



# County of Monterey

## Board of Supervisors

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June 18, 2024

The Honorable Tina McKinnor  
Member, California State Assembly  
1021 O Street, Suite 5520  
Sacramento, CA 95814

**RE: Assembly Bill 2797 (McKinnor) Telephone corporations: carriers of last resort: tariffs. – OPPOSE  
As Amended 6/10/2024**

Dear Assembly Member McKinnor:

On behalf of the County of Monterey, I write to inform you of our regretful opposition to your Assembly Bill (AB) 2797, which would allow a Carrier of Last Resort provider to abandon those responsibilities and leave large swaths of the most vulnerable Californians without reliable and affordable access to basic telephone service.

Carrier of Last Resort (COLR) telephone service providers are located throughout the state, ensuring access to basic telephone service, many times to residents that lack dependable or affordable options for connectivity. The California Public Utilities Commission (CPUC) oversees these service providers to ensure that important consumer protections, such as access to free 9-1-1 and discounted service rates through the Lifeline program, are implemented. Most importantly, COLR providers are required to provide service to anyone that requests it, and must have the ability to do so, in cases such as new housing developments or restoration of service after a major storm or natural disaster. Non-COLR service providers, including wireless companies, may currently have infrastructure and provide access in a given area – but they are not required to do so and can stop service at any time. Non-COLR providers are also not required to offer affordable service options to eligible residents.

AB 2797 relieves any provider of its COLR obligations when it sends notice to the CPUC stating that it currently has no customers or population in a census block and concludes it is no longer a COLR provider for that area. Additionally, a COLR provider is also relieved of its responsibilities under the law in census blocks that the provider states are served by two other alternative voice services, if affordable, as defined by the COLR provider. The mere notification by the COLR provider that it meets these requirements relieves it of the designation and rate requirements. This bill establishes a process wholly outside any oversight and approval framework, gifting for-profit companies with financial incentives to make self-interested findings to be the sole arbiters to the truth and accuracy of that information. The CPUC's core function is to balance procedures and safeguards to "protect consumers and ensure the provision of safe, reliable utility and infrastructure at reasonable rates<sup>1</sup>...." AB 2797 puts the industry's interests ahead of the needs of some of the most disadvantaged Californians and will interfere with the ability to reach emergency services, receive evacuation notices, or simply call a friend or family member for help.

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<sup>1</sup> CPUC website



Lastly, the COLR providers also define what an affordable alternative voice service is in “urban” census blocks. The bill states that a service is affordable if it costs no more than 25 percent higher than the company’s current nondiscounted basic telephone service. For those customers currently utilizing the Lifeline program, which provides up to \$19.00 toward service, this cost increase could be exponential as the baseline is already higher than what they are required to pay under the COLR service. Further, Voice over Internet Protocol (VoIP) and wireless products are often provided in bundles, so customers that are accustomed to a bill for only basic telephone service must now pay more for the bundled services - products they don’t necessarily want - just to get basic voice service.

The County of Monterey supports the evolution to more advanced technologies that provide reliability, redundancy and ubiquitous access to connectivity, for both internet and voice service. However, AB 2797 does not provide a transition process for these communities to receive these modern telecommunications. Rather, it is a process for companies to abandon essential services, at the cost of public safety and consumer safeguards. As we embark on another wildfire season, those in fire prone areas continue to have the ability to receive evacuation notices and safety instructions, even when power is lost, through their plain old telephone lines. Shifting to modern technologies must be done through a collaborative effort with communities and the state to ensure that companies are held accountable and California residents never lose the ability to connect with the outside world. The CPUC is set to vote on a new proceeding on June 20, 2024, that will create a public, transparent process for reviewing COLR policies and what changes are needed to the current structure to reflect to the progression of the industry over the last thirty years.

For these reasons, we must oppose your AB 2797. If you have any questions, please do not hesitate to contact the County of Monterey’s Public Policy Advisor, Ashley Walker of Nossaman LLP at 916-442-8888.

Sincerely,



**Glenn Church, Chair**  
Board of Supervisors

cc: The Honorable Steven Bradford, Chair, Senate Energy, Utilities, and Communications Committee  
Members of the Senate Energy, Utilities, and Communications Committee  
Nidia Baustista, Chief Consultant, Senate Energy, Utilities, and Communications Committee  
Kerry Yoshida, Consultant, Senate Republican Caucus  
The Honorable Anna Caballero, 14<sup>th</sup> Senate District  
The Honorable John Laird, 17<sup>th</sup> Senate District  
The Honorable Robert Rivas, 29<sup>th</sup> Assembly District  
The Honorable Dawn Addis, 30<sup>th</sup> Assembly District  
California State Association of Counties (CSAC)  
Rural County Representatives of California (RCRC)