



**Broadband Task Force History & Recommendation
Meeting of the California Broadband Council
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Report on California's January 2008 Broadband Task Force Report's recommendations for seven key actions to help our state achieve fast, reliable, and affordable broadband service. Those 7 recommendations and California's progress are the following:

Recommendation 1. Build out high speed broadband infrastructure to all Californians

Advancing new incentives for deployment and improving existing programs will create a world-class broadband infrastructure in California.

January 2008: California Task Force issues results of first ever mapping effort in California. It revealed that the State had broadband available to 96% of its households but that 2,000 communities were still unable to access high speed Internet, and only half of Californians have access to speeds greater than 10 Megabytes per second (Mbps). Unserved and underserved areas tended to be in these regions: North Coast, Northern Sierra, Central Coast, Sacramento Valley, San Joaquin Valley, Inland Empire, and Southern Border.

December 2007: California Public Utilities Commission (CPUC or Commission) creates California Advanced Services Fund (CASF), in Decision No. 07-12-054. The CASF is a state broadband infrastructure program, to promote the development of broadband in unserved and underserved areas, as revealed by the broadband maps. As originally conceived, it is a \$100,000 two-year infrastructure grant program, awarding 40% matching grants to qualified broadband providers. It is funded through a 0.25% surcharge in intrastate telephone bills in the State.

Senate Bill 1193 (Padilla) provided clear statutory authority for the CPUC to assess the surcharge and expend funds. It codified the CASF program and placed the fund in the State Treasury.

When the American Recovery and Reinvestment Act of 2009 (ARRA) was enacted, the Commission revised the CASF program to allow California providers to use CASF funds as matching funds for ARRA grants.

CASF Results: As of October, 14, 2010, CASF results are as follows:

Unserved Areas. According to the CPUC's Communications Division staff, as of October 14, 2010, for CASF projects for areas unserved by broadband, the CPUC has awarded \$4,909,921 to date for sixteen projects. These broadband infrastructure projects are bringing 27,427 households broadband for the first time, covering 3,236 square miles. The average funds requested per customer is \$179.

Underserved Areas. As of October 14, 2010, as to areas underserved by broadband, the CPUC has awarded \$52,958,090 of CASF funds for 26 projects. These broadband infrastructure projects are bringing 291,361 households broadband at the minimum benchmarks speeds covering 11,925 square miles. The average funds per customer requested is \$182.

Total CASF Project. For the entire CASF program, \$57,868,011 of the total of \$100 million has been committed to 41 projects, covering 15,161 square miles, 318,788 households, at an average cost per customer of \$182.¹

Of the 89 project applications received, 49 total CASF projects were approved for funding. Of these 49 projects, approval was subsequently rescinded for eight projects for the following reasons:

- * 1 applicant was unable to secure the required 60% matching funds;
- * 5 applicants were unable to secure ARRA funding;
- * 1 applicant decided not to construct the project; and
- * 1 applicant decided to construct the project using their own funds.

Of the remaining 41 projects, 30 of these projects are receiving matching CASF grants of up to 40% of project costs, while 11 are receiving matching grants of about 10% of project costs to supplement ARRA grants.

SB1040 (Padilla) Extends CASF by an Additional \$125 Million

In 2010, SB 1040 increased funding for the CASF by an additional \$125 million over five years to support broadband deployment statewide and position California to maximize

¹ Source: CPUC Order Instituting Rulemaking to Consider Modifications to the California Advanced Services Fund Including Those Necessary to Implement Loan Program and Other Provisions of Recent Legislation, Appendix A, Item 63, December 16, 2010.

opportunities under the new Federal Communications Commission (FCC) National Broadband Plan (NBP).²

SB 1040 authorized an additional \$125 million to be collected as a surcharge and be awarded over five years beginning with the 2010-11 fiscal year, thereby ensuring that the CASF can fund pending applications for ARRA matching grants and other projects to bring broadband to all corners of the state. SB 1040 further created separate accounts within the CASF and authorized the additional \$125 million as follows:

- \$100 million for grants to cover broadband infrastructure capital costs.
- \$15 million for a Broadband Infrastructure Revolving Loan Account to provide another source of funding for the portion of broadband deployment costs not covered by a grant; and
- \$10 million for a Rural and Urban Regional Broadband Consortia Grant Account to fund activities that help regions secure funding for broadband infrastructure.

The bill went into immediate effect as an urgency measure in order to prevent disrupting the grant process and ensure matching funds are available for ARRA grant recipients. SB 1040 was signed into law by Governor Schwarzenegger in 2010, and it was chaptered into law on September 27, 2010.

In 2006, the Commission created the California Emerging Technology Fund (CETF), a non profit organization dedicated to narrowing the Digital Divide in our state. CETF organizes rural regional consortia and urban underserved consortia to focus on how to attract broadband investment in their areas.

Recommendation 2. Develop model permitting standards and encourage collaboration among providers.

Developing a public-private partnership between local governments and broadband providers to endorse permitting standards will improve the speed with which broadband is deployed.

Local governments and regional agencies have key planning responsibilities and land use regulatory authorities, such as oversight of general plans and blueprints for

² The FCC's National Broadband Plan sets forth goals for the nation to get American connected by broadband. The plan establishes a national roadmap for the future of advanced telecommunications and designates broadband deployment and adoption as a national priority, with many recommendations for funding. The FCC's National Broadband Plan recognized CASF as an example of state leadership on broadband deployment.

sustainability that can promote broadband deployment and adoption. In 2010, the California Emerging Technology Fund and the Center for a New Orange County promulgated a comprehensive sample policy as a resource for local and regional governments, entitled “Getting Connected for Economic Prosperity and Quality of Life: A Resource Guide for Local and Regional Government Leaders to Promote Broadband Deployment and Adoption.”³

CETF is also working with dozens of California governmental entities to pass resolutions to support public awareness and education about broadband benefits, broadband sample policies, smart housing draft language, language regarding digital literacy and workforce development, public safety benefits and broadband definitions.

Further, CETF and Community Partners, California Community Technology Group, and the Broadband Institute of California (Santa Clara University School of Law) published a summary and analysis of government-led wireless projects titled “Wired for Wireless” to give local governments and stakeholders information and checklist to guide consideration of wireless initiatives.

Recommendation 3. Increase the use and adoption of broadband and computer technology.

Expanding the opportunities for Californians to access, use, and learn broadband, at home and in the community, will provide the foundation for a digitally literate society that is able to fully benefit from broadband technology.

CETF has undertaken significant broadband adoption actions to date:

A. Digital Literacy: CETF issued a report on digital literacy, resulting in Governor’s Executive Order S.06-09 to establish digital literacy as a goal for all students, workers and residents. The California Technology Agency issued a “Digital Literacy Pathways in California” report in July 2010,⁴ organized a 21-entity Leadership Council to formulate digital literacy plans for 2011, and continues to lead an Advisory Group to create public websites for digital literacy lesson plans and “train the trainer” materials, statewide leadership initiatives, and development of certification and assessment tools.

B. School2Home: With The Children’s Partnership, CETF has developed School2Home, an innovative statewide program to close both the achievement gap and digital divide by integrating the use of computers and broadband technologies into teaching and learning at low performing middle schools in the state. This program is unique in that it emphasizes parental involvement, extensive teacher and administrative training, and home broadband connectivity.

³ The Guide may be found at this link: http://www.cetfund.org/files/CETF_Resource_Guide_Model_Policies_web.pdf

⁴ http://www.cio.ca.gov/Government/Publications/pdf/Digital%20LiteracyMaster_Final_July_2010.pdf

C. Telehealth-Telemedicine: CETF provided \$3.6 million in matching monies for the Rural Health Care Pilot Program grant of \$22.1 million from the Federal Communications Commission to create the statewide California Telehealth Network. Further, CETF has funded UC Merced for connection of initial telemedicine sites in the San Joaquin Valley with a grant from CETF and partners. CETF also funded California Dental Association and Veterans Administration to coordinate services and resources with CTN.

D. Smart Housing: CETF formulated a model policy for Smart Housing and is advocating for it on both state and federal levels.

E. Smart Communities: In 2010, CETF published a “Get Connected for Economic Prosperity and Quality of Life: A Resource Guide for Local and Regional Government Leaders to Promote Broadband Deployment and Adoption.”

F. Public Awareness and Education: CETF launched a successful “Get Connected!” campaign to raise overall awareness about the benefits of broadband in target areas that show low adoption rates. A website in four languages has been launched, along with public service announcements in several languages. CETF participated in numerous Community Connect Fairs in target neighborhoods to promote awareness, train individuals in digital literacy, and train community leaders in broadband awareness.

In addition, the ARRA federal grants have greatly enhanced California’s broadband adoption programs. See ARRA list of grants at the end of this presentation.

Recommendation 4: Engage and reward broadband innovation and research.

Promoting innovative uses of broadband technologies and encouraging wider e-government use will result in quality-of-life improvements, while increasing demand for a robust broadband infrastructure.

CETF established the Don and Rosemary Vial Award for Digital Inclusion to recognize extraordinary performance and achievements by CETF grantees and other partners to close the Digital Divide and promote Digital Inclusion in California. CETF is especially interested in recognizing innovations in harnessing market forces to serve the public good. Awards will be made annually in two categories: (1) Exemplary Performance by an Individual – \$2,500 and (2) Outstanding Performance by an Organization – \$10,000.

Recommendation 5: Create a statewide e-health network.

Implementing a sustainable statewide e-health network will improve quality of care across the state and simultaneously increase demand for broadband services.

In 2007, the Federal Communications Commission established a Rural Health Care Pilot Program (RHCPP). In an unprecedented statewide effort, California submitted a statewide application to form the California Telehealth Network (CTN), on behalf of a consortium of state agencies, regional telehealth providers and stakeholders. The CTN received \$22.1 million in FCC funding from the RHCPP to provide a broadband network to over 850 health care sites.

The CTN's objective is to improve access to quality care in rural, medically underserved and tribal communities. The University of California Office of the President (UCOP) with assistance from the UC Davis Medical Center agreed to serve as the initial fiscal agent for the collaborative. UCOP formed the entity, contracted with the network vendor, hired a President and CEO Eric Brown, obtained a letter of funding from the FCC in July 2010, and initiated construction of the network in August 2010. 24 health care sites are connected as of February 2011.

CTN consortium member organizations include:

Health Care Providers:

- The University of California (UC)
- The UC Office of the President (*Managing Partner*)
- The UC Davis Health System (*Project Management Lead*)
- Rural health networks and coalitions
- The Northern Sierra Telehealth Network
- The Community Clinics Health Network (CCHN)
- Central Valley Health Network (CVHN)
- The Southern Sierra Telehealth Network (SSTN)
- Redwood Medical Network
- Open Door Health Network/Open Door Community Health Center (ODCHC)
- The Indian Health Service (IHS) network

Governmental Partners:

- The Office of the Governor
- California Health & Human Services Agency (CHHSA)
- The Office of Statewide Health Planning and Development (OSHPD)
- California Business, Transportation and Housing Agency (BTH)
- The California Department of Managed Health Care (DMHC)
- The California Office of Emergency Services (OES)

- The California Public Utilities Commission (CPUC)
- The California Technology Agency
- The California Emerging Technology Fund (CETF)
- The California Institute for Telecommunications and Information Technology (Cal IT2)

Stakeholder/Partner Organizations:

- The California Hospital Association (CHA)
- The California Health Foundation and Trust (CHFT)
- The California Telemedicine & eHealth Center (CTEC)
- The California State Rural Health Association (CSRHA)
- The California Primary Care Association (CPCA)

In addition to the \$22.1 million award – the largest single-state RHCPP award of its kind, the CTN received \$3.6 million in matching funds from CETF and a credit of 7.5% of recurring revenues from the Commission’s California Teleconnect Fund. In addition, nearly \$10 million in funding has thus far been pledged by the California Health Care Foundation, United Healthcare, and the National Coalition for Healthcare Integration, to secure the FCC award and support operations of the CTN. In July 2010 the consortium established an independent 501(c)(3) non-profit corporation which will manage the CTN long term. Legal and financial responsibilities are being transitioned from the University of California to the CTN non-profit corporation targeted for completion in the first half of 2011.

The CTN provides HIPAA compliant, MPLS, virtual private network connectivity for CTN sites with guaranteed quality of service to support medical applications. CTN traffic is not exposed to the public Internet. Internet access is provided via a direct connection to California’s Regional Optical Network, CENIC. This connection will also provide each CTN site with a high-bandwidth connection to every major academic medical center within the state (UCs, Stanford, USC, etc.), as well as access to a very large contingent of K-12, community college and state university institutions that participate in CENIC. The CENIC connection also provides all CTN sites with connectivity to National Lambda Rail and Internet2. CTN’s secure connections provide for safe and secure Health Information Exchange, and the interoperable exchange of patient information. CTN collaborates with Cal eConnect in the coordination of Health Information Exchange initiatives. In addition, a broad menu of eHealth and telemedicine applications are being identified that will be offered over the network for CTN member sites. Following a rigorous RFP process, AT&T was selected as the statewide master vendor, providing installation, and on-going network managed router services to CTN sites. CTN sites may select circuit speed offerings ranging from a 1.5 mbps up to 45 mbps.

In September 2010, UC Davis Health System and the CTN were awarded a Sustainable Broadband Adoption economic stimulus grant through NTIA’s Broadband Technology

Opportunity Program under ARRA. This grant enables the CTN to begin hiring much needed dedicated administrative staff, and to begin the development of training programs in conjunction with several program partners around the State. Training will focus on the use of broadband to advance technology-enabled health care for medical practitioners to general consumers. Fifteen model communities throughout the state will be selected based on specific selection criteria to receive telemedicine and eHealth equipment, funding for training staff, and receive patient centered, community oriented, technology enabled health care training.

Recommendation 6. Leverage educational opportunities to increase broadband use.

Ensuring high-capacity broadband connections coupled with robust technology support system, relevant curriculum, literacy standards, and off-campus educational partnerships will provide California’s students with the skills they need to compete in a 21st century economy.

CETF issued a Digital Literacy report, resulting in Governor’s Executive Order S-06-09 to establish digital literacy as a goal for all students, workers and residents. The California Technology Agency (formerly the State Office of the Chief Information Officer) issued a “Digital Literacy Pathways in California” report in July 2010, organized a 21 entity Leadership Council to formulate digital literacy plans for 2011, and continues to lead an Advisory Group to create public websites for digital literacy lesson plans and train the trainer materials, development certification and assessment tools.

School2Home: With The Children’s Partnership, CETF has developed School2Home, an innovative statewide program to close both the achievement gap and digital divide by integrating the use of computers and broadband technologies into teaching and learning at low performing middle schools in the state. This program is unique in that it emphasizes parental involvement, extensive teacher and administrative training, and home broadband connectivity.

Work needs to be done given the 2011 state transition in leadership to educate new state leaders on this work in digital literacy, School2Home and other ARRA broadband adoption educational projects.

Recommendation 7. Continue state-level and statewide leadership

Continuing the California Broadband Initiative and supporting the creation of Community Broadband Leadership Councils will strengthen the statewide leadership necessary to drive broadband access and adoption across California.

Senate Bill 1462 (Chapter 338 of the Statutes of 2010) establishes in state government the California Broadband Council to maximize California’s opportunities for federal funds under the new National Broadband Plan released by the Federal Communications

Commission (FCC), increase coordination of state resources for broadband networks, and ensure continuation of California's leadership in broadband deployment and adoption.

Various state agencies are involved in broadband deployment, manage state broadband networks, or provide government services via broadband, including social services, public safety, health care, and distance learning. With jurisdiction spread throughout state government, strong state leadership and coordination are essential to continue pursuing initiatives to bring the economic benefits of high-speed Internet access to all parts of California and to identify all opportunities to efficiently share resources and facilities.

SB 1462 establishes the California Broadband Council in state government for the purpose of promoting broadband deployment and adoption throughout the state for the benefit of all Californians. The bill:

- specifies members of the council, including the president of the CPUC, State Chief Information Officer, Secretary of the California Emergency Management Agency, Superintendent of Public Instruction, Director of General Services, Secretary of Business, Transportation and Housing, one member of the Senate appointed by the Senate Rules Committee, one Member of the Assembly appointed by the Speaker of the Assembly, and the president of CETF;
- specifies duties of the council relating to the National Broadband Plan, implementing Broadband Task Force Report recommendations, and coordinating state resources for broadband deployment and adoption;
- requires the council to convene its first meeting no later than March 1, 2011, and thereafter as the council determines, with the president of the CPUC serving as chair of the first meeting; and
- requires the council to provide for input from stakeholder groups at its regular public meetings, and through public hearings, roundtables, advisory groups, or other means as the council determines.

Federal Development: California-Impacting Broadband ARRA projects from NTIA

With the American Recovery and Reinvestment Act of 2009, California's broadband providers were well positioned to apply for federal grants for "shovel ready" broadband projects given all the planning work begun in 2006 on broadband development.

Here is the list of all California Broadband ARRA projects awarded by Department of Commerce's NTIA under ARRA:

| Grantee/Project Name | Total Award | Type |
|--|--------------------|--|
| California Broadband Cooperative, Inc. – Digital 395 Middle Mile | \$81,148,788 | Infrastructure |
| California Emerging Technology Fund – Broadband Awareness and Adoption | \$7,251,295 | Sustainable Broadband Adoption |
| California Emerging Technology Fund – Access to Careers and Technology | \$7,108,181 | Sustainable Broadband Adoption |
| California Public Utilities Commission – State Broadband Data and Development | \$7,981,304 | Broadband Data & Development |
| Central Valley Independent Network, LLC – The Central Valley Next Generation Broadband Infrastructure Project | \$46,619,757 | Infrastructure |
| City and County of San Francisco – San Francisco Community Broadband Opportunities Program | \$7,931,632 | Sustainable Broadband Adoption |
| City of Los Angeles, California – Los Angeles Computer Access Network (LA-CAN) | \$7,496,157 | Public Computer Centers |
| Communication Service for the Deaf, Inc. – Project Endeavor | \$14,988,657 | Sustainable Broadband Adoption |
| Computers for Youth Foundation, Inc. – Computers For Youth/Los Angeles Unified School District Family Broadband Engagement Program | \$7,615,229 | Sustainable Broadband Adoption |
| Deaf Action Center of Louisiana – AccessAmerica Video Remote Interpreting | \$1,380,513 | Public Computer Centers |
| Foundation for California Community Colleges – California Connects | \$10,944,843 | Sustainable Broadband Adoption |
| Housing Authority of the County of San Bernardino – Transforming Neighborhood Network Centers for Job Creation and Broadband Access | \$1,239,980 | Public Computer Centers |
| Level 3 EON, LLC – Expanding Broadband Access Across California | \$3,291,994 | Infrastructure |
| Los Angeles Regional Interoperable Communications System Authority (LA-RICS) – Los Angeles Public Safety Broadband Network: L.A. SafetyNet | \$154,640,000 | Infrastructure |
| Mission Economic Development Agency – Latino Microenterprise TechNet | \$3,724,128 | Public Computer Centers |
| Monterey County Office of Education – Central Coast | \$3,631,495 | Public Computer |

| Grantee/Project Name | Total Award | Type |
|---|--|--|
| Broadband Consortium Public Computing Alliance | | Centers |
| Motorola, Inc. – The San Francisco Bay Area Wireless Enhanced Broadband Project (BayWEB) for public safety interoperable broadband system | \$50,593,551 | Infrastructure |
| One Economy Corporation – 21st Century Information and Support Ecosystem: Make It Easy Where You Are | \$28,519,482 | Sustainable Broadband Adoption |
| Plumas Sierra Rural Electric Cooperative – Plumas-Sierra Telecommunications Middle Mile Project | \$13,770,240 | Infrastructure |
| Portland State University – Learner Web Partnership: A Multi-State Support System for Broadband Adoption for Vulnerable Adults | \$3,318,031 | Sustainable Broadband Adoption |
| University Corporation for Advanced Internet Development – United States Unified Community Anchor Network (US UCAN) | \$62,540,162 | Infrastructure |
| University of California, Davis – California Telehealth Network eHealth Broadband Adoption | \$9,119,828 | Sustainable Broadband Adoption |
| Youth Policy Institute, Inc. – YPI Public Computer Centers Program | \$5,572,361 | Public Computer Centers |
| ZeroDivide – Generation ZD Digital Literacy Program | \$1,384,242 | Sustainable Broadband Adoption |
| ZeroDivide Tribal – Tribal Digital Village Broadband Adoption Program | \$686,157 | Sustainable Broadband Adoption |
| NTIA Totals | CA-only projects: \$350,064,330 Multistate projects: \$62,540,162 | |

Source: <http://www2.ntia.doc.gov/california>

California-Impacting Broadband ARRA Grants from the Agriculture’s Rural Utility Service

California also received Broadband ARRA grants from the federal Department of Agriculture’s Rural Utility Service agency through its Broadband Initiatives Program (BIP). On a national basis, RUS awarded \$3,529,090,888 in funding, creating 25,800

jobs. California received the following Broadband ARRA grants from RUS' BIP Loan and Grant Program:

| Grantee and Project Name | Total Award (Grant/Loan) | Type |
|--|---|----------------|
| Ponderosa Cablevision – Millerton Project | Grant \$1,926,431 Loan \$1,926,431 | Infrastructure |
| Audeamus – Westside Broadband Project for Rural Central California – San Joaquin, Tranquillity and West Fresno | Grant \$2,741,505 Loan \$2,741,505 | Infrastructure |
| Cal-Ore Communications, Inc. – North Siskiyou Wireless Broadband | Grant \$1,339,800 Loan \$ 446,600 | Infrastructure |
| Calaveras Telephone Company – Calaveras Fiber-to-the-Home Deployment Project | Grant \$2,860,883 Loan \$1,226,093 | Infrastructure |
| SmarterBroadband – Smarter Broadband Project | Grant \$1,874,043 Loan \$624,681 | Infrastructure |
| SoftCom Internet Communications, Inc. - Softcom Rural Broadband Expansion Project | Grant \$5,069,125 Loan \$1,689,710 | Infrastructure |
| Rural Utilities Service BIP Program Totals | Grant Total: \$15,811,787 Loan Total: \$ 8,655,020 | |

The Governor’s Recovery Task Force, the California Technology Agency, the California Public Utilities Commission, CalTrans, and others continue to work closely with the Broadband ARRA grantees to assist them with facilitating state environmental and other permitting, collaboration, and other assistance relating to the ARRA federal grants.