



September 18, 2023

The Honorable Gavin Newsom
Governor, State of California
1021 O Street, Suite 9000
Sacramento, CA 95814

RE: Assembly Bill 41 (Holden) Digital Equity in Video Franchising Act of 2023

[Request for Veto](#)

Dear Governor Newsom:

On behalf of NextGen California, a California non-profit organization fighting for progressive, justice-centered policies and programs, I write to emphatically request a veto of AB 41 (Holden), the Digital Equity in Digital Franchising Act (DEVFA) of 2023.

Seventeen years ago, I was the Policy Director to Speaker Fabian Nuñez, the author of the current Digital Infrastructure and Video Competition (DIVCA) law and served as the main staffer responsible for drafting and negotiating this groundbreaking legislation. Our goal was simple: to spur competition in the cable marketplace which would in turn lower prices; increase the availability of high-speed internet service across the state; modernize broadband infrastructure; and create stronger consumer protections. Seventeen years later, it is clear that DIVCA has not lived up to its original intent and needed to be reformed.

As introduced, AB 41 proposed a suite of equity provisions that reflect today's market realities (and failures) as well as ensure that the California Public Utilities Commission (CPUC) would finally have the regulatory tools needed to enforce build out, anti-discrimination, and consumer protections that would help our state close the digital divide. These provisions reflected concerns you noted in prior veto messages. Specifically, you noted that DIVCA is "outdated and does not reflect the market realities of today" and rightfully urged the Legislature to "go further" and enact necessary reforms.

Originally, NextGen was a co-sponsor of AB 41 and we helped to organize a long list of over 70 digital equity, governmental, and non-profit organizations to support this legislation. However, when amended in the State Senate, AB 41 became a much weakened, pro-industry measure that falls well short of the wholesale reforms you called on the Legislature to enact. The bill that sits on your desk waters down consumer protections, eliminates anti-discrimination and equal access provisions, and significantly lessens the current regulatory authority of the CPUC which needs to be increased not reduced. Frankly, I find the bill to be a severely misguided policy proposal that does not help our state close the digital divide



and, because of its rollback of anti-discrimination provisions, is likely to jeopardize our state's ability to draw down billions in federal digital access and inclusion dollars.

Our 70 plus member coalition is united in our opposition to AB 41 and requests that you veto this very problematic bill. Changing our position to oppose a bill we had worked tirelessly to advance all year was not an easy decision but it is clearly warranted. Given my deep familiarity with the original intent of DIVCA and the reforms needed to correct its shortcomings, it is undeniably clear that AB 41 fails to make the reforms needed. Seventeen years later, we know that there is less competition in the marketplace, prices are up as much as 157% in certain regions, too many Californians still do not have access to fast and reliable broadband service, and the CPUC lacks the oversight, regulatory, and enforcement authority needed to hold industry accountable. AB 41 will perpetuate these inequities and disparities – it in no way reforms the current system, as a matter of fact, it weakens it.

Our coalition sincerely appreciates your commitment to bridging the digital divide and are committed to sponsoring legislation next year that will institute the reforms needed to ensure every Californian has equal access to high speed, affordable, internet service. AB 41 does not move California nearer to closing the digital divide, will jeopardize state opportunities to draw down federal broadband funding, and does not create a regulatory environment that will hold industry accountable. Therefore, without question, on behalf of NextGen and our coalition, I must emphatically and respectfully request that you veto AB 41.

Sincerely,

A handwritten signature in black ink, appearing to read "Arnold Sowell Jr.", written in a cursive style.

Arnold Sowell Jr.
Executive Director
NextGen California