



California Public Utilities Commission
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PRESS RELEASE

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CPUC Approves Program to Help Local Governments, Tribes, and Nonprofits Close the Digital Divide

SAN FRANCISCO, Nov. 2, 2023 – The California Public Utilities Commission (CPUC), in its commitment to the state’s [Broadband For All](#) objectives, today adopted requirements and guidelines for a \$750 million program that will help local governments, tribes, and non-profits to finance publicly-owned broadband infrastructure projects.

The Broadband Loan Loss Reserve Fund provides a credit enhancement for financing broadband infrastructure deployed by local governments, non-profits, or tribes. The support will enhance project feasibility by providing collateral to enable public broadband bonds and more favorable borrowing rates and terms for bonds or loans.

“As California moves towards meeting our ambitious goal to close the digital divide and expand broadband access so that all Californians can fully participate in our innovative economy, I am pleased to support the Loan Loss Program that will leverage credit guarantees to help nonprofits, Tribal and local governments, and others build necessary broadband infrastructure, said Commissioner Darcie L. Houck, who is assigned to the proceeding. “I look forward to seeing these investments implemented to help every Californian reach their full potential.”

“This program will provide an essential financial backstop for local governments, nonprofits, and Tribes as they build broadband infrastructure for their communities,” said CPUC President Alice Reynolds. “By bolstering local efforts, the State of California will achieve its Broadband For All objectives.”

“I appreciate that our decision creates both a General Market funding track and an Equity track to ensure that, at minimum, half of the total budget is spent on projects where three-fourths or more of the project area is located within disadvantaged communities and low-income areas,” said Commissioner Genevieve Shiroma.

The program will hold funding cycles three times per year. Portions of program funding are allocated specifically for projects serving Senate Bill 535 Disadvantaged Communities, low-income households, and Tribal lands. Applications will be recommended for award based on factors including the amount of financing supported by the program, whether the proposed project will benefit locations without broadband access, whether the applicant will offer a low-cost plan, and the service life of the infrastructure being deployed.

The Fund was created as part of Senate Bill 156, the [historic broadband legislation](#) enacted in 2021, and is codified in [Public Utilities Code 281.2](#).

More information is available [here](#).

The proposal voted on is available [here](#).

Documents related to the proceeding are available [here](#).

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About the California Public Utilities Commission

The CPUC regulates services and utilities, protects consumers, safeguards the environment, and assures Californians access to safe and reliable utility infrastructure and services. Visit www.cpuc.ca.gov for more information.