

Date of Hearing: June 7, 2023

ASSEMBLY COMMITTEE ON LOCAL GOVERNMENT  
Cecilia Aguiar-Curry, Chair  
SB 825 (Limón) – As Introduced February 17, 2023

**SENATE VOTE:** 36-0

**SUBJECT:** Local government: public broadband services.

**SUMMARY:** Alters a definition of “local agency” in existing law to help metropolitan planning organizations (MPOs) and regional transportation planning authorities (RTPAs) qualify for broadband infrastructure grant funding from the California Public Utilities Commission (CPUC).

**EXISTING LAW:**

- 1) Requires local agencies that provide broadband internet access service to do so according to “net neutrality” principles and defines “local agency” to mean the following entities authorized to provide broadband service:
  - a) A city.
  - b) A county, including a county service area.
  - c) A community services district.
  - d) A public utility district.
  - e) A municipal utility district.
  - f) A joint powers authority.
  - g) A local educational agency, as specified.
  - h) A sovereign tribal government.
  - i) An electrical cooperative, as specified. [Government Code (GOV) §§ 53167-53167.5]
- 2) Establishes, pursuant to SB 156 (Committee on Budget and Fiscal Review), Chapter 112, Statutes of 2021, the Local Agency Technical Assistance (LATA) program administered by the CPUC to provide grants to local agencies and Tribal governments for the development of broadband service.

**FISCAL EFFECT:** None

**COMMENTS:**

- 1) **Background.** According to data from the 2021 U.S. Census Bureau American Community Survey, 87% of California households have broadband access; however, 20% of all Californians lack a home internet subscription and over 20% of lower income households

have no broadband of any type. Households may lack broadband for a variety of reasons. For example, some are located in areas that lack sufficient infrastructure to provide broadband service, while others may find internet service plans unaffordable. Some communities across California have historically lacked broadband service and the COVID-19 pandemic amplified the extent to which such broadband service gaps persist.

- 2) **Middle-Mile Broadband Initiative.** The Legislature enacted SB 156 to create an open-access middle-mile network to bring equitable high-speed broadband service to all Californians – called the Middle-Mile Broadband Initiative. The middle-mile refers to the physical infrastructure made up of high-capacity fiber lines that carry large amounts of data at high speeds over long distances to bring internet connectivity to homes, businesses and community institutions. Implementation of the Initiative involves a partnership among several state agencies, including the California Department of Technology and the CPUC.
- 3) **Local Agency Technical Assistance Program.** Pursuant to SB 156, the CPUC established the LATA program to support Tribes and local agencies in their efforts to expand broadband service to unserved and underserved Californians. With a \$50 million budget, the program provides technical assistance grants to reimburse local agencies and Tribal governments for pre-construction expenses incurred in advance of broadband deployment. Examples of reimbursable expenses include:
  - a) Consultant or staff time for conducting work such as needs assessments, environmental and engineering studies, network design, and broadband strategic plans.
  - b) Costs incurred in forming a joint powers authority (JPA) for the purpose of bringing broadband to areas in need of sufficient internet connections.

According to the CPUC, the LATA program has received 117 non-Tribal Local Agency requests for \$52.4M in funding, which has exceeded the \$45M allocation for non-Tribal Local Agencies. As result, the CPUC is no longer accepting new LATA applications as of March 24, 2023, from non-Tribal local governments.

Local agencies that are eligible for LATA funds include any local government agency authorized to provide broadband service in California, pursuant to GOV § 53167(e). This code section does not include MPOs or RTPAs.

- 4) **Bill Summary and Author’s Statement.** This bill adds MPOs and RTPAs to the definition of “local agencies” that the CPUC uses for the purposes of determining eligibility for LATA funds.

According to the author, “As the state moves toward addressing climate change, broadband investments, especially in less densely populated areas, can provide a pathway to connect critical services to vulnerable communities during severe climate events. Current law excludes metropolitan planning organizations (MPOs) and regional transportation planning agencies (RTPAs) in the definition of “local agency” from applying for Local Agency Technical Assistance (LATA) grants, which limits regional coordination and collaborative solutions to expand broadband services. SB 825 adds MPOs and RTPAs to the definition of ‘local agencies,’ ensuring broadband is accessible across all households and communities. Additionally, severe climate events affecting the state have underscored the need to provide

fast and affordable broadband services to increase capacity and resiliency for disaster preparedness.”

This bill is sponsored by SBCAG.

- 5) **Arguments in Support.** SBCAG, sponsor of this measure, writes, “The 2021-22 Budget, through SB 156 (Chapter 112, Statutes of 2021), allocated a \$6 billion multi-year investment to provide more Californians access to broadband coverage. Of these funds, \$3.25 billion were designated to develop, acquire, construct, maintain, and operate a statewide ‘open-access middle-mile’ network overseen by the California Department of Technology and the Office of Broadband and Digital Literacy. The remaining \$2.75 billion goes towards last-mile infrastructure grants, establishing a loan-loss recovery account, and a local agency technical assistance program (LATA) to be overseen by the California Public Utilities Commission (CPUC). However, the definition of a ‘local agency’ excludes metropolitan planning organizations and regional transportation planning agencies.

“Following the lead of the statewide Broadband for All initiative, the Broadband Alliance of Santa Barbara County’s aggressive 1-year countywide planning effort led to the discovery of creative solutions to close the digital divide across the county and in each of the eight municipalities. The severe climate events resulting in frequent closures of US 101 and Interstate 5 over the Grapevine have underscored the mission to provide fast, affordable broadband service to interconnect communities and households and increase capacity, redundancy, and resiliency for disaster preparedness. Broadband is also a mitigation strategy to reduce greenhouse gas emissions by allowing for more telecommuting options. Access to these grants will help accelerate our response to meeting the state’s climate goals.”

- 6) **Arguments in Opposition.** None on file.

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

Santa Barbara County Association of Governments [SPONSOR]  
 California Association of Councils of Governments  
 Central Coast Coalition  
 County of Santa Barbara  
 Southern California Association of Governments  
 Transportation Agency for Monterey County

### **Opposition**

None on file

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