

March 24, 2025

The Honorable Howard Lutnick Secretary of Commerce U.S. Department of Commerce 1401 Constitutional Ave. NW Washington, DC 20230 The Honorable Adam Cassady Principal Deputy Assistant Secretary National Telecommunications and Information Administration 1401 Constitutional Ave. NW Washington, DC 20230

Submitted via email to: <a href="mailto:commercelGA@doc.gov">CommercelGA@doc.gov</a>

Re: Broadband Equity, Access, and Deployment Program Rules

Dear Secretary Lutnick and Principal Deputy Assistant Secretary Cassady:

On behalf of the Rural County Representatives of California (RCRC) we respectfully request that the National Telecommunication and Information Administration (NTIA) allow the BEAD program to proceed without delay. California, like many other states are in the midst of the subgrantee process, the culmination of nearly three years of work by not only state officials, but also local and tribal governments, community organizations, and private entities to bring reliable and robust internet connectivity to underserved and unserved areas of the state. RCRC is an association of forty rural California counties and the RCRC Board of Directors is comprised of elected supervisors from each of those member counties.

California has nearly one million residents without access to adequate internet connectivity<sup>1</sup>. The state has prioritized closing the digital divide and made significant investment through funding programs to create a robust system that finally brings historically disadvantaged communities access to 21<sup>st</sup> century technology. Additionally, local governments, community groups and private investors have heeded the call to bridge the gap that large Internet Service Providers (ISPs) have left with the widespread disinvestment in these regions. Multi-billion dollar investments have already been made by the state in funding broadband plans and network designs in the state's counties and tribal lands. Further, local governments and community partners have begun work on projects funded through the Federal Funding Account (FFA) program<sup>2</sup>. The state of California has commenced construction on a statewide

<sup>&</sup>lt;sup>1</sup> Locations that meet the definition of "unserved" and "underserved" for purposes of the BEAD program and reported in California's Five-year Action Plan for BEAD, July 17, 2023.

<sup>&</sup>lt;sup>2</sup> Established by Senate Bill 156 (Chapter 112, Statutes of 2021)

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middle-mile infrastructure to enable connectivity to last-mile infrastructure in the most unconnected areas of the state<sup>3</sup>.

The BEAD program is an essential part of the of the state's endeavors to provide every Californian with equitable access to reliable broadband service. RCRC is supportive of the Administration's focus and efforts to ensure that public funding is utilized in the most cost-effective manner but suggest an approach to ensure that investments bring rural communities long term viable solutions and economic growth. Our organization recommends the following modifications, if any, are taken to the program:

- Making locations served by Digital Subscriber Line (DSL) considered either "unserved" or "underserved" based on the speed of reported service.
- Removing the Letter of Credit requirement for local governments.
- Reducing or removing the cash match requirement for projects.
- Moving away from project areas by Census Block Groups to Census Blocks or defined project areas.
- Continuing to allow states to establish an Extremely High-Cost Threshold (EHCT) based on a holistic evaluation of all subgrantee projects in the state, as opposed to a nationwide standard threshold.
- Ensuring eligible technology for non-EHCT is fiber build, while continuing to allow other technologies as appropriate in the state.
- Prioritize open access systems in order to facilitate competition and consumer choice in areas historically lacking robust and reliable backbone infrastructure.

At this critical stage, it is paramount that the BEAD program continues with minimal or no interruption, making any needed changes expeditiously. Should you have any questions about our position, please contact RCRC Senior Policy Advocate Tracy Rhine at <a href="mailto:trhine@rcrcnet.org">trhine@rcrcnet.org</a>.

Sincerely,

Patrick Blacklock President & CEO

cc: Danielle Thumann, Senior Counsel, Federal Communications Commission Callie Coker, Legal Advisor, Federal Communications Commission Darcie Houck, Commissioner, California Public Utilities Commission Jonathan Costantino, Office of the Governor, DC Office Grant Mack, Deputy Legislative Secretary, Office of Governor Newsom

<sup>&</sup>lt;sup>3</sup> The Middle-Mile Broadband Initiative is estimated to complete over 8,000 total miles of fiber by 2026. MMBI Fact Sheet