



OFFICE OF THE GOVERNOR

OCT 08 2023

To the Members of the California State Assembly:

I am returning Assembly Bill 1065 without my signature.

This bill specifies that wireless internet service providers are eligible to apply for and receive funding from the California Advanced Services Fund (CASF) last-mile Broadband Infrastructure Account (BIA) and the Federal Funding Account (FFA).

The COVID-19 pandemic underscored the importance of making broadband service accessible and affordable to ALL Californians. In 2021, I signed into law Senate Bill 156, which invests \$6 billion in broadband infrastructure, of which \$2 billion is allocated to the streamlined last-mile FFA program to connect households and businesses with time-limited federal funds.

The goal of this last-mile grant program, administered by the California Public Utilities Commission (CPUC), is to expeditiously connect unserved and underserved communities to future-proof broadband service.

Unfortunately, this bill would delay this effort by requiring the CPUC to halt the FFA program and modify the rules governing this program through a lengthy process. This could jeopardize the CPUC's ability to meet federal funding encumbrance deadlines and it could significantly disrupt the review of project grant applications that were recently submitted.

As I noted last year in my veto message to Assembly Bill 2749 (Quirk-Silva), we simply cannot afford to delay the implementation of the FFA 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,



Gavin Newsom