

CONCERN OVER BROADBAND INFRASTRUCTURE GRANTS BYPASSING LOS ANGELES COUNTY

The Board of Supervisors continues to be committed to eliminating the digital divide experienced by hundreds of thousands of our residents. Due to lack of competition and investment in internet infrastructure in many of our communities for decades, significant government investment is now needed to provide the fast and reliable internet that these – and all communities – deserve.

On July 20, 2021, Governor Gavin Newsom signed into law Senate Bill 156 (SB 156) that included \$2 billion toward “last mile” networks to directly connect individual residences to the internet.

On November 15, 2021, President Joe Biden signed into law the \$1.2 trillion Infrastructure Investment and Jobs Act (IIJA). The law appropriates \$65 billion for broadband improvements. The primary purpose is to build internet infrastructure across the nation, create more low-cost internet service options, and address digital equity and inclusion needs in underserved communities.

Los Angeles County, along with many others in the public, private, and not-for-profit sectors, were encouraged that these unprecedented investments would allow the rapid construction of state-of-the-art, high-speed, reliable, and affordable internet networks in our communities, especially those that have been left behind.

However, recently, the Federal Communications Commission (FCC) and California Public Utilities Commission (CPUC) published separate maps of proposed grant funding priorities for broadband infrastructure projects. Based on the current priority criteria,

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Los Angeles County will be extremely disadvantaged in competing for our fair share of available funds. Per the County's consultants and regional stakeholders, it was anticipated that Los Angeles County would be well positioned to receive tens of millions of dollars. Now, most cities and communities that are impacted by the digital divide may not be eligible for these grant funding opportunities.

California Last Mile Priority Areas

The CPUC indicated in its rulemaking decision (Decision 22-04-055 April 21, 2022) on the \$2 billion of grants for "last mile" networks that it would consider disadvantaged communities in establishing the priority funding of that allocation. However, the recently released CPUC maps of the "Priority Areas show only 26 areas in Los Angeles County, primarily in the Antelope Valley, Santa Monica Mountains, Palos Verdes Peninsula, and San Jose Hills areas, that will provide an estimated \$79.2 million to connect 15,482 locations. Meanwhile, in the First Supervisorial District alone, there are over 96,000 households who lack the internet at home according to data from the US Census Bureau. Yet only 283 households in the First District are identified as in a Priority Area.

Aside from the problems with the Priority Areas, the Los Angeles County area will see only a small share of the \$2 billion in available competitive grants for "last mile" projects under SB 156. Under the CPUC allocation decision, the area will be eligible for up to \$104 million of the \$2 billion as an urban county, and that amount includes the \$79.2 million in Priority Area projects.

Federal National Broadband Map

On November 18, 2022, the FCC released the *pre-production draft* of its new National Broadband Map (<https://broadbandmap.fcc.gov/>). The map displays where internet services are available and not available across the United States. The map is based on data reported by Internet Service Providers to the FCC. The National Broadband Map will be used to allocate \$42 billion in federal funds to states and territories to help expand access to affordable high-speed internet. The Bipartisan Infrastructure Law requires the National Telecommunications and Information Agency (NTIA) to use this map to allocate federal funding for the Broadband Equity, Access, and Deployment (BEAD) Program. The BEAD program is a competitive grant process that will distribute funds based on a preference for unserved and underserved locations. Generally, unserved locations have no broadband service at all or broadband service offering speeds below 25 Mbps downstream/3 Mbps upstream. Underserved locations are areas that lack broadband service offering speeds of 100 Mbps downstream/20 Mbps upstream. The BEAD program may give additional consideration to other factors.

The representations on the current map suggest that adequate internet services are available in 97% of Los Angeles County, which has eligibility implications for BEAD grants. However, due to the availability data being self-reported by ISPs, the burden placed upon

consumers, governments, and advocacy groups to challenge the accuracy of the map, and as incorrect designations of multi-family dwellings and community anchor institutions, it is likely that Los Angeles County has far more eligible unserved or underserved locations than the National Broadband Map indicates.

It is troubling that despite historic investments in “last mile” broadband internet – \$42.45 billion from the IJA BEAD Program and \$2 billion allocated by SB 156 – Los Angeles County will see very little of this funding based on current federal and state decisions. By focusing almost exclusively upon Internet Service Provider self-reported data about internet availability with no consideration of internet affordability and upon whether the locations are technically served or not, there is no regard for digital equity in the allocation of these public funds.

Based on the criteria, this will be a similar reality across the state and the country, where urban areas are deemed to be connected and large numbers of our families will not have affordable or reliable internet in favor of relatively fewer in less connected areas. This inequitable approach demands that the County must advocate for changes in funding rules and program priorities to ensure that our residents are not left behind in broadband – again.

I, THEREFORE, MOVE that the Board of Supervisors instruct the Chief Executive Office (CEO) - Legislative Affairs and Intergovernmental Relations Branch, in collaboration with the Internal Services Department, to:

1. Send a five-signature letter to President Alice Busching Reynolds of the California Public Utilities Commission, with copies to the Office of the Governor's Legislative Affairs Division, the County's State legislative delegation and legislative leadership expressing concern about the apparent lack of equity focus on the SB 156 Federal Funding Account Priority Areas and requesting reconsideration of the Priority Areas.
2. Send a five-signature letter to Chairwoman Jessica Rosenworcel of the Federal Communications Commission, with copies to the White House Office of Intergovernmental Affairs, the National Telecommunications and Information Agency, the County's Congressional delegation and the Senate and House leadership expressing concern about the FCC's National Broadband Map, including the reliance upon ISP self-reported data, the burden placed upon consumers, governments, and advocacy groups to challenge that data, and the accuracy of the map locations such as incorrect designation of multi-family dwellings and community anchor institutions.

I, THEREFORE ALSO MOVE that the Board of Supervisors instruct the CEO - Legislative Affairs and Intergovernmental Relations Branch to work with the Internal Services Department, as the subject matter experts, to advocate in support of State and federal legislation and regulations that provide funding for the development and expansion of broadband infrastructure and reliable, affordable networks to bridge the

digital divide by increasing access to high-speed internet.

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