromiso

ARGUMENTS IN SUPPORT: According to the author:

AB 470 will incentivize investment in more advanced and affordable communications for all Californians. Modern network services are more innovative, reliable, fast and generally meet the twenty-first-century needs of Californians. In addition to superior services and reliability, the cost of VOIP and wireless services have been steadily decreasing for the past two decades, while during the same period, copper landline services have drastically increased in cost. With affordable modern internet-based and wireless-based phone services, consumers benefit from greater affordability and additional features that will keep all Californians connected to each other and people around the world.

ARGUMENTS IN OPPOSITION: Opponents argue that the elimination of COLR could leave households without reliable telecommunications service and result in higher consumer costs without a mechanism to remedy service gaps. In opposition, a coalition of labor organizations, including the California Federation of Labor Unions, Communications Workers of America, California Federation of Teachers, and California Alliance for Retired Americans states:

AB 470 would allow carriers to shed their COLR obligations but not mandate any other carrier in the territory to assume that obligation. It would leave the duty to provide universal access to safe, reliable, and affordable service to the market. This would put current and future customers at risk of losing service and grant companies the ability to decide what communities to serve and which to ignore. It would also put union jobs across the state at risk, accelerating a loss of good jobs in the industry. For phone and broadband service to be available to all who ask for it, the COLR rule must be maintained and enforced.