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**SENATE COMMITTEE ON ENERGY, UTILITIES AND  
COMMUNICATIONS**

**Senator Ben Hueso, Chair**

**2021 - 2022 Regular**

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<b>Bill No:</b>	AB 2256	<b>Hearing Date:</b>	5/31/2022
<b>Author:</b>	Quirk-Silva		
<b>Version:</b>	3/10/2022 Amended		
<b>Urgency:</b>	No	<b>Fiscal:</b>	Yes
<b>Consultant:</b>	Sarah Smith		

**SUBJECT:** Office of Broadband and Digital Literacy: reports

**DIGEST:** This bill expands the membership of the Middle Mile Advisory Committee (MMAC) to include an elected government official from a city or county, appointed by and serving at the pleasure of the Speaker of the Assembly.

**ANALYSIS:**

Existing law:

- 1) Establishes the Office of Broadband and Digital Literacy within the California Department of Technology (CDT) and requires the office to oversee contracts to construct a state-owned, open-access middle mile broadband network. (Government Code §11549.50 et seq.)
- 2) Establishes MMAC to monitor the construction and establishment of the state-owned, open-access middle mile network. Existing law specifies that the MMAC's membership must include the following representatives:
  - a) A representative from the California Public Utilities Commission (CPUC).
  - b) A representative from CDT.
  - c) A representative from the California Department of Transportation.
  - d) A representative from the Department of Finance.
  - e) A representative from the Government Operations Agency.
  - f) Two ex officio members from the Assembly, appointed by the Speaker of the Assembly.
  - g) Two ex officio members from the Senate and be appointed by the Senate Committee on Rules. (Government Code §11549.58)

This bill expands the MMAC membership to include an elected government official from a city or county, appointed by and serving at the pleasure of the Speaker of the Assembly.

## Background

*Broadband Infrastructure Package of 2021.* As part of the 2021 State Budget, the Legislature approved approximately \$6 billion for broadband infrastructure over three fiscal years. The Legislature passed SB 156 (Committee on Budget, Chapter 112, Statutes of 2021) to establish a framework for allocating and implementing this broadband funding. Of the \$6 billion total, SB 156 allocated \$3.25 billion for the construction of a state-owned, middle mile broadband network. Middle mile lines carry large amounts of data over longer distances to last mile lines that go to consumers' homes. The state-owned, middle mile network is intended to lower barriers to improving and expanding broadband infrastructure in unserved and underserved communities. SB 156 also established the Office of Broadband and Digital Literacy at CDT, which is tasked with overseeing the creation and management of the state-owned middle mile network. This bill also allocated \$2 billion for last mile infrastructure and \$750 million to create a loan-loss reserve account at the CPUC to help local governments and nonprofits finance additional broadband infrastructure at the local level.

*Bill expands membership of the Middle Mile Advisory Committee.* In addition to allocating funds for broadband infrastructure, SB 156 also created the MMAC, which is supported by CDT and consists of nine members. These members include four ex-officio members from the Legislature. Under existing law, two of these four legislative MMAC members are appointed by the Senate Committee on Rules and two legislative members are appointed by the Assembly Speaker. This bill increases the MMAC to 10 members by adding an elected government official from a city or county, appointed by and serving at the pleasure of the Assembly Speaker. Under this bill, three of the 10 MMAC members would be appointed by the Assembly Speaker, and two members would be appointed by the Senate Committee on Rules.

*Council, Committee, or Commission?* This bill expands the membership of the MMAC, which is one of three state-level bodies providing an opportunity for stakeholder engagement on state broadband investments. In addition to the MMAC, stakeholders can also submit comments and act as intervener in CPUC proceedings and participate in California Broadband Council meetings. To the extent that MMAC membership could help local governments better engage on planning for middle mile construction, expanding MMAC membership to include local representatives may be beneficial. However, MMAC membership may not enable local governments to better obtain last mile funding since the CPUC administers last mile funding, and the MMAC only monitors construction of the state-owned middle mile network, which is intended to be built in state highway rights of way.

It is possible that a city or county elected official can represent the interests of a wide variety of local governments; however, factors influencing broadband access at the local level vary widely throughout the state. While some urban areas may have limited broadband access due to long-term disinvestment in infrastructure and subscription cost barriers, rural areas lack economies of scale to support higher construction and maintenance costs. A single local elected official may face challenges representing the wide scope of local broadband concerns given California's geographic and demographic diversity.

*Need for Amendments.* As currently drafted, this bill expands the MMAC membership to include a local government elected official appointed by the Assembly Speaker. However, this bill does not include a local government official appointed by the Senate. *To ensure that a wider range of local views are represented at the MMAC and maintain an equal number of MMAC representatives appointed by each house of the Legislature, the author and committee may wish to amend this bill to also include a local government elected official MMAC member appointed by the Senate Committee on Rules.*

### **Prior/Related Legislation**

SB 156 (Committee on Budget, Chapter 112, Statutes of 2021) implemented broadband infrastructure spending approved in the 2021 Budget Act. The bill established the Office of Broadband and Digital Literacy and required the office to oversee the construction of a state-owned, open-access middle mile broadband network. The bill also established the MMAC and specified its membership.

**FISCAL EFFECT:** Appropriation: No Fiscal Com.: Yes Local: No

### **SUPPORT:**

California State Association of Counties (Co-sponsor)  
County of Monterey (Co-sponsor)

### **OPPOSITION:**

None received

**ARGUMENTS IN SUPPORT:** According to the author:

During my time on the MMAC I have seen firsthand the level of partnership that is needed between local governments and the administrators of this \$3.25 billion dollar project. For example, local planning and permitting has

been identified as a potential obstacle to expeditiously constructing the MMBI project. Having a member of the MMAC with local government experience, as proposed by this bill, can provide valuable insight that could benefit the management of the project.

**-- END --**