

New Broadband Opportunities for California and the CENIC Community April 7th, 2021

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Federal Broadband Funding Updates

CENIC Webinar

April 7, 2021

Federal Broadband Legislation - Overview

CARES Act 2020 (March 2020)

States spent approximately \$2 billion in funding on digital learning projects, focusing on devices and mobile hotspots. •

- Consolidated Appropriations Act (December 2020)
 \$3.2 billion allocated to the Emergency Broadband Benefit (EBB) to support home broadband access; \$50/mo. subsidy for service (\$75/mo. Tribal) and \$100 subsidy for devices
 Also several NTIA programs

- American Rescue Plan Act (ARPA) (March 2021)
 \$7.1 billion of new E-rate funding that schools/libraries can use to extend broadband connections off campus.
 - **\$10 billion** for US Treasury capital projects "directly enabling work, education, and health monitoring, including remote ٠ options."
 - **\$350 billion** for state and local governments, some of which can be used for broadband.



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Still to Come – Coronavirus Capital Projects Fund - \$10 B

ARPA grants Treasury Dept \$10 B that (we are told) is intended for broadband.

- Funding for projects "directly enabling work, education, and health monitoring, including remote options."
- SHLB recommendations submitted last month
- Treasury shall make payments to the States, but Treasury will set out application rules within 60 days of enactment (May 10)



<u> Still to Come – NTIA Broadband Programs</u>

- \$285 M for HBCUs and other Minority Serving Institutions
- \$300 M for rural broadband partnerships
- \$1 B for Tribal Broadband
- 3 Offices:
 - Internet Connectivity
 - Minority Broadband Initiatives
 - Federal Inter-Agency Coordination



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Still to Come – Infrastructure Legislation

- Biden Infrastructure plan (Jobs Act) calls for \$100 billion for broadband:
 - Includes "underserved" areas
 - Emphasizes "future-proof" technology
 - No explicit mention of anchors
 - Supports rural electric coops, municipal providers, non-profits
 - Does NOT support ongoing EBB subsidies
- Clyburn/Klobuchar bill is probably vehicle. (HR 1783/S.745)
 - "Accessible, Affordable Internet for All Act":
 - \$94 billion for broadband infrastructure
 - Calls for multi-gigabit for schools and other anchor institutions
 - Includes \$2 B more for ECF



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Still to Come – Infrastructure Legislation

Questions:

- Raise taxes or use spectrum auction revenues to pay?
- Will Democrats use Reconciliation process (again) to avoid filibuster rules?
- Will Infrastructure legislation include
 - mapping reform?
 - USF contributions reform?
 - Rural Healthcare funding?



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Still to Come – USF Contributions Reform

- Universal Service Fund (USF) contribution fee on telephone bills has surged to 33.4% - unsustainable?
- AT&T suggests shifting funding to annual appropriations (entitlements) by Congress – predictable?
- SHLB pursuing expanding the base of funding to include broadband end user revenues – politically viable?



Still to Come – Rural Digital Opportunity Fund (RDOF)

- The FCC is making up to \$20 billion available for rural broadband deployment in unserved areas.
- First reverse auction was held late 2019.
 - Covers 5 million households in unserved areas
 - \$16 b was available, only \$9 b requested.
 - Did winners bid too low?
 - FCC reviewing winners' qualifications now
- Second reverse auction to be held when?
 - Will cover partially served areas
 - Chair Rosenworcel correcting maps first.
 - New Mapping task force



SHLB Coalition: Key Facts

Nonprofit 501(c)(3) advocacy organization founded in 2009 and based in Washington, D.C.

Adopted membership model post-grant. Membership has grown from 50 to 250 in the last four years.

• 40 new members in 2021

SHLB has seven different policy groups (aligns with <u>SHLB's 2021 Roadmap</u>.)
E-rate / Rural Healthcare / BB Mapping / Pole Attachments
Spectrum / Higher Education / Broadband Infrastructure Legislation



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FCC Updates

EMERGENCY BROADBAND BENEFIT AND E-RATE UPDATES Emergency Broadband Benefit (EBB) Program

Link to FCC's EBB Home Page

Link to List of Participating Providers by State Consolidated Appropriations Act - \$3.2 B

Broadband subsidy for qualifying low income households

- Up to \$50/month for service plan (\$75 on Tribal lands)
- Up to \$100/device if household contributes \$10-50
- Limited to single plan and device per household

Benefit administered by service providers

- May be used in addition to existing Lifeline benefit
- Opened up to new providers beyond Lifeline
- Drovidors must 'ont in'

Emergency Broadband Benefit (EBB) Program

Link to FCC's EBB Home Page

Link to List of Participating Providers by State

Household Eligibility Requirements

- Qualifies for the Lifeline program (e.g. Medicaid, SNAP)
- Participates in National School Lunch or School Breakfast programs for 2020/21 or 2019/20 school years, all students in Community Eligibility Program schools qualify;
- Received a Federal Pell Grant during the current award year;
- Experienced a substantial loss of income since February 29, 2020 and the household had a total income in 2020 below \$99,000 for single filers and \$198,000 for joint filers; or
- Meets the eligibility criteria for a participating providers' existing low-income or COVID-19 program

Timing

- Launching late April 2021
- Ends six months after public health emergency declared over or until funds are exhausted

E-rate Program

Link to FCC's E-rate Website

Link to CoSN Petition

Link to Public Comments on SHLB Remote Learning Petition

COVID-19 Response

• Waiver of Gift Rules through June 30, 2021

CoSN (et. al.) Cybersecurity Petition

- Cybersecurity threats have increased during COVID-19
- Make advanced cybersecurity services eligible for E-rate

SHLB (et. al.) Remote Learning Petition/February Public Notice

- Waive on-campus use requirement
- Declare use of services and equipment for remote learning as an eligible "educational purpose"
- Eliminate cost allocation

Emergency Connectivity Fund (ECF) "E-rate Off –Campus"

Link to Act

Link to FCC's Public Notice

Link to Public Comments

The American Rescue Plan Act - \$7.17 B

- Funding for broadband access away from a school or library location
- Advanced telecommunications and information services
- Equipment: WiFi hotspots, modems, routers
- Devices: Laptops and tablets
- 100% reimbursement for duration of pandemic, Jan. 27, 2020 through June 30 one year after emergency ends
- To be administered by USAC

FCC Public Notice

 60 days to develop rules – expect May 11/12 announcement Emergency Connectivity Fund (ECF) "E-rate Off –Campus"

Link to Act

Link to FCC's Public Notice

Link to Public Comments

The Big Questions

- How will the FCC prioritize distribution of funds?
- Will ECF be as complicated as E-rate?!
- Will FCC allow for schools and libraries to extend their E-rate funded connections off-campus and will ECF fund private wireless networks?
- How far will the FCC go with a 2/2 split at the Commissioner level?

Notable Proposals

- Allocations similar to Category 2
- Cut the red tape and get funds out quickly
- Maximum flexibility for choice of technology



California Legislation and State Budget

Kim Lewis Director of Government Relations, CENIC



8,000+ miles of optical fiber

Members in all 58 counties connect via fiber-optic cable or leased circuits from telecom carriers

Over 12,000 sites connect to CENIC

A non-profit chartered & governed by its members

Collaborates with over **750 private sector partners and contributes approximately > \$100,000,000** to the CA economy

24-plus years of connecting California

Broadband Related Bonds

- **AB 34 (Muratsuchi)** \$10 Billion broadband bond, to be administered by the CA Department of Technology
- AB 75 (O'Donnell) K12 and Community Colleges facilities bond
- **SB 22 (Glazer)** \$15 Billion public Preschool, K12, CCC, CSU and UC facilities bond
- ACA 1 (Aguiar-Curry) Lowers threshold to 55% voter approval to pass a bond or special taxes for public infrastructure, including broadband

California Advanced Services Fund (CASF)

- AB 14 (Aguiar-Curry) & SB 4 (Gonzalez) revamping the CASF program
- **AB 1426 (Mathis)** eliminates provider first right of refusal language in CASF program
- **SB 740 (Borgeas)** CASF program extended to December 31, 2024

Other Public Purpose Programs

- **AB 1176 (Garcia, E.)** creates a new public purpose program, the California Connect Fund
- **AB 1128 (Ramos)** expands the goals of the CA High Cost Fund-B Program to include broadband internet access
- **SB 28 (Caballero)** Rural Broadband and Digital Infrastructure Video Competition Reform Act of 2021

Distance Learning & Adoption Programs

- **AB 1560 (Daly)** Requires the CA Department of Education to set minimum standards for computing devices, and more
- **SB 732 (Bates)** Establishes the Pandemic Distant Learning Assistance Vouchers and Rural Broadband Infrastructure Program
- **SB 767 (Becker)** Establishes the Digital Education Equity Program
- **SB 743 (Bradford)** HCD to establish a grant program for broadband adoption in public housing

Permitting and Infrastructure Deployment

- AB 41 (Wood) "dig once" provisions
- **AB 537 (Quirk)** colocation and siting applications
- **AB 955 (Quirk)** highway encroachment permits
- AB 1166 (Grayson) colocation and siting applications

- **AB 1342 (Gray)** utility pole attachments
- **AB 1557 (Santiago)** public utility pole attachment
- SB 378 (Gonzalez) microtrenching permit processing
- SB 556 (Dodd) pole attachments

State Budget

- Fiscal Year 2021-22
 - May Revise
 - June 15th Budget deadline
- Opportunity for one-time investments

Thank You

Webinar Video on CENIC.org & CENICNews at YouTube