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**AB 34 (Muratsuchi, E. Garcia, Santiago) – Broadband for All Bond Act of 2022**  
**FACT SHEET**

**Sponsor:** Authors sponsored.

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**SUMMARY**

AB 34 proposes the California Broadband for All Bond Act of 2022 to be placed on the November 8, 2022 General Election ballot.

**ISSUE**

The COVID-19 pandemic has led to the closing of California’s K-12 public schools, forcing students to continue their education from home and rely heavily on “distance learning”. Further, it has forced many individuals to also work from home. It has become more apparent than ever that broadband is essential to modern life and is a public health imperative to ensure Californians have access to broadband to ensure their quality of life. The Covid-19 pandemic has only reinforced our reliance on broadband and the importance of closing the digital divide, particularly among school-aged children of color and children experiencing poverty, that lack the access to high speed internet and technology.

In a 2020 poll commissioned by the Education Trust-West, nearly nine in 10 California parents expressed concern about their children falling behind academically due to coronavirus-related school closures. Further, 38 percent of low-income families and 29 percent of families of color said they were concerned about distance learning because they lack reliable internet at home. The digital divide not only affects the underserved areas of the state but also the rural areas of California. In rural areas, only one-third of California households are subscribed to internet service, compared with 78 percent in urban areas, according to an EdSource analysis of data from the California Public Utilities Commission.

On August 14, 2020, the Governor issued executive order N-73-20 calling for a California State Broadband Action Plan, to develop a “Broadband for All” Action Plan that reflects the state’s belief that broadband is essential to economic and workforce development, public safety, education, and an engaged public. This Plan focuses on achieving the following three long-term goals: Availability of high-performance broadband at home, schools, libraries, and businesses, accessibility to affordable broadband and necessary devices, and accessibility to training and support to enable digital inclusion.

California’s lack of broadband access undermines the state’s ability to achieve civic well-being and economic prosperity. High-speed internet is not only for our homes and business, or schools and libraries, but also for our hospitals and clinics that have relied on telehealth to see patients during this pandemic. Improving broadband access will improve the lives of Californians by enabling individuals to work, study, communicate, apply for government services, operate home-based businesses, receive emergency information, and access health care. Broadband ensures California’s ability to compete on the world stage and spur economic development to rebuild our economy caused by the Covid-19 pandemic.

**SOLUTION**

AB 34 proposes the Broadband for All Bond Act of 2022 to be placed on the November 8, 2022 General Election ballot. This bond will provide the following allocations:

- \$10B for infrastructure for public agencies to fund broadband infrastructure.

Further, the bond does the following:

- Requires the Department of Technology (CDT) to administer and distribute funds upon appropriation from the Legislature.
- Allows cities, counties, special districts, local education agencies, county offices of education, community college districts, public universities, and California Native American tribes, and encourages entities to form Joint Power Authorities (JPA), to apply for bond funding.
- Builds to anchor institutions such as schools, community colleges, universities, libraries, parks, hospitals, health clinics, fire stations, police stations, California Highway Patrol offices, sheriff's offices, fairgrounds, and municipal and state buildings.
- Prioritizes unserved and disadvantaged communities.
- Provides technical assistance and special consideration for projects with multiple benefits including but not limited to the number of anchor institutions served, participation in a JPA, and number of unserved or disadvantaged communities served.
- Requires 50% cost sharing; may be waived or reduced if project benefits disadvantaged communities or unserved areas.
- Requires applicants to do the following (1) identify anchor institutions that have no or inadequate broadband access; (2) conduct a feasibility study; (3) prove that it is capable of maintaining and delivering the service for 5 years.
- Applicants shall own, govern, and manage the infrastructure that is built.

### **Repayment:**

- Requires applicants to repay an amount to be determined, to pay off Bond debt. Amount shall be fair and reasonable, and in consideration of ongoing operating cost of the project.

### **Retail Internet:**

- Allows an applicant to sell their own retail internet service.
- If an applicant decides to sell its own retail internet it must comply with the following: (1) Net Neutrality rules; (2) provide service to all residents in the area in a cost that is fair and reasonable; (3) provide speeds of no less than 100/20mbps, (4) develop an outreach plan on the availability of the service.
- Applicants shall provide open access to its infrastructure at a fair and reasonable cost.