



January 8, 2024

The Honorable Lori Wilson  
California State Assembly  
1021 O Street, Suite [X]  
Sacramento, CA 95814

RE: Assembly Bill 1588– Oppose Unless Amended

Dear Assemblymember Wilson:

On behalf of the California Alliance for Digital Equity (CADE), a statewide coalition led by the California Community Foundation (CCF), Common Sense Media, Michelson Center for Public Policy, Media Alliance, NextGen California, #OaklandUndivided, the Rural County Representatives of California (RCRC) and The Children’s Partnership, we respectfully submit an Oppose Unless Amended position on Assembly Bill 1588, your measure to advance digital equity by requiring the State to contract only with Internet Service Providers that offer affordable internet plans for low-income Californians.

We applaud your tireless efforts to bring the State’s immense power as a customer of the same Internet Service Providers that serve California residents to bear to make a meaningful dent in the affordability crisis that keeps hundreds of thousands of families and students disconnected. We also acknowledge and appreciate the many organizations that have worked on this policy priority.

Although we fully support the approach in AB1588 and the underlying legislative theory, we have significant concerns regarding the details of the bill as amended for hearing in Assembly Communications and Conveyance Committee on January 10, 2024. Specifically, this bill as amended:

1. Establishes minimum speed requirements of 25 megabits per second downstream and 3 megabits per second upstream (“25/3”), a standard well below the minimum goal of 100/20 set by the Governor’s Broadband for All Executive Order<sup>1</sup> and subsequent relevant legislation.<sup>2</sup> It would set in statute a speed standard currently being reconsidered by the FCC,<sup>3</sup> and is below that required for networks funded by the CA Advanced Services Fund’s Federal Funding Account<sup>4</sup> and upcoming federal BEAD programs.<sup>5</sup> Worse, it sets the standard well below what most households access,<sup>6</sup> and below what is necessary for California families to fully leverage connectivity for education, telehealth, economic opportunity,

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<sup>1</sup> EXECUTIVE ORDER N-73-20, item 1

<sup>2</sup> For example: SB4, Gonzalez (Section 12096.3.5)

<sup>3</sup> <https://docs.fcc.gov/public/attachments/DOC-398168A1.pdf>

<sup>4</sup> <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M470/K543/470543650.PDF>

<sup>5</sup> <https://broadbandusa.ntia.doc.gov/sites/default/files/2022-05/BEAD%20NOFO.pdf>

<sup>6</sup> <https://www.allconnect.com/blog/popular-internet-plans-for-consumers>

entertainment, and civic participation.<sup>7</sup> Setting this low standard is a step backward for the same low-income Californians the bill intends to help, further entrenching the digital divide between the haves and the have-nots.

2. Includes participation in the Affordable Connectivity Program (ACP) or “any other state or federal federal program that offers broadband affordability assistance for qualifying households,” as a qualifying event. The Affordability Connectivity Program does not require providers to meet minimum speed or price requirements to participate.<sup>8</sup> Many (but not all) providers voluntarily announced offers of 100/20 service for \$30 per month as part of the program; providers can modify or eliminate those offers at any time and still participate in the ACP. Therefore, simply participating in ACP should not be sufficient to qualify.

With respect to participation in “any other state or federal program” as a qualifying event, the same issues are at play as with participation in ACP. The allowance is so broad as to be meaningless in terms of ensuring the bill's goal is met. Providers should be required to offer plans that meet minimum price and speed standards, full stop.

More broadly, the future of the Affordable Connectivity Program is uncertain.<sup>9</sup> Currently, funding will run out before the summer of this year, and there are no active proposals to fund it in perpetuity. The Biden administration’s late 2023 budget request of Congress for minimal additional funding was denied by Congress; a bill, the ACP Extension Act, is expected to be introduced to fund it through the end of 2024. Creating new law that relies on an ephemeral federal program that will likely no longer exist when the bill is signed is unwise.

3. Removes requirements for providers to advertise the availability of affordable plans that qualify them for contracts with the state. Given the overwhelming evidence that eligible households are largely unaware of affordability support programs and affordable plans available to them,<sup>10</sup>

this removal is a significant and concerning weakening of the bill. Without it, there is no barrier to providers technically offering qualifying plans while no Californians actually benefit from those plans because few Californians know about them.

4. Removes requirements that qualified providers report on the number of eligible California households subscribed to affordable plans. Without a reporting requirement, there will be no direct mechanism to evaluate the impact of the policy.

We respectfully recommend the following amendments to AB 1588.

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<sup>7</sup> <https://www.allconnect.com/blog/faqs-internet-speeds-what-speed-do-you-need>

<sup>8</sup> [FCC-22-2A1\\_Rcd.pdf](https://www.fcc.gov/record/2022/02/22/fcc-22-2a1-rcd)

<sup>9</sup> <https://www.politico.com/news/2024/01/02/washington-internet-bill-help-00132967>

<sup>10</sup> For example:

<https://arnicusc.org/wp-content/uploads/2023/12/2023-Statewide-Digital-Equity-Survey-Final-Report.pdf>

and

[www.publicadvocates.cpuc.ca.gov/-/media/cal-advocates-website/files/press-room/reports-and-analyses/230510-cal-advocates-broadband-pricing-trends-in-ca.pdf](https://www.publicadvocates.cpuc.ca.gov/-/media/cal-advocates-website/files/press-room/reports-and-analyses/230510-cal-advocates-broadband-pricing-trends-in-ca.pdf)

1) Section 11548.5(b)(5) should be amended to read:

*“Minimum speed requirements” means at least 100 megabits per second downstream and 20 megabits per second upstream and sufficient speed and latency to support distance learning and telehealth services. The Department of Technology may subsequently increase the “minimum speed requirements” for the purpose of aligning the minimum service requirements with updated state or federal policies, but the department shall not redefine “minimum speed requirements” to provide slower speeds than 100 megabits per second downstream and 20 megabits per second upstream.*

2) The new section adopted as committee amendments adding participation in ACP or “any other state or federal” broadband affordability program should be struck. The language that should be fully deleted reads:

*(#) Notwithstanding (c) an internet service provider that participates in the federal Affordable Connectivity Program or any other state or federal program that offers broadband affordability assistance for qualifying households, and that meets the price and minimum speed requirements established by (b), shall be considered a qualified internet provider and shall be authorized to enter into a procurement contract with the state.*

3) Section 11548.5(f) regarding provider requirements to advertise affordable plans should be restored.

4) Section 11548.5(h) regarding reporting requirements should be restored.

Thank you for your consideration. Please feel free to reach us (as representatives of CADE) at the email addresses and phone numbers listed below if we can be a resource for your work.

Sincerely,

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