

The Utility Reform Network's Recommendations Regarding Staff Proposal for California Teleconnect Fund

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PURPOSE

- The purpose of the California Teleconnect Fund is to support efforts to eradicate the digital divide for all Californians lacking affordable broadband access.
- Includes California residents with disabilities, low-income, less education, and reside in rural areas.

Community-Based Organizations

- Must be clearly defined.
- Definition:
 - Locally-based nonprofit organizations;
 - Provide services at little or no cost;
 - Sensitive to and knowledgeable about needs of community;
 - Are trusted and respected by the community;
 - Collaborate with other CBOs; and
 - Sensitive to cultural and bilingual needs of community.

“ACCESS” DEFINITION

- Interactive connections to the public during reasonable business hours at minimal or no cost;
- Internet access at a physical location, including:
 - Job Search and Training;
 - Contacting Employers;
 - Applying to Social Services; and
 - Assistance with other computer-related services

PROPOSED REQUIREMENTS FOR CTF PARTICIPANT ELIGIBILITY

■ REQUIRED:

- Revenues less than \$5 million;
- IRS 501 (c) (3) or 501 (d) tax exempt letter;
- IRS Form 990 or equivalent; and
- Proof CBO provides access to the internet

■ OPTIONAL:

- Economically depressed area and Board of Directors shares vision of CBO and brings expertise, knowledge and experience to Board.

ACCOUNTABILITY AND VERIFICATION FOR CONTINUED ELIGIBILITY

- Verify eligibility at least every three years;
- Current and new participants must recertify within three years of implementation of new eligibility rules; and
- All must provide annual report subject to exemptions for small CBOs.

CTF Discounts for CBOs

- Discount level should remain at 50%.
- Discount should not change to a fixed amount annually.

STAFF PROPOSAL USED STALE DATA

- Staff Proposal recommendations based on data from 2011.
- Data can vary so much as to make 2011 data useless in 2014.
- Staff Proposal should be updated to reflect new data from Carriers.