



CCTA California Cable &
Telecommunications
Association
Invested. Innovative. Competitive.

Advancing A Sound Broadband Strategy

*Connecting All Californians to New
Opportunities*

May, 2021

Introduction

The coronavirus pandemic has revealed many social and health-related disparities, and the digital divide is one of the most urgent challenges among them. From remote work and remote learning to video conferencing with virtual health care providers, the last year has underscored the integral role Internet technology plays in Californians' daily lives.

We're at a critical tipping point in California as we have an opportunity to proactively collaborate to turn our policy objectives into meaningful and lasting changes by providing broadband service to the many California families who seek it and who have historically been the hardest to reach.

As legislators work to make digital parity a part of our new normal, addressing California's digital divide must begin by coming to a fact-based consensus that defines the problem at hand and lays out the right approach.

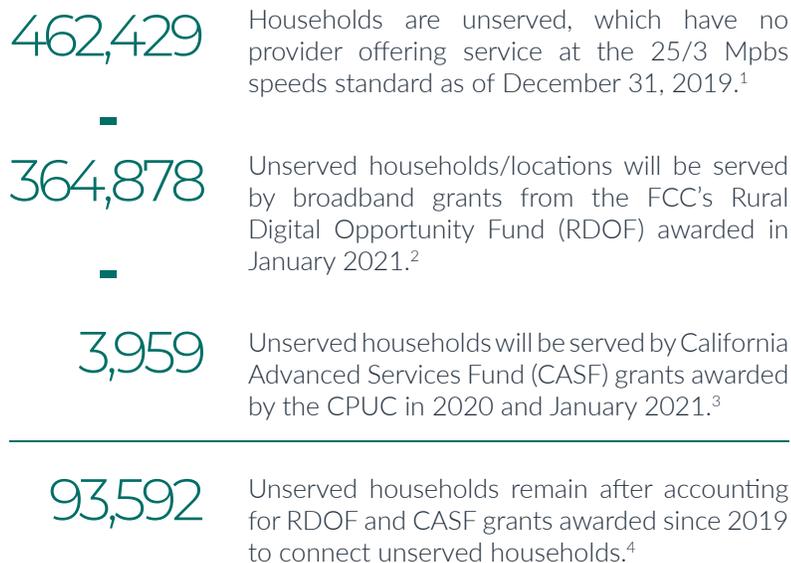


Defining the Infrastructure & Adoption Divide

The members of the California Cable & Telecommunications Association (CCTA) know from our decades of expertise and first-hand experience in California that enacting legislation to increase access to urban and rural, unserved households is achievable, but it is going to require collaboration and compromise among many stakeholders. Crucially, it also requires a shared understanding of California’s digital divide.

Let’s see who California still needs to get connected.

Out of **13,272,939** total California households:



Funds from CASF and RDOF have already been approved to connect an estimated 368,837 California households. Once those projects are complete, less than 1% of California households will continue to lack access to broadband. Connecting the remaining 1% of California households will require both public and private investments. California should establish policies that foster even more private investment—not less—by expediting permit approvals and removing unnecessary barriers.

LESS THAN
ONE
PERCENT

of California households will continue to lack access to high-speed Internet once existing CASF and RDOF funded projects are complete.



Need to Focus on Adoption

As we work together to get more Californians connected to the Internet, we must not lose sight of the fact that right now, **1.9 million households have the infrastructure needed for high-speed broadband but are not subscribers.**⁴ To bring this population online, California must act to address adoption hurdles, including affordability, digital literacy, and language barriers.

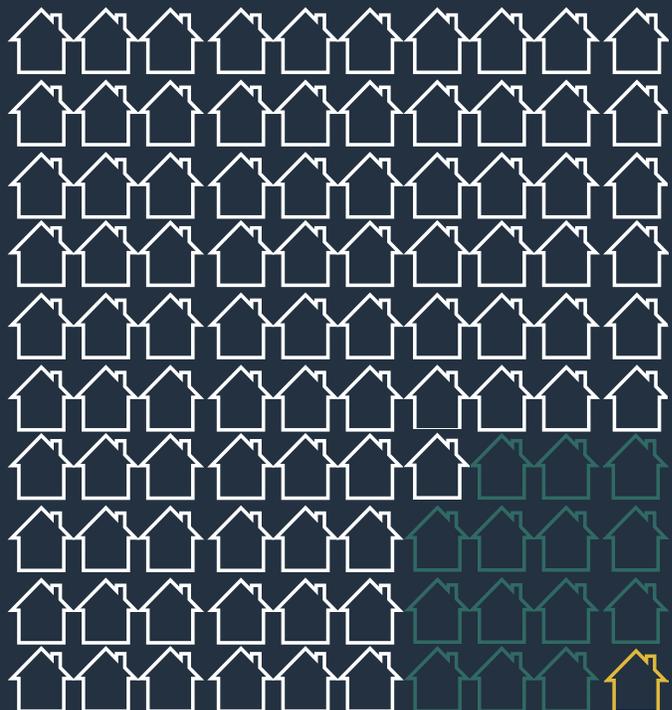
CCTA members have expanded Internet adoption by providing free Internet services to schools and libraries, free computers and devices, free digital literacy training and reduced-cost Internet services for low-income households.

To continue bringing more Californians online, CCTA members have sponsored the Public Housing Broadband Bill ([SB 743](#))⁵, which would authorize grants to fund free or low-cost Internet services, devices, on-site computer labs and digital literacy training for public housing residents. Additionally, CCTA has sponsored the California K-12 Internet Inclusion Act ([AB 1560](#))⁶, which provides an immediate pathway to connect more low-income K-12 students with free or low-cost Internet services in their homes without receiving a bill or facing eligibility hurdles to sign up. Collectively, these two bills will do more to immediately remove barriers to broadband adoption and expand digital inclusion for low-income public housing residents and families of K-12 students than any other proposed policy solution.

ACCESS VS. ADOPTION

14.3% 1.9 million California households have access, but do not subscribe.

<1% 93,592 California households will lack broadband access once existing CASF & RDOF funded projects are complete.



Costs in Context

Addressing the challenges for the remaining 93,592 unserved households must be done efficiently to get more Californians connected online quicker and without wasting funds. Several bills introduced in the state legislature would require collecting billions more for CASF and expand what the program can fund. California cannot waste public funds on overbuilding existing broadband networks when we still have a small pocket of households without access to broadband technology.

Legislation such as [Assembly Bill 34 \(Muratsuchi\)](#)⁷ calls for the state to authorize bond sales well in excess of anything tied to the actual scale of infrastructure build-out needed. If approved by voters, AB 34 would authorize the sale of \$10 billion in bonds — a figure that far exceeds the \$5.6 billion infrastructure cost estimate in a study by a CPUC contractor, which itself is likely an overestimate due to using an outdated unserved population figure and an erroneous assumption that fiber-to-the-premises (FTTP) is the only viable technology for build-out.⁸ The true cost of getting high-speed broadband access to California's unserved population must be based on today's data if we are to build for tomorrow's future.

Public funds for broadband deployment must be focused on bringing high-speed Internet to the remaining 1% of California households that will still be unserved after existing CASF and RDOF funded projects are complete.

As California is about to receive nearly \$26 billion of discretionary funding from federal COVID-19 relief funds through the American Rescue Plan Act, CCTA has called on Governor Newsom and state legislative leaders to urge them to make at least \$2 billion of the Rescue Plan funds available immediately to address Internet infrastructure and adoption priorities.⁹

Coaxial Cable Creates Connection

Many claim that FTTP infrastructure is the only viable option for increased access, but this position is false. While fiber networks are certainly capable of gigabit and above speeds, they are extremely expensive while quality alternatives exist. Coaxial cable and hybrid infrastructure can achieve speeds well beyond the FCC's 25/3 Mbps standard — in some cases up to gigabit speeds — and do so for a fraction of the cost. California must adopt a technology-neutral position, one that allows any infrastructure capable of providing connectivity speeds of 100 Mbps downstream or greater to be deployed to get families throughout the state connected.

A Partner for Tomorrow's Future, Today

CCTA has served as a key partner and collaborator for decades, working in lockstep with regulators and legislators to advance forward-looking, common-sense broadband policy proposals in California to close the digital divide. We remain committed to ensuring that all Californians have appropriate means to access the Internet and broadband services. We stand ready, with our member companies, to work with you to help bring all individuals, students and families throughout the state online.

Sourcing

1. "California Advanced Services Fund." California Public Utilities Commission , 12 Feb. 2021, 2:13PM, https://www.cpuc.ca.gov/uploadedFiles/CPUC_Public_Website/Content/Utilities_and_Industries/Communications_-_Telecommunications_and_Broadband/CASF%20Fact%20Sheet%20February%202021.pdf
2. On January 29, 2021, the FCC announced the award of \$695 million from RDOF for broadband deployment to connect 364,878 households/locations in California. "Attachment B, Auction 904 Winning Bidders." Federal Communications Commission, 4 Jan. 2021, <https://docs.fcc.gov/public/attachments/DA-20-1422A3.pdf>
3. CPUC "Approved CASF Projects," available at <https://www.cpuc.ca.gov/General.aspx?id=1057>.
4. "2020 Annual Report California Advanced Services Fund ." California Public Utilities Commission , Apr. 2021, https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/About_Us/Organization/Divisions/Office_of_Governmental_Affairs/Legislation/2021/2020%20CASF%20Annual%20Report.pdf
5. "SB 743: The Public Housing Broadband Bill." California Cable & Telecommunications Association, Mar. 2021, calcable.org/wp-content/uploads/2021/04/CCTA-SB-743-Fact-Sheet-FINAL-1.pdf
6. "AB 1560: The California K-12 Internet Inclusion Act." California Cable & Telecommunications Association, Mar. 2021, <https://calcable.org/wp-content/uploads/2021/04/CCTA-AB-1560-Fact-Sheet.pdf>
7. "Bill Text." Bill Text - AB-34 Broadband for All Act of 2022., https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?_afid=202120220AB34
8. California Broadband Council , 2020, Broadband For All Action Plan, broadbandcouncil.ca.gov/wp-content/uploads/sites/68/2020/12/BB4All-Action-Plan-Final.pdf.
9. McIntyre, Carolyn. "CCTA Urges Governor and State Legislative Leaders to Use COVID-19 Federal Funds on Broadband ." California Cable & Telecommunications Association, 15 Mar. 2021, calcable.org/wp-content/uploads/2021/03/CCTA-Letter-to-Governor-Leadership-on-Federal-BB-3.15.21.pdf