



OFFICE OF THE GOVERNOR

SEP 29 2022

To the Members of the California State Assembly:

I am returning Assembly Bill 2749 without my signature.

This bill requires the California Public Utilities Commission (CPUC) to adopt various requirements for the eligibility, implementation, and review of last-mile broadband infrastructure grant applications.

The COVID-19 pandemic underscored the importance of making broadband service accessible and affordable to ALL Californians. Last year, I signed into law Senate Bill 156, which invests \$6 billion in broadband infrastructure, of which \$2 billion is allocated to a streamlined last-mile grant program to connect households and businesses with time-limited federal funds.

The goal of this last-mile grant program, administered by the CPUC, is to expeditiously connect unserved and underserved communities to future-proof broadband service, which is critical to the state's economy, education, and to the health and well-being of every Californian.

It is my expectation that the CPUC will move expeditiously to review and process applications and put this funding to work as quickly as possible. Unfortunately, this bill, while intended to bring certainty to timelines within this program, will in effect undermine the last-mile grant program by creating additional delays in its implementation.



Most concerning, this bill exacerbates the challenges of issuing grants for last-mile funding by delaying the solicitation, review, and approval of project applications that meet clear requirements designed to ensure that awarded broadband projects deliver on their promise of providing affordable, quality and reliable service.

We simply cannot afford to delay the implementation of this last-mile grant program, as investing in scalable broadband infrastructure is foundational to connecting every Californian to long-lasting economic opportunity and success.

For these reasons, I cannot sign this bill.

Sincerely,

A handwritten signature in black ink, appearing to be 'Gavin Newsom', written over the printed name. The signature is stylized and somewhat abstract, with a long horizontal stroke extending to the right.

Gavin Newsom