

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Communications Division

RESOLUTION T-17914
June 11, 2026

R E S O L U T I O N

Resolution T-17914. Approval of Fiscal Year 2026-27 Budget Allocations for California Advanced Services Fund.

PROPOSED OUTCOME:

- Approves Fiscal Year (FY) 2026-27 budget allocations for six California Advanced Services Fund (CASF) accounts, including the Broadband Adoption Account (Adoption), Rural and Urban Regional Broadband Consortia Grant Account (Consortia), Line Extension Program (LEP), Broadband Infrastructure Grant Account (Infrastructure), Broadband Public Housing Account (Public Housing), and Tribal Technical Assistance Program (TTA).

SAFETY CONSIDERATIONS:

- The CASF provides subsidies for the deployment of high-quality advanced broadband infrastructure throughout the state of California. Broadband infrastructure is vital to the operation and management of critical infrastructure and public safety and emergency response networks.

ESTIMATED COST:

- This Resolution allocates CASF's \$136.211 million FY 2026-27 budget across six accounts.¹

¹ CASF's accounts are funded through a surcharge whereby revenues are deposited to CASF Fund 3141 with the State's Treasury. The surcharge mechanism is a flat rate for each active access line that telephone corporations service in California, levied at the surcharge rate of \$0.90. The flat surcharge is divided among the six Universal Service Programs, of which CASF receives a 28.50% share. Pursuant to Public Utilities (Pub. Util.) Code section 270, subd. (b), money in the funds may only be expended upon appropriation in the Annual Budget Act or upon supplemental appropriation.

SUMMARY

This Resolution approves Fiscal Year (FY) 2026-27 budget allocations for six California Advanced Services Fund (CASF) accounts, including the Broadband Adoption Account (Adoption), Rural and Urban Regional Broadband Consortia Grant Account (Consortia), Line Extension Program (LEP), Broadband Infrastructure Grant Account (Infrastructure), Broadband Public Housing Account (Public Housing), and Tribal Technical Assistance Program (TTA). The approved FY 2026-27 budget allocations are presented in Table 1.

Table 1 - FY 2026-27 Allocation of CASF Budget (\$000's)							
	Adoption	Consortia	LEP	Infrastructure	Public Housing	TTA	Total
Allocation (%)	29.37%	3.08%	0.95%	42.64%	20.66%	3.30%	100.00%
Allocation (\$000s)	\$40,000	\$4,200	\$1,294	\$58,076	\$28,141	\$4,500	\$136,211

BACKGROUND

On May 19, 2022, the California Public Utilities Commission (Commission) adopted Decision (D.) 22-05-029 establishing FY 2022-23 budget allocations for CASF.

D.22-05-029 deferred establishing allocations beyond FY 2022-23 so that Communication Division (CD) staff (Staff) may later propose allocations that are responsive to the most recent trends in funding applications.² In the Decision, the Commission directed Staff to propose, via Resolution, future CASF budget allocations and any changes to allocations for Commission approval.³

On June 26, 2025, the Commission approved Resolution T-17884 establishing FY 2025-26 budget allocations as shown in Table 2.

² D.22-05-029 at 67-68.

³ Id. at 66 & Ordering Paragraph 6.

Table 2 - FY 2025-26 Allocation of CASF Budget (\$000's), Approved							
	Adoption	Consortia	LEP	Infrastructure	Public Housing	TTA	Total
Allocation (%)	22.02%	7.21%	0.95%	44.39%	22.13%	3.3%	100.00%
Allocation (\$000s)	\$30,000	\$9,818	\$1,294 ⁴	\$60,458	\$30,141	\$4,500	\$136,211 ⁵

For FY 2026-27, the Commission proposed to maintain the local assistance budget authority at \$136.211 million. This budget augmentation request was approved and included in the 2026-27 Governor's Budget released on January 9, 2026.

DISCUSSION

CASF's Adoption, Consortia, LEP, Infrastructure, Public Housing, and TTA accounts are funded through a surcharge whereby revenues are deposited to CASF Fund 3141 with the State's Treasury. Pursuant to Public Utilities (Pub. Util.) Code section 270, subd. (b), money in the funds may only be expended upon appropriation in the Annual Budget Act or upon supplemental appropriation. Local Assistance is an expense category specified in the annual Budget Act⁶ used by CASF to fund awards.⁷ This Resolution addresses allocations of CASF's \$136.211 million Local Assistance budget for FY 2026-27.⁸ Staff's proposed FY 2026-27 allocation of CASF budget is presented in Table 1.

Adoption

The fiscal years 2022-23, 2023-24, and 2024-25 had relatively stable levels of funding requests; hence, the budget for FY 2025-26 was adjusted to \$30 million based on the historical level of funding. However, funding requests increased substantially for FY 2025-26 (increasing 53.5% over FY 2024-25, with a larger percentage increase for the first round in FY 2025-26 than the second round). Given the recent increase in funding requests, Staff recommends a budget of \$40 million for FY 2026-27.

⁴ The Commission acknowledges the aggregate statutory limit of \$5 million to be allocated to the Line Extension Program. See Cal. Pub. Util. Code § 281(f)(6)(B)(ii). As of March 13, 2025, the Commission has awarded \$2.071 million in the Line Extension Program, with approximately \$2.929 million remaining.

⁵ <https://ebudget.ca.gov/2025-26/pdf/GovernorsBudget/8000/8660.pdf> at GG6.

⁶ <https://www.dgs.ca.gov/Resources/SAM/TOC/6800/6803> at Character of Appropriation.

⁷ Resolution T-17665 at 5.

⁸ <https://ebudget.ca.gov/2026-27/pdf/GovernorsBudget/8000/8660.pdf> at GG5.

Consortia

On January 12, 2023, the Commission adopted Resolution T-17778, awarding a total amount of \$10.333 million to the 15 regional consortia. These 15 consortia grants commenced on February 1, 2023, or thereafter and covered a period ranging from three to five years.

On November 20, 2025, the Commission adopted D.25-11-003, which modified program rules for the Consortia Account. These changes include authorizing applications to form Tribal Consortia from Regional Tribal Consortia in Northern, Central, and Southern California, expanding the scope of reimbursable work to include work related to the federal Broadband, Equity, Access and Deployment (BEAD) program and future broadband deployment programs, and streamlining administrative burdens.

On December 19, 2025, the Commission issued a solicitation for Consortia grant applications, resulting in 8 applications requesting \$5.399 million in funding. This total does not yet include three additional newly formed Tribal Consortia applications, which if approved, will be awarded using FY 2025-26 allocations.

For FY 2026-27, Staff seeks a budget of \$4.2 million to be made available for the remaining unrepresented regions and the renewal of existing consortia grants. Staff's proposal is reasonable and should be adopted.

Line Extension Program

In FY 2023-24, the Line Extension program approved grant funding in the amount of up to \$1.7719 million for the grant application of South Valley Internet, Inc., for the Southside Road Project. The Southside Project provides high-speed internet service to 194 households. Based on the trends in recent funding requests and the anticipated increase in applications, Staff recommends a budget of \$1.294 million for FY 2026-27. As noted above, the Commission acknowledges the statutory limit on funds to be allocated to the Line Extension Program. This allocation does not exceed the statutory limit.

⁹ On September 5, 2023, the Commission adopted Resolution T-17792 awarding a grant of \$1,770,748 to South Valley Internet, Inc.

CD/HH2**Infrastructure**

On October 31, 2025, the Commission received 41 infrastructure applications requesting approximately \$424 million in funding. While the final deadline for awarding grants is after the issuance of this Resolution, Staff anticipates submitting requests for Commission approval in the amount that will utilize the current budget allocation.

Staff requests a budget of \$58.076 million, i.e. the amount remaining from the \$136.211 million budget after other account allocations. To adequately fund outstanding applications, Staff will continue to use the multi-funding year approach using all available budgets, including FY 2025-26, FY 2026-27 and beyond, if necessary.

Public Housing

For the past two fiscal years (FY 2024-25 and FY 2025-26), there were four rounds of open applications resulting in a funding request of \$11.16 million from 102 applications received. On March 7, 2024, the Commission issued D.24-03-021, which modifies the CASF Broadband Public Housing Account Rules and Guidelines by expanding eligibility to non-publicly supported housing developments and for project costs.

With the expansion of eligibility criteria in 2024 and the creation of the Internet Extension program, promotional efforts of the Public Housing are expected to increase the number of applications and funding requests. We recommend a slight adjustment to funding levels to accommodate CASF needs and provide the necessary fiscal latitude for the program's continued growth. Therefore, Staff recommends the budget of \$28.141 million for FY 2026-27.

Tribal Technical Assistance

On March 7, 2024, the Commission adopted D.24-03-041, which increased the amount of funding available for each Tribe per fiscal year from \$150,000 to \$250,000, an increase of 66%.

The TTA program accepts grant applications quarterly on July 1, October 1, January 1, and April 1.

For FY 2024-25, the TTA Program received a total of 10 applications for \$2.37 million. For FY 2025-26, 10 applications have been received for \$2.12 million.

For FY 2026-27, Staff recommends a budget of \$4.5 million, which is derived from 4 applications per cycle per fiscal year (July 1, October 1, January 1, and April 1), and to accommodate possible program growth. Staff's proposed FY 2026-27 budget allocations are reasonable and should be adopted.

COMMENTS

Public Utilities Code section 311(g)(1) provides that this Resolution must be served on all parties and subject to at least 30 days public review. Any comments are due within 20 days of the date of its mailing and publication on the Commission's website and in accordance with any instructions accompanying the notice. Section 311(g)(2) provides that this 30-day review period and 20-day comment period may be reduced or waived upon the stipulation of all parties in the proceeding.

The 30-day review and 20-day comment period for the draft of this resolution was neither waived nor reduced. Accordingly, this draft resolution was mailed to parties for comments and will be placed on the Commission's agenda no earlier than 30 days from today.

The Commission timely received one public comment from the California Emerging Technology Fund (CETF) dated May 26, 2026. In its comments, CETF appreciates the proposed increase in funding for the Adoption Account to \$40 million and recommends increasing the allocation to the Consortia Account by \$4 million, to \$8.2 million, by reducing the allocation to the Public Housing Account by \$4 million, to \$24.141 million.¹⁰

In response to CETF's comments, Staff notes that demand across other CASF accounts continues to increase, particularly within the Public Housing Account. With the expansion of eligibility criteria in D.24-03-041 and the creation of the Internet Extension program, Staff expects outreach efforts to further increase the number of applications and funding requests. Staff also finds that the proposed \$4.2 million for the Consortia Account is sufficient to support the remaining unrepresented regions and the renewal of existing consortia grants for regions that are set to expire by FY 2026-27. Therefore, Staff recommends maintaining the proposed allocations.

¹⁰ CETF comments, at 1.

FINDINGS AND CONCLUSIONS

1. On May 19, 2022, the Commission adopted D.22-05-029 establishing FY 2022-23 budget allocations for the six CASF accounts including Adoption Account, Consortia Account, Line Extension Program, Infrastructure Account, Public Housing Account, and Tribal Technical Assistance Program.
2. D.22-05-029 deferred establishing allocations beyond FY 2022-23 so that staff could later propose allocations based on actual activity for each account via Resolution.
3. Pursuant to Public Utilities Code section 270, subd. (b), monies in CASF may only be expended upon appropriation in the annual Budget Act or upon supplemental appropriation.
4. Local Assistance is an expense category specified in the annual Budget Act used by CASF to fund awards.
5. This Resolution addresses allocations of CASF's \$136.211 million Local Assistance budget for FY 2026-27.
6. Based on recent activities and events, Communications Division staff propose budget allocations of \$40 million for the Adoption Account, \$4.2 million for the Consortia Account, \$1.294 million for the LEP, \$58.076 million for the Infrastructure Account, \$28.141 million for the Public Housing Account, and \$4.5 million for the TTA Program.
7. Staff's proposed budget allocations are consistent with D.22-05-029 and should be adopted.
8. In compliance with Public Utilities Code section 311, subdivision (g), a notice letter was emailed on May 7, 2026 informing parties on the CASF Distribution List of this draft Resolution, and of the opportunity for comment, at the Commission's website <https://www.cpuc.ca.gov/>. The letter also informed parties that the final confirmed Resolution adopted by the Commission will be posted and available at the same website.
9. On May 26, 2026, CETF timely submitted comments.

THEREFORE, IT IS ORDERED THAT:

Fiscal Year 2026-27 Local Assistance budget allocations for the six California Advanced Services Fund accounts, as identified and summarized below, are adopted.

Account	Allocation (\$000s)	Allocation (%)
Broadband Adoption Account	\$40,000	29.37%
Rural and Urban Regional Broadband Consortia Grant Account	\$4,200	3.08%
Line Extension Program	\$1,294	0.95%
Broadband Infrastructure Grant Account	\$58,076	42.64%
Broadband Public Housing Account	\$28,141	20.66%
Tribal Technical Assistance Program	\$4,500	3.3%
Total	\$136,211	100.00%

This Resolution is effective today.

The foregoing resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held on June 11, 2026; the following Commissioners voting favorably thereon:

/s/ LEUWAM TESFAI

Leuwam Tesfai
Executive Director

JOHN REYNOLDS

President

DARCIE L. HOUCK

KAREN DOUGLAS

MATTHEW BAKER

CHRISTINE HARADA

Commissioners

Dated June 11, 2026, at Sacramento, California