
**SENATE COMMITTEE ON ENERGY, UTILITIES AND
COMMUNICATIONS**
Senator Steven Bradford, Chair
2023 - 2024 Regular

Bill No:	SB 860	Hearing Date:	4/10/2023
Author:	Bradford		
Version:	3/20/2023 Amended		
Urgency:	No	Fiscal:	Yes
Consultant:	Sarah Smith		

SUBJECT: Office of Broadband and Digital Literacy: outreach

DIGEST: This bill requires the California Department of Technology (CDT) Office of Broadband and Digital Literacy to conduct outreach to increase awareness about broadband subsidy programs and improve broadband adoption.

ANALYSIS:

Existing law:

- 1) Establishes the Office of Broadband and Digital Literacy within the 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) Requires CDT to work with various stakeholders, including the California Public Utilities Commission (CPUC) and California Broadband Council to develop a state digital equity plan. Existing law specifies contents that must be included in the state digital equity plan and authorizes CDT to obtain federal funding for the creation and implementation of this plan. (Government Code §11546.46)
- 3) Establishes the California Broadband Council to promote broadband deployment in underserved and unserved portions of the state and encourage broadband adoption throughout the state. Existing law specifies the membership of the Broadband Council and assigns duties to the Council, including coordinating communication among state agencies regarding California's participation in proceedings related to the National Broadband Plan. (Government Code §8885 et. seq.)

This bill:

- 1) Requires the Office of Broadband and Digital Literacy to take the following steps to improve broadband adoption using existing resources:

- a) Coordinate with all relevant state agencies that administer programs for eligible low-income households to increase those agencies' awareness of existing programs that help provide discounted broadband service and devices to low-income Californians, including, but not limited to the Affordable Connectivity Program (ACP)
- b) Use existing resources to create an awareness campaign and help state and local agencies interacting with low-income Californians distribute information.
- c) Ensure that state and local agencies have information in simple and accessible terms, in multiple languages, and in different formats to distribute in different settings and platforms, including at government offices serving the general public.
- d) Ensure that information for programs providing discounted broadband service and devices is provided to eligible low-income Californians when they contact state and local agencies for support services.
- e) Incorporate outreach strategies required under this bill in the state's Digital Equity Plan.

Background

Bill requires CDT to conduct outreach to improve awareness about existing broadband discounts. Under existing law, CDT is tasked with developing and implementing the state's Digital Equity Plan. This bill requires the Office of Broadband and Digital Literacy within CDT to take certain steps to increase awareness about programs that provide discounted broadband plans and devices. This bill requires CDT to conduct different forms of outreach; however, this bill specifies that the Office should ensure that agencies that interface with eligible low-income Californians have appropriate materials the agencies can use to help eligible households understand the availability of these benefits. This bill also requires the Office of Broadband and Digital Literacy to ensure that this bill's outreach requirements are incorporated into the state's Digital Equity Plan. CDT has already received a \$4 million grant to develop this Digital Equity Plan. CDT is also already developing resources to increase public awareness about federal broadband discounts, including the ACP.

A brief history of the ACP. While this bill does not require CDT to increase awareness exclusively about the ACP, the ACP remains the most substantial

monthly broadband discount available to low-income households. As essential services, schools, and medical appointments shifted to online formats during the Covid-19 pandemic, families unable to access internet services faced unique challenges. Households may lack broadband for a variety of reasons; however, the lack of broadband infrastructure and the cost of internet service plans are the two most significant barriers.

In December 2020, Congress passed the Consolidated Appropriations Act of 2021, which included over \$2 trillion in federal spending for pandemic relief. This bill also included funding for the Federal Communications Commission (FCC) to establish the Emergency Broadband Benefit (EBB), which provided eligible low-income households with a discount off the cost of internet service and certain connected devices. The program reimbursed providers for the cost of these discounts up to specified amounts. In March 2021, the FCC launched the EBB. The EBB suffered from low enrollment, which may have been exacerbated by the perceived temporary nature of the program as a short-term pandemic relief measure.

In November 2021, President Biden signed the Infrastructure Investment and Jobs Act (IIJA), which provided substantial stimulus funds to help the economy recover from pandemic losses. The IIJA also included over \$14 billion in funding to reform the EBB into a longer-term broadband discount program known as the Affordable Connectivity Program (ACP). Following the FCC's reforms, the ACP provides households at or below 200 percent of the federal poverty level with a \$30 discount per month toward internet service (up to \$75 per month for households on Tribal lands). Eligible households can also get a one-time discount up to \$100 to purchase a laptop, desktop computer, or tablet if they contribute between \$10 to \$50 towards the purchase price. While the ACP is projected to expend its existing funding by the end of 2024, stakeholders are already advocating for its extension at the federal level.

ACP Enrollment remains low despite many households qualifying for the benefit. CDT has already established a website tracking state and county-level eligibility and enrollment in the ACP. Data from this tracker shows that while over 5.8 million households in California are eligible for the ACP, only 1.8 million have enrolled. Approximately 68 percent of California's eligible households have not enrolled in the ACP. Some counties have uniquely low ACP enrollment rates, including Contra Costa County. While 34 percent of Contra Costa County households are eligible for the ACP, only 18 percent of those eligible have enrolled. It is unclear why certain areas have more profound disparities in ACP enrollment rates. The FCC is in the process of taking steps to improve enrollment in the ACP. On April 3, 2023, the FCC announced that it had completed changes

to the enrollment process to make application and enrollment in the ACP more consumer-friendly. This bill's emphasis on leveraging existing low-income programs to increase awareness about the ACP is consistent with federal efforts to increase enrollment in the ACP.

Prior/Related Legislation

AB 2750 (Mia Bonta, Chapter 597, Statutes of 2022) requires CDT to develop a state digital equity plan and obtain federal funding to develop and implement this plan. The bill specified that this plan must examine digital equity barriers for certain populations, include goals for improving digital equity, and provide recommendations for a statewide digital navigators program.

SB 156 (Committee on Budget and Fiscal Review, Chapter 112, Statute of 2021) established a framework for constructing state-owned middle-mile broadband infrastructure overseen by CDT and allocated \$2 billion to the CPUC for last mile broadband funding opportunities. The bill also established the Office of Broadband Digital Literacy within CDT.

SB 743 (Bradford, 2021) would have required the CPUC to administer a grant program to support broadband adoption, digital literacy, and computer equipment for public housing communities, low-income mobile home parks, and farmworker housing. The bill was held in the Assembly Appropriations Committee.

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

SUPPORT:

USTelecom-The Broadband Association, Sponsor
California's Independent Telecommunications
The Utility Reform Network

OPPOSITION:

None received

ARGUMENTS IN SUPPORT: According to the author:

The Affordable Connectivity Program (ACP) is a Federal Communications Commission (FCC) benefit program that helps ensure households can afford the broadband they need for work, school, healthcare and more. This affordable

broadband program is offered by most, if not all, broadband service providers in California.

In November 2021, President Biden signed into law the Infrastructure Investment & Jobs Act (IIJA), setting aside a historic \$65 billion for broadband deployment and affordability—including \$14.2 billion for the ACP. The FCC launched the ACP in April 2022 to provide eligible households with a discount up to \$30 per month (up to \$75 per month on qualifying Tribal lands) for high-speed internet service.

At the end of 2022, there were more than 1.85 million households enrolled throughout the state—only 30% of all ACP eligible households.

SB 860 simply encourages coordination and collaboration to ensure targeted departments who can identify those families needing assistance with broadband costs do so with existing resources.

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