



California State
Association of Counties



FOR IMMEDIATE RELEASE

May 27, 2021

Contact: Sara Floor, Communications Manager
sfloor@counties.org , (916) 926-8769

Now Is NOT the Time to Kick Broadband Investments Down the Line
Opposition from Incumbent Providers Value Profits Over People

SACRAMENTO, CA— *A broad coalition of education, health, government, and equity organizations shares the following response to the effort to divert and delay Governor Newsom’s \$7 billion broadband budget package from the final state budget in June.*

We, the California Broadband Coalition, urge immediate investment of \$4 billion to create a statewide, open access, middle mile network, which is the only long-term solution to universal access and affordability.

Of course AT&T and other incumbent providers oppose this investment—it will break up the localized monopolies they’ve enjoyed for years. About half of all Californians have only one option—or none at all—for broadband at speeds of 25 Mbps, and at higher speeds like 100 Mbps, the options and availability dwindle even more.

“Opposition to this broadband spending package and efforts to delay its progress are affronts to the families and hardworking Californians —rural and urban— across California who are the backbone of our economy and yet have struggled with education, employment, and isolation during the pandemic,” said CSAC Executive Director Graham Knaus. “California should have fully invested in broadband 20 years ago and now is no time to kick the can even farther down the road.”

A letter from AT&T opposing the middle mile network plays fast and loose with the truth and seeks to shift the broadband package focus away from public infrastructure to even greater

corporate subsidies—money that will go right back into AT&T’s coffers and prop up the unaffordable rates their local monopolies make possible.

Diverting dollars away from open access middle mile construction projects means AT&T clearly values their broadband access monopolies over the people of California, who are at the mercy of their profit-driven motives. Local broadband monopolies are no different from those in other industries. They have led directly to unaffordable rates, uneven access, low speeds, and famously terrible customer service. AT&T’s plan would extend and solidify these monopolies; the Governor’s plan would make it easier for other providers to enter every local market, improving service for every California home and business.

“Broadband is now as essential to modern life as electricity and indoor plumbing,” said Micah Weinberg, Director of the California Forward Action Fund. “This is an instance when the interest of the people must outweigh the interests of a few companies whose actions are also preventing additional private sector investment. Much like all levels of government invested in transportation and electrical infrastructure in the 20th century, we must invest in the infrastructure of the 21st century to serve all Californians.”

AT&T’s letter argues that the new investment must directly connect unserved households and support low-income communities. They seem to miss the fact that the Governor’s budget proposal already fully funds last-mile construction, as well as subsidies for short-term affordability relief. The incumbent providers have all but stopped building to unserved communities, even when offered government subsidies, and then pile insult on injury by using their proprietary networks as an excuse to block others from accessing funding for last-mile projects to the same unserved and underserved communities where they refuse to build.

Access delayed is access denied. California has federal funding in hand for this purpose right now. Future federal funding for broadband is both uncertain and, as currently proposed, would be parceled out over nearly a decade. The need is urgent and the Legislature needs to adopt this proposal when they pass a budget in three weeks’ time.

Now is the time for this critical and foundational work. Californians can’t afford a delay. The Legislature needs to go all-in on the Governor’s broadband infrastructure proposal. It will increase broadband access, equity, and affordability and ensure that no Californians will be stranded at home for months, unable to go to school, meet with their doctors, or connect with their family and loved ones for lack of broadband.

California Broadband Coalition partners include California State Association of Counties, California Forward Action Fund, California Association of School Business Officials, California Hospital Association, Urban Counties of California and Rural County Representatives of California.

###