



July 7, 2017

The Honorable Ben Hueso
Chair, Senate Energy, Utilities, and Communications Committee
State Capitol, Room 4035
Sacramento, CA 95814

**RE: Assembly Bill 1665 (E. Garcia) – Telecommunications: California Advanced Services Fund.
As Amended July 3, 2017 – Oppose Unless Amended
Hearing Date: July 10, 2017 – Senate Energy, Utilities and Communications Committee**

Dear Senator Hueso:

On behalf of the Rural County Representatives of California (RCRC) and the California State Association of Counties (CSAC), we write to respectfully inform you that amendments to AB 1665 (Garcia) adopted on July 3, 2017 have caused our organizations to remove our previous support positions. Despite the significant amount of new funding provided by AB 1665 and the encouraging goals it sets forth, the most recent amendments unfortunately lock underserved areas into low speed and high cost internet services.

Specifically, the amendments eliminate the designation of “underserved” and redefines “unserved” to incorporate some, but not all of currently underserved areas. This stifles progress being made to provide improved connection to underserved communities and unfortunately denies access to areas that would otherwise be eligible under the current California Advanced Services Fund program. Furthermore, amendments give existing communication providers the ability to lock in a service area, and therefore drive out any other provider, if it merely demonstrates annually that it will provide broadband access to the service area “within a reasonable timeframe.” This provision will fundamentally guarantee that underserved areas will continue to receive substandard broadband service from the large telecommunications providers - further entrenching the digital divide in California.

All of the recent amendments made to AB 1665 are unacceptable to our organizations. RCRC and CSAC have grave concerns about the negative impacts of this now industry-lead measure and must respectfully oppose AB 1665 unless it is amended to restore the definitions of “unserved” and “underserved,” eliminate annual “right of first refusal,” and require transparency standards for deployment projects subsidized by ratepayers and Public-Benefit MOU commitments. Furthermore, RCRC and CSAC respectfully requests that an alternative definition of “disadvantaged community” be included to ensure deserving communities are not inadvertently excluded from eligibility.

We recognize the many merits contained in the previous version of AB 1665. However, as currently written, this bill will impact the ability of our communities to bring needed broadband service to the area, further limiting access to educational and economic opportunities. If you have any questions about our position, please do not hesitate to contact Tracy Rhine at trhine@rcrcnet.org or (916)447-4806, or Dorothy Johnson at djohnson@counties.org or (916)327-7500, ext. 515.

Sincerely,



TRACY RHINE
Legislative Advocate, RCRC

DOROTHY JOHNSON
Legislative Representative, CSAC

cc: The Honorable Eduardo Garcia, California State Assembly
The Honorable Cecilia Aguiar-Curry, California State Assembly
The Honorable Chris Holden, California State Assembly
The Honorable Kevin McCarty, California State Assembly
The Honorable Rob Bonta, California State Assembly
The Honorable Brian Dahle, California State Assembly
The Honorable James Gallagher, California State Assembly
The Honorable Evan Low, California State Assembly
The Honorable Miguel Santiago, California State Assembly
The Honorable Mark Stone, California State Assembly
The Honorable Jim Wood, California State Assembly
The Honorable David Chiu, California State Assembly
The Honorable Susan Eggman, California State Assembly
The Honorable Devon Mathis, California State Assembly
The Honorable Kevin Mullin, California State Assembly
The Honorable Anna Caballero, California State Assembly
The Honorable Mike Gipson, California State Assembly
The Honorable Reggie Jones-Sawyer, California State Assembly
The Honorable Tom Lackey, California State Assembly
The Honorable Marc Levine, California State Assembly
The Honorable Jose Medina, California State Assembly
The Honorable Eloise Reyes, California State Assembly
The Honorable Blanca Rubio, California State Assembly
Honorable Members, Senate Energy, Utilities and Communications Committee
Nidia Bautista, Consultant, Senate Energy, Utilities and Communications Committee
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