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[Federal Broadband Opportunity Council Public Comments.pdf](#)

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Dear Sir or Madam,

The State of California Department of Technology appreciates the opportunity to provide public comments on broadband adoption and expansion to the Federal Broadband Opportunity Council. Attached are our comments. Please forward any questions regarding this response to Adelina Zendejas, Deputy Director, Broadband and Digital Literacy Office at [adelina.zendejas@state.ca.gov](mailto:adelina.zendejas@state.ca.gov).

Thank you.

Sincerely,



*Blanca Ibarra*

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## CALIFORNIA DEPARTMENT OF TECHNOLOGY

June 10, 2015

Broadband Opportunity Council  
National Telecommunications and Information Administration  
U.S. Department of Commerce  
1401 Constitution Avenue N.W., Room 4626  
Washington, DC 20230

Re: ***Federal Broadband Opportunity Council | Public Comments***

Dear Sir or Madam:

The State of California offers the following public comments on broadband adoption and expansion to the Federal Broadband Opportunity Council. Our comments are intended to assist in better defining strategies to improve regulatory and policy barriers and align funding policies and decisions supporting broadband access and adoption. We support federal and executive branch agency policies and programs that promote statewide broadband expansion and inclusion.

California continues to make progress on improving statewide broadband services and adoption. As part of our broadband initiative, the California Broadband Council (CBC) was established in 2010 to increase broadband deployment and eliminate the digital divide. The CBC serves as the official forum for promoting and overseeing public policies to accelerate broadband deployment and adoption. Last year the CBC proposed changes to federal broadband programs to significantly improve deployment and adoption for California.

The proposed program changes include the five (5) areas below. While security was not part of the proposed changes, we are including this area as part of this response:

1. Connect America Fund
2. Tribal Broadband
3. E-Rate
4. Affordable Broadband Rate
5. Healthcare Connect Fund
6. Security

### **Connect America Fund**

California is the most populous state in the nation, with an estimated population of more than 38 million residents. We have many unique challenges hindering universal broadband deployment. In many of our small towns and rural communities, the Connect America Fund (CAF) speed threshold is too low and provides no incentive for legacy telephone companies to invest in next generation network upgrades.

Because the stated outcome of the CAF is to promote broadband service to rural America, the CBC recommended the following proposals:

1. Raise the eligibility speed threshold and deployment speed obligation to support real-time streaming applications; or at least, to 6 Mb/s down and 1.5 Mb/s up to achieve parity with the California Advanced Services Fund (CASF). The current CASF eligibility speed threshold is 6 Mb/s down and 1.5 Mb/s up.
2. Waive voice obligations for grant applicants to allow smaller providers to build out in remote rural areas.

California's experience with the CAF has been inconsequential in terms of broadband deployment. The low CAF threshold renders much of our state ineligible for funding and results in areas too small to entice new providers to make significant network investments in these areas. No providers applied for funding on the Mobility Fund Phase I, and only one provider, Frontier, is receiving Phase I, Round II support. This represents less than 0.2% of total monies nationally awarded. California's annual Universal Services Fund (USF) contributions during the past several years represent slightly more than 10% of the total funds contributed nationwide. California requires, and should receive, significantly more federal support and funding in line with our annual USF contributions.

### **Tribal Governments**

California has one of the largest Native American populations in the United States. We are committed to strengthening and sustaining effective government-to-government relationships through working closely with the Governor's Tribal Advisor's Office and collaborative Tribal consultations. Many California Tribes reside in remote areas where broadband connectivity is critical for public safety, telehealth, education, and cultural preservation.

In 2014 the Tribal Mobility Fund Phase I effort found that only eight of 109 federally-recognized tribes qualified for CAF funds. The eight tribes represented only 2% of the estimated tribal community members potentially eligible for CASF state subsidies. Only three tribes have received funding for broadband in the past five years from Community Connect. Due to the remote location of many tribal communities, speed thresholds for both the CAF and Community Connect remain insufficient and ineligible for federal funding.

California recommends federal agencies engage directly with California's federally-recognized tribes through either the FCC Tribal Broadband Task Force or the California Broadband Council's Tribal Working Group. Additionally, California's First Responders Network (CalFRN) Board established a CalFRN Tribal Committee. We recommend collaborating with these California tribal groups regarding broadband for tribal communities.

### **E-Rate**

In December 2014, the FCC adopted the Second E-rate Modernization Order. This course of action to modernize and streamline the schools and libraries universal service support program demonstrates thoughtful policy to provide indispensable, affordable, connectivity, and can serve as the foundation for policies that encourage sustainable connected communities. Throughout California, rural schools have administrative school headquarters connected through E-rate. However, we still need to establish broadband for additional rural schools.

California is in support of the H.R. 2638, Broadband Adoption Act 2015, to amend the Communications Act of 1934 to reform and modernize the USF Lifeline Assistance Program. Lifeline funding needs to be expanded to include the cost of home broadband to support the four recommendations below:

1. Establish minimum connectivity levels per student.
2. Ensure parents and guardians have the necessary computer skills.
3. Encourage professional development and mentor programs for teachers.
4. Coordinate with other federal initiatives working on neighborhood transformation.

### **Affordable Broadband**

Throughout urban and rural communities, examples exist of available fiber connections combined with low adoption rates. Federal policy is needed to encourage and support a low income broadband subsidy paid to providers who could provide measurable increases in adoption rates. The subsidy should address all of the consistent barriers to adoption. Current low income programs are located in limited geographic regions in California and are tied to families with National School Lunch Program (NSLP) eligibility. Other programs or gateways need to be identified for demographic groups such as seniors, residents with disabilities, and families without eligible school children to, utilize a low income broadband subsidy.

In California, Comcast has provided low income access through its Internet Essentials program for low income families eligible for the NSLP. In its March 10, 2015, *Four Year Progress Report*, the program reported that 450,000 families were signed up. In the six month period of September 2014 through February 2015, nearly 90,000 enrollments were made nationwide. Unfortunately, in California, just over 11% of eligible households participated in Internet Essentials.

The CBC recommended three proposals to increase adoption:

1. Support efforts to develop an affordable broadband program for low income residents, which include measurable adoption rates.
2. Require providers to partner with community based organizations or non-profits to develop digital skills and support low income broadband programs.
3. Make requirements fully transparent and tied to annual program eligibility.

### **Healthcare Connect Fund**

The California Telehealth Network (CTN) is a consortium of rural and urban health care providers that participates in the FCC's Universal service program for health care. The CTN is focused on improving high quality healthcare access to medically underserved and rural Californians. The CTN is one of the largest FCC funded statewide telehealth networks in the country with more than 270 member sites receiving FCC broadband subsidies with interconnections to additional healthcare broadband networks serving a total of 768 locations in California.

The network is supported by a base of non-rural participants and has a model to sustain its ongoing administrative costs that relies heavily on annual fees (\$1,500 per site), paid by or on behalf of participating healthcare providers. Health systems with multiple providers elected to participate in CTN based upon their eligibility established via the Rural Healthcare Pilot program.

In 2014, the FCC's Wireline Competition Bureau denied eligibility to 29 non-rural sites which created a substantial contribution loss from members and impacted incentives for health systems to participate in CTN. Many rural and non-rural clinics provide similar or equivalent services to community health centers including treating local community members without regard to financial ability. To effectively sustain this program the CBC proposed the following:

1. Rescind the decision and find the 29 affected healthcare providers eligible for support.
2. Direct the Universal Service Administration Company to base program eligibility on a functional analysis of healthcare sites rather than on their rural or non-rural designation.

### **Security**

HR 1770 is the proposed federal legislation called the Data Security and Breach Notification Act. This bill would require reasonable security policies and procedures to protect data containing personal information and provide for breach notification within 30 days in the event of a breach of security of more than 10,000 individuals. Provisions in this bill would preempt all state data breach notification laws. No notification would be required if there were no reasonable chance the breach would financially harm customers.

California has the most progressive data breach laws in the nation and requires notification without limitations, if certain personal information was, or is reasonably believed to have been,

acquired by an unauthorized individual. The proposed federal legislation weakens existing law for California residents and affects the ability to take action to protect financial, medical and employment records. California is providing our data breach laws language to the federal government and collaborating with CalFRN on data security protection for our initial FirstNet California State Consultation meeting in July 2015.

### **Conclusion**

California is committed to improving broadband expansion and inclusion. Our state supports and is ready to assist in making changes to current federal broadband subsidy programs to significantly improve infrastructure funding. Through our coordinated and collaborate efforts with public and private stakeholders and tribes we are using an integrated approach to implement innovative and responsive broadband policies and programs. Our objective is to improve economic growth, provide critical access to public safety first responders, connect communities, efficiently regulate our natural resources, and bring high level educational opportunities to our state, while securing our data. The California Department of Technology appreciates the opportunity to comment on this important initiative.

Sincerely,



CARLOS RAMOS  
Director

cc: Doug Robinson, Executive Director, NASCIO