

CASF Amendments – Fact Sheet

These amendments put unprecedented resources to work connecting California’s last remaining unserved residents and small businesses.

Why these amendments are needed

For over 12 years, business as usual at the CPUC has held the CASF program back from closing the Digital Divide. However, SB 156 allocated billions of dollars to this program – without proposing modifications to the program needed to add accountability and transparency measures that will help ensure federal stimulus does not expire before last-mile projects are even awarded.

Amendments are needed immediately to maximize engagement for the rapid deployment of critical broadband services to unserved Californians.

CASF shortcomings

- The CPUC has connected fewer than 12,000 households in more than 13 years and reports there are still 463,000 unserved households in the state. At the current rate of investment, it will take nearly 500 years to get unserved Californians connected.
- The average cost for CPUC-managed broadband projects is more than \$21,000 per household - with one project costing more than \$730,000 per household to connect. Public dollars must now be spent smarter to reach more unserved areas.

How these amendments benefit all stakeholders

- For unserved communities, CASF is streamlined and simplified to empower the CPUC to commit funds for connecting unserved residents and small businesses before they expire on December 31, 2024.
- For the commission, eligible areas are aligned with federal guidelines of 25/3 Mbps, commission consultation obligations are streamlined, and responsibilities are focused on rapid broadband deployment rather than on burdensome capital evaluation and technology alternatives.
- For both the commission and providers, administrative burdens are minimized by streamlining application processes and reporting, defining unserved areas more broadly, and establishing a “deemed approved” process that allows providers to move forward with permitting, based on accurate projections.

CASF Amendments Framework

Without Amendments: SB 156 impedes the State's ability to meet funding deadlines by discouraging providers participation through:

- Bureaucratic reporting obligations;
- Unclear reimbursement guidelines;
- Narrowly scoped eligible areas.

...while at the same time constraining CPUC progress through:

- Prolonged mapping directives;
- Monthly reports and annual workshops;
- An outdated grant approval process.

With Amendments: Clean-up measures empower the State to meet its goals by directing that the CPUC:

- ✓ Focus its role to holding providers accountable to meet contractual obligations to build specified broadband speeds to specified areas within specified timeframes.
- ✓ Conduct an expedited rulemaking, no later than November 1, to accelerate CASF project approval and reimbursement.
- ✓ Deny or deem approved grant applications for broadband projects within 90 days, allowing time-constrained funds to be committed and critical broadband projects to be more rapidly deployed.
- ✓ Declare unserved areas as eligible for broadband projects more broadly, allowing for more efficient geographic builds.
- ✓ Expedite the identification of unserved communities with maps already available.
- ✓ Require more efficient transparency and oversight reporting on an annual basis and consultation workshops once every three years.