

Date of Hearing: April 14, 2021

ASSEMBLY COMMITTEE ON COMMUNICATIONS AND CONVEYANCE

Miguel Santiago, Chair

AB 1349 (Mathis) – As Introduced February 19, 2021

SUBJECT: California Advanced Services Fund: Broadband Adoption Account

SUMMARY: Adds churches to the entities eligible for grants from the Broadband Adoption Account in the California Advanced Services Fund (CASF).

EXISTING LAW:

- 1) Requires the California Public Utilities Commission (CPUC) to develop and administer the CASF with the goal of the funding infrastructure projects to provide broadband access to no less than 98 percent of California households in each broadband consortia region in the state by 2022. (Public Utilities Code Section 281)
- 2) Establishes the Broadband Adoption Account in the CASF, funded at \$20 million, to award grants to increase publicly available or after school broadband access and digital inclusion, such as grants for digital literacy training programs and public education, to communities with limited broadband adoption, including low-income communities, senior communities, and communities facing socioeconomic barriers to broadband adoption. (Public Utilities Code Section 281[d][1][C])
- 3) For the purposes of the Broadband Adoption Account in the CASF, defines entities eligible for grants as local governments, senior centers, schools, public libraries, nonprofit organizations, and community-based organizations with programs to increase publicly available or after school broadband access and digital inclusion, such as digital literacy training programs. (Public Utilities Code Section 281[j][1])

FISCAL EFFECT: Unknown. This bill has been keyed fiscal by the Legislative Counsel.

COMMENTS:

- 1) Author's Statement. For many small communities, especially within rural areas, a church is not simply a place of worship, but a building that fulfills many other purposes which are vital to the wellbeing and functioning of the community. In such areas, churches are central to the community. These buildings are used for numerous non-religious activities and events that benefit all age ranges and demographics. Churches are often the venues for learning and educational activities such as after-school clubs or programs and extracurricular activities; they also provide a key source of social interaction for the elderly as they are commonly used venues for weekly senior lunches and coffees. Furthermore, churches serve as the venue for multiple groups and organizations that provide emotional support and addiction recovery services, which are needed now more than ever.

For many smaller communities, churches currently fulfil the goals and criteria used when awarding grants by the Broadband Adoption Account. By allowing churches to be eligible, AB 1349 enables churches within the most vulnerable and remote regions of California to

continue providing much needed services, increase broadband access and digital inclusion that will benefit the community.

- 2) Non-Profit Organizations. The basis for grants from the Broadband Adoption Account are the services provided by the applicant. The program funds projects to increase publicly available or after-school broadband access and digital inclusion, such as grants for digital literacy training programs and public education to communities with limited broadband adoption. The CPUC will give preference to programs and projects in communities with demonstrated low broadband access, including low income communities, senior citizen communities, and communities facing socioeconomic barriers to broadband adoption.

The CPUC advises that as long as the church applying for a grant is a non-profit organization with programs to increase publicly available or after school broadband access and digital inclusion such as digital literacy training programs, it would be an eligible grant recipient under current rules. Churches are generally recognized as religious organizations under the Internal Revenue Code and have non-profit status under section 501(c) (3).

However, churches are religious organizations but all religious organization are not churches. To be as inclusive as possible, *the committee may wish to consider amending the bill to replace "churches" with "religious organizations."*

- 3) Double-referral: This bill will be referred to the Assembly Committee on Judiciary should it pass out of this committee.

REGISTERED SUPPORT / OPPOSITION:

Support

One individual

Opposition

None on file.

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