

AMENDED IN ASSEMBLY MARCH 17, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1758

Introduced by Assembly Member Mark Stone
(Coauthors: Assembly Members Eduardo Garcia and Levine)
(Coauthor: Senator McGuire)

February 2, 2016

An act to amend Section 281 of, and to add Section 281.1 to, the Public Utilities Code, relating to telecommunications.

LEGISLATIVE COUNSEL'S DIGEST

AB 1758, as amended, Mark Stone. Telecommunications: California Advanced Services Fund.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including telephone corporations. Existing law establishes, among other funds related to telecommunications, the California Advanced Services Fund (CASF) in the State Treasury. Existing law requires the commission to develop, implement, and administer the CASF to encourage deployment of high-quality advanced communications services to all Californians that will promote economic growth, job creation, and the substantial social benefits of advanced information and communications technologies, as provided in specified decisions of the commission and in the CASF statute. Existing law requires the commission to give priority to projects that provide last-mile broadband access to households that are unserved by an existing facilities-based broadband provider. Existing law establishes that the goal of the program is, no later than December 31, 2015, to approve funding for infrastructure projects that will provide broadband access to no less than 98% of California households. Existing law authorizes

the commission to collect a surcharge for deposit into the CASF not to exceed \$315,000,000 in total and authorizes the surcharge until 2020.

This bill would extend to December 31, 2023, the time period for meeting the program goal and would specify the threshold speeds to be met in achieving the goal. The bill would also specify as a program goal the achievement of a statewide 90% adoption rate of high-speed Internet access by December 31, 2023. The bill would require the commission to give priority to projects that provide advanced communication services at those threshold speeds to unserved and underserved households until the goal is achieved. The bill would authorize the commission, once that goal is achieved, to prioritize funding for other specified projects. The bill would require the commission and the California Broadband Council, in consultation with relevant state agencies, to develop a plan to implement these provisions in a manner that fosters public-private collaboration. The bill would authorize the commission to allocate up to \$10 million from the Broadband Infrastructure Grant Account in the CASF to a specified nonprofit organization for specified purposes. The bill would make various legislative findings, including findings regarding deployment of broadband speeds of at least 25 megabits per second (Mbps) downstream and 3 Mbps upstream. The bill would establish the High-Speed Internet Access Adoption Account within the CASF and would authorize the commission to award grants to eligible community-based organizations for education and outreach to low-income households to facilitate the adoption of high-speed Internet access by these households. The bill would authorize the commission to collect an additional \$350,000,000, would specify the distribution of the additional moneys among the accounts in the CASF, and would authorize the collection through 2026. By increasing the collection for deposit in the CASF, the bill would constitute a change in state statute that would result in a taxpayer paying a higher tax within the meaning of Section 3 of Article XIII A of the California Constitution, and thus would require for passage the approval of $\frac{2}{3}$ of the membership of each house of the Legislature.

Existing law requires a certain amount of moneys from the Broadband Infrastructure Grant Account and the Broadband Revolving Loan Account to be transferred to the Broadband Public Housing Account and requires the commission to award grants and loans from the Broadband Public Housing Account to eligible publicly supported communities. Existing law requires any moneys in the Broadband Public

Housing Account not awarded by December 31, 2016, to be transferred back to the other 2 accounts.

This bill would repeal the requirement to transfer back the moneys in the Broadband Public Housing Account that are not awarded.

Because the provisions of this bill are within the Public Utilities Act, a violation of which is a crime, this bill would impose a state-mandated local program by extending a crime.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.

State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. This act shall be known, and may be cited, as the
2 Internet For All Now Act of 2016.

3 SEC. 2. (a) The Legislature finds and declares all of the
4 following:

5 (1) The availability of high-speed Internet access, referred to
6 generically as “broadband” and including both wired and wireless
7 technologies, is essential 21st century infrastructure for economic
8 competitiveness and quality of life. Economic studies confirm that
9 the use of broadband technologies increases economic productivity
10 as a foundation for increased efficiency in organizational operations
11 and enhanced profitability in business.

12 (2) Broadband infrastructure is also vital to the operation and
13 management of other critical infrastructure, such as energy
14 generation systems and the power grid, water supply systems, and
15 public safety and emergency response networks. There is a need
16 for world-class broadband infrastructure throughout California to
17 support these major infrastructure investments to protect lives,
18 property, and the environment.

19 (3) The California Advanced Services Fund (CASF) is a vital
20 resource for California to be a national leader and globally
21 competitive in broadband infrastructure.

22 (b) It is the intent of the Legislature that the Public Utilities
23 Commission, after ensuring the development of last-mile

1 infrastructure to provide at least 6 megabits per second (Mbps)
2 downstream and 1.5 Mbps upstream service for 98 percent of
3 unserved or underserved households in each region of the state,
4 do all of the following:

5 (1) Establish the goal for threshold broadband speeds in future
6 plans and programs of not less than 25 Mbps downstream and 3
7 Mbps upstream. In establishing the threshold broadband speeds,
8 the commission should ensure California remains a national leader
9 and globally competitive on broadband infrastructure while taking
10 into account all cost-effective strategies.

11 (2) Analyze and publish public data regarding the availability
12 of broadband service at speeds specified in paragraph (1)
13 throughout the state.

14 (3) Prepare and submit to the Legislature a plan for achieving
15 broadband service at speeds specified in paragraph (1) that includes
16 the following:

17 (A) An analysis of the availability of those threshold speeds for
18 all consumers.

19 (B) An assessment of the implications of the implementation
20 of paragraph (1) for the CASF and the required funding needed to
21 achieve that goal in unserved and underserved areas.

22 (C) A delineation of the strategies and policies that would
23 achieve that goal in the most cost-effective manner possible,
24 including whether or not it should be the policy of the state to
25 encourage fiber deployment for middle-mile projects.

26 SEC. 3. Section 281 of the Public Utilities Code is amended
27 to read:

28 281. (a) (1) The commission shall develop, implement, and
29 administer the California Advanced Services Fund program to
30 encourage deployment of high-quality advanced communications
31 services to all Californians that will promote economic growth,
32 job creation, and the substantial social benefits of advanced
33 information and communications technologies, consistent with
34 this section and Section 281.1.

35 (2) Recognizing that, in addition to residential households, there
36 are other types of consumers, including anchor institutions, such
37 as schools, libraries, community centers, and health and medical
38 facilities, small businesses and large employers, and research
39 organizations, all with a range of needs for broadband access
40 threshold speeds in excess of those specified in Section 281.1, the

1 commission, in administering the program, shall consider
2 approving funding for last-mile infrastructure projects to reach
3 unserved and underserved households that exceed those threshold
4 speeds, that also provide improvements to those other types of
5 consumers, and that the commission deems *deemed by the*
6 *commission* to be in the public interest and a cost-effective use of
7 the moneys in the California Advanced Services Fund. *Fund that*
8 *will reach unserved and underserved households and that will do*
9 *both of the following:*

10 (A) *Provide broadband access at speeds that exceed those*
11 *thresholds.*

12 (B) *Provide improvements to those other types of consumers.*

13 (b) (1) The goals of the program are both of the following:

14 (A) No later than December 31, 2023, to approve funding for
15 infrastructure projects that will provide broadband access at
16 advertised speeds of 6 megabits per second (Mbps) downstream
17 and 1.5 Mbps upstream to no less than 98 percent of California
18 households.

19 (B) No later than December 31, 2023, to approve funding for
20 education and outreach projects that would facilitate the
21 achievement of a statewide 90 percent household adoption rate of
22 high-speed Internet access with no significant population segment
23 with less than 80 percent adoption. For purposes of this
24 subparagraph, high-speed Internet access means access to the
25 Internet at speeds faster than dialup.

26 (2) In approving infrastructure projects, the commission shall
27 give priority to projects pursuant to Section 281.1. The commission
28 shall provide each applicant, and any party challenging an
29 application, the opportunity to demonstrate actual levels of
30 broadband service in the project area, which the commission shall
31 consider in reviewing the application.

32 (c) The commission shall establish the following accounts within
33 the fund:

34 (1) The Broadband Infrastructure Grant Account.

35 (2) The Rural and Urban Regional Broadband Consortia Grant
36 Account.

37 (3) The Broadband Infrastructure Revolving Loan Account.

38 (4) The Broadband Public Housing Account.

39 (5) The High-Speed Internet Access Adoption Account.

1 (d) (1) All moneys collected by the surcharge authorized by
2 the commission pursuant to Decision 07-12-054 shall be
3 transmitted to the commission pursuant to a schedule established
4 by the commission. The commission shall transfer the moneys
5 received to the Controller for deposit in the California Advanced
6 Services Fund. Moneys collected on and after January 1, 2011,
7 shall be deposited in the following amounts in the following
8 accounts:

9 (A) Three hundred fifty million dollars (\$350,000,000) into the
10 Broadband Infrastructure Grant Account.

11 (B) Thirty million dollars (\$30,000,000) into the Rural and
12 Urban Regional Broadband Consortia Grant Account.

13 (C) Ten million dollars (\$10,000,000) into the Broadband
14 Infrastructure Revolving Loan Account.

15 (D) In addition to the amount transferred pursuant to
16 subparagraph (A) of paragraph (7) of subdivision (h), seventy-five
17 million dollars (\$75,000,000) into the Broadband Public Housing
18 Account.

19 (E) One hundred million dollars (\$100,000,000) into the
20 High-Speed Internet Access Adoption Account.

21 (2) All interest earned on moneys in the fund shall be deposited
22 in the fund.

23 (3) The commission shall not collect moneys, by imposing the
24 surcharge described in paragraph (1) for deposit in the fund, in an
25 amount that exceeds one hundred million dollars (\$100,000,000)
26 before January 1, 2011. On and after January 1, 2011, the
27 commission may collect an additional sum not to exceed five
28 hundred sixty-five million dollars (\$565,000,000), for a sum total
29 of moneys collected by imposing the surcharge described in
30 paragraph (1) not to exceed six hundred sixty-five million dollars
31 (\$665,000,000). The commission may collect the remaining balance
32 of the additional sum beginning with the calendar year starting on
33 January 1, 2017, and continuing through the 2026 calendar year,
34 in an amount not to exceed fifty million dollars (\$50,000,000) per
35 year, unless the commission determines that collecting a higher
36 amount in any year will not result in an increase in the total amount
37 of all surcharges collected from telephone customers that year.

38 (e) (1) (A) All moneys in the California Advanced Services
39 Fund shall be available, upon appropriation by the Legislature, to
40 the commission for the program administered by the commission

1 pursuant to this section and Section 281.1, including the costs
2 incurred by the commission in developing, implementing, and
3 administering the program and the fund.

4 (B) To ensure the most cost effective and timely achievement
5 of the goals specified in paragraph (1) of subdivision (b), the
6 commission may award contracts through an open and competitive
7 process for any of the following services:

8 (i) Project oversight and management of grants awarded from
9 the Broadband Infrastructure Grant Account to accelerate the
10 completion of projects without cost increase or overruns.

11 (ii) Engineering review of proposals for grants from the
12 Broadband Infrastructure Grant Account.

13 (iii) Overall management, distribution of funds from the
14 Broadband Infrastructure Grant Account to sub-awardees, and
15 verification of performance by the sub-awardees receiving funds.

16 (C) To avoid delays in ~~cash flow~~, *cashflow*, contracts entered
17 into pursuant to subparagraph (B) shall include terms for reasonable
18 and prudent advance payment schedules reconciled to actual
19 expenditures by contractors, as verified by independent audits.

20 (2) Notwithstanding any other law and for the sole purpose of
21 providing matching funds pursuant to the federal American
22 Recovery and Reinvestment Act of 2009 (Public Law 111-5), any
23 entity eligible for funding pursuant to that act shall be eligible to
24 apply to participate in the program administered by the commission
25 pursuant to this section and Section 281.1, if that entity otherwise
26 satisfies the eligibility requirements under that program. Nothing
27 in this section shall impede the ability of an incumbent local
28 exchange carrier, as defined by subsection (h) of Section 251 of
29 Title 47 of the United States Code, that is regulated under a rate
30 of return regulatory structure, to recover, in rate base, California
31 infrastructure investment not provided through federal or state
32 grant funds for facilities that provide broadband service and
33 California intrastate voice service.

34 (3) Notwithstanding subdivision (b) of Section 270, an entity
35 that is not a telephone corporation shall be eligible to apply to
36 participate in the program administered by the commission pursuant
37 to this section and Section 281.1 to provide access to broadband
38 to an unserved or underserved household, as defined in commission
39 Decision 12-02-015, if the entity otherwise meets the eligibility
40 requirements and complies with program requirements established

1 by the commission. These requirements shall include all of the
2 following:

3 (A) That projects under this paragraph provide last-mile
4 broadband access to households that are unserved by an existing
5 facilities-based broadband provider and only receive funding to
6 provide broadband access to households that are unserved or
7 underserved, as defined in commission Decision 12-02-015.

8 (B) That funding for a project providing broadband access to
9 an underserved household shall not be approved until after any
10 existing facilities-based provider has an opportunity to demonstrate
11 to the commission that it will, within a reasonable timeframe,
12 upgrade existing service. An existing facilities-based provider
13 may, but is not required to, apply for funding under this section to
14 make that upgrade.

15 (C) That the commission shall provide each applicant, and any
16 party challenging an application, the opportunity to demonstrate
17 actual levels of broadband service in the project area, which the
18 commission shall consider in reviewing the application.

19 (D) That a local governmental agency may be eligible for an
20 infrastructure grant only if the infrastructure project is for an
21 unserved household or business, the commission has conducted
22 an open application process, and no other eligible entity applied.

23 (E) That the commission shall establish a service list of
24 interested parties to be notified of California Advanced Services
25 Fund applications.

26 (4) Notwithstanding subdivision (b) of Section 270, up to ten
27 million dollars (\$10,000,000) from the Broadband Infrastructure
28 Grant Account shall be available for allocation to the California
29 Telehealth Network, a 501(c)(3) nonprofit organization, for
30 purposes of leveraging that organization's utilization of the Federal
31 Communications Commission's Healthcare Connect Fund for
32 California's medically underserved communities.

33 (f) Moneys in the Rural and Urban Regional Broadband
34 Consortia Grant Account shall be available for grants to eligible
35 consortia to fund the cost of broadband deployment activities other
36 than the capital cost of facilities, as specified by the commission.
37 An eligible consortium may include, as specified by the
38 commission, representatives of organizations, including, but not
39 limited to, local and regional government, public safety, elementary
40 and secondary education, health care, libraries, postsecondary

1 education, community-based organizations, tourism, parks and
2 recreation, agricultural, and business, and is not required to have
3 as its lead fiscal agent an entity with a certificate of public
4 convenience and necessity.

5 (g) Moneys in the Broadband Infrastructure Revolving Loan
6 Account shall be available to finance capital costs of broadband
7 facilities not funded by a grant from the Broadband Infrastructure
8 Grant Account. The commission shall periodically set interest rates
9 on the loans based on surveys of existing financial markets.

10 (h) (1) For purposes of this subdivision, the following terms
11 have the following meanings:

12 (A) “Publicly subsidized” means either that the housing
13 development receives financial assistance from the United States
14 Department of Housing and Urban Development pursuant to an
15 annual contribution contract or is financed with low-income
16 housing tax credits, tax-exempt mortgage revenue bonds, general
17 obligation bonds, or local, state, or federal loans or grants and the
18 rents of the occupants, who are lower income households, do not
19 exceed those prescribed by deed restrictions or regulatory
20 agreements pursuant to the terms of the financing or financial
21 assistance.

22 (B) “Publicly supported community” means a publicly
23 subsidized multifamily housing development that is wholly owned
24 by either of the following:

25 (i) A public housing agency that has been chartered by the state,
26 or by any city or county in the state, and has been determined to
27 be an eligible public housing agency by the United States
28 Department of Housing and Urban Development.

29 (ii) An incorporated nonprofit organization as described in
30 Section 501(c)(3) of the Internal Revenue Code (26 U.S.C. Sec.
31 501(c)(3)) that is exempt from taxation under Section 501(a) of
32 that code (16 U.S.C. Sec. 501(a)), and that has received public
33 funding to subsidize the construction or maintenance of housing
34 occupied by residents whose annual income qualifies as “low” or
35 “very low” income according to federal poverty guidelines.

36 (2) Notwithstanding subdivision (b) of Section 270, moneys in
37 the Broadband Public Housing Account shall be available for the
38 commission to award grants and loans pursuant to this subdivision
39 to an eligible publicly supported community if that entity otherwise

1 meets eligibility requirements and complies with program
2 requirements established by the commission.

3 (3) Not more than twenty million dollars (\$20,000,000) shall
4 be available for grants and loans to a publicly supported community
5 to finance a project to connect a broadband network to that publicly
6 supported community. A publicly supported community may be
7 an eligible applicant only if the publicly supported community can
8 verify to the commission that the publicly supported community
9 has not denied a right of access to any broadband provider that is
10 willing to connect a broadband network to the facility for which
11 the grant or loan is sought.

12 (4) (A) Not more than five million dollars (\$5,000,000) shall
13 be available for grants and loans to a publicly supported community
14 to support programs designed to increase adoption rates for
15 broadband services for residents of that publicly supported
16 community. A publicly supported community may be eligible for
17 funding for a broadband adoption program only if the residential
18 units in the facility to be served have access to broadband services
19 or will have access to broadband services at the time the funding
20 for adoption is implemented.

21 (B) A publicly supported community may contract with other
22 nonprofit or public agencies to assist in implementation of a
23 high-speed Internet access adoption program.

24 (5) To the extent feasible, the commission shall approve projects
25 for funding from the Broadband Public Housing Account in a
26 manner that reflects the statewide distribution of publicly supported
27 communities.

28 (6) In reviewing a project application under this subdivision,
29 the commission shall consider the availability of other funding
30 sources for that project, any financial contribution from the
31 broadband service provider to the project, the availability of any
32 other public or private broadband adoption or deployment program,
33 including tax credits and other incentives, and whether the applicant
34 has sought funding from, or participated in, any reasonably
35 available program. The commission may require an applicant to
36 provide match funding, and shall not deny funding for a project
37 solely because the applicant is receiving funding from another
38 source.

39 (7) To provide funding for the purposes of this subdivision, the
40 commission shall transfer to the Broadband Public Housing

1 Account twenty million dollars (\$20,000,000) from the Broadband
2 Infrastructure Grant Account and five million dollars (\$5,000,000)
3 from the Broadband Revolving Loan Account.

4 (i) (1) (A) Notwithstanding subdivision (b) of Section 270,
5 moneys in the High-Speed Internet Access Adoption Account shall
6 be available for the commission to award performance-based grants
7 to eligible not-for-profit, community-based organizations, schools,
8 and libraries to increase high-speed Internet adoption by
9 low-income households by providing public education and outreach
10 programs that are culturally appropriate and in relevant languages
11 on digital literacy training, assistance with selecting a high-speed
12 Internet provider, and subscription to high-speed Internet access.

13 (B) The commission shall develop criteria for awarding grants
14 and determine the process and methodology for verifying
15 high-speed Internet access based on new subscriptions by
16 low-income households.

17 (C) The commission may award one or more contracts for the
18 overall management of grants to eligible not-for-profit
19 community-based organizations, schools, and libraries to increase
20 high-speed Internet adoption among low-income households at a
21 cost not to exceed 10 percent of the amount of grants awarded.

22 (2) To avoid delays in ~~cash flow~~, *cashflow*, contracts entered
23 into pursuant to paragraph (1) shall include terms for reasonable
24 and prudent advance payment schedules reconciled to actual
25 expenditures by contractors, as verified by independent audits.

26 (j) (1) The commission shall conduct two interim financial
27 audits and a final financial audit and two interim performance
28 audits and a final performance audit of the implementation and
29 effectiveness of the California Advanced Services Fund to ensure
30 that funds have been expended in accordance with the approved
31 terms of the grant awards and loan agreements, this section, and
32 Section 281.1. The commission shall report its interim findings to
33 the Legislature by April 1, 2020, and April 1, 2022. The
34 commission shall report its final findings to the Legislature by
35 April 1, 2024. The reports shall also include an update to the maps
36 in the final report of the California Broadband Task Force and data
37 on the types and numbers of jobs created as a result of the program
38 administered by the commission pursuant to this section and
39 Section 281.1.

1 (2) (A) The requirement for submitting a report imposed under
2 paragraph (1) is inoperative on January 1, 2022, pursuant to Section
3 10231.5 of the Government Code.

4 (B) A report to be submitted pursuant to paragraph (1) shall be
5 submitted in compliance with Section 9795 of the Government
6 Code.

7 (k) (1) Beginning on January 1, 2018, and annually thereafter,
8 until January 1, 2027, the commission shall provide a report to the
9 Legislature that includes all of the following information:

10 (A) The amount of funds expended from the California
11 Advanced Services Fund in the prior year.

12 (B) The recipients of funds expended from the California
13 Advanced Services Fund in the prior year.

14 (C) The geographic regions of the state affected by funds
15 expended from the California Advanced Services Fund in the prior
16 year.

17 (D) The expected benefits to be derived from the funds expended
18 from the California Advanced Services Fund in the prior year.

19 (E) The amount of actual high-speed Internet access adoption
20 due to the funds expended from the California Advanced Services
21 Fund in the prior year.

22 (F) The amount of funds expended from the California
23 Advanced Services Fund used to match federal funds.

24 (G) An update on the expenditures from California Advanced
25 Services Fund and broadband adoption levels, and an accounting
26 of remaining unserved and underserved households and areas of
27 the state.

28 (H) The status of the California Advanced Services Fund balance
29 and the projected amount to be collected in each year to fund
30 approved projects.

31 (2) A report to be submitted pursuant to paragraph (1) shall be
32 submitted in compliance with Section 9795 of the Government
33 Code.

34 SEC. 4. Section 281.1 is added to the Public Utilities Code, to
35 read:

36 281.1. (a) For the purposes of this section, the following terms
37 mean the following:

38 (1) “Last-mile infrastructure” means the segment of the Internet
39 infrastructure that provides Internet connectivity to end users, such
40 as residential households, anchor institutions, and local businesses.

1 (2) “Middle-mile backhaul infrastructure” means the segment
2 of the Internet infrastructure that connects the last-mile
3 infrastructure to the backbone infrastructure of the Internet.

4 (3) “Program” means the California Advanced Services Fund
5 program.

6 (4) “Unserved households” and “underserved households” have
7 the same meanings as in commission Decision 12-02-015.

8 (b) (1) Until the goal specified in subparagraph (A) of paragraph
9 (1) of subdivision (b) of Section 281 is achieved, the commission,
10 in administering the program, shall give priority to last-mile
11 infrastructure projects that provide advanced communication
12 services at or above the advertised speeds required under the goal
13 to unserved or underserved households. Recognizing that
14 cost-effective, last-mile infrastructure projects are dependent upon
15 affordable middle-mile backhaul infrastructure that may be
16 deployed through underserved or unserved areas either by
17 incumbents providing access to existing middle-mile backhaul
18 infrastructure at reasonable prices as determined by the commission
19 or by the project applicant constructing essential middle-mile
20 infrastructure as part of the project, the commission shall consider
21 applications for projects that provide for the development of
22 last-mile infrastructure serving unserved and underserved
23 households that include the development of middle-mile backhaul
24 infrastructure to which the last-mile infrastructure connects.

25 (2) (A) The commission shall give additional priority to
26 applicants that are incumbents with existing middle-mile backhaul
27 infrastructure proposing to deploy last-mile infrastructure to
28 provide services to unserved and underserved households, if the
29 incumbent submits an application no later than March 31, 2017,
30 and the proposal is deemed cost effective by the commission

31 (B) The commission shall require the incumbent to complete,
32 no later than December 31, 2018, the construction of the project
33 given priority pursuant to this paragraph.

34 (3) In applying for funding for the program, an applicant shall
35 demonstrate the cost-effectiveness of the last-mile infrastructure
36 at the threshold speeds specified in subparagraph (A) of paragraph
37 (1) of subdivision (b) of Section 281.

38 (c) Once the goal specified in subparagraph (A) of paragraph
39 (1) of subdivision (b) of Section 281 is reached, the commission

1 may prioritize funding pursuant to the program for any of the
2 following:

3 (1) Last-mile infrastructure projects providing advanced
4 communication services at advertised speeds of at least 25 Mbps
5 downstream and 3 Mbps upstream to unserved and underserved
6 households and at appropriate speeds to anchor institutions and
7 other customers in the vicinity of those households.

8 (2) Upgrades to broadband connectivity for other critical
9 infrastructure systems not in the vicinity of residences.

10 (3) Last-mile infrastructure projects of statewide public
11 significance, including projects related to public safety and
12 emergency response, such as providing broadband connectivity to
13 and among county fairgrounds as staging areas for emergency
14 responses, wildfire fighting, and disaster evacuations.

15 (d) It is the intent of the Legislature to enact legislation to
16 establish a transparent public process to analyze and designate a
17 project as having statewide significance for purposes of paragraph
18 (3) of subdivision (c).

19 (e) The commission and the California Broadband Council shall,
20 in consultation with relevant state agencies, develop a plan to
21 implement this section in a manner that fosters public-private
22 partnership collaboration in an open and transparent process.

23 SEC. 5. No reimbursement is required by this act pursuant to
24 Section 6 of Article XIII B of the California Constitution because
25 the only costs that may be incurred by a local agency or school
26 district will be incurred because this act creates a new crime or
27 infraction, eliminates a crime or infraction, or changes the penalty
28 for a crime or infraction, within the meaning of Section 17556 of
29 the Government Code, or changes the definition of a crime within
30 the meaning of Section 6 of Article XIII B of the California
31 Constitution.