



CITY OF MERCED

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The Honorable María Elena Durazo
California State Senate
1021 O Street, Room 7310
Sacramento, CA 95814

RE: Senate Bill 716 (Durazo) – California Home Internet LifeLine Act of 2025 – SUPPORT- (As Amended April 21, 2025)

Dear Senator Durazo:

On behalf of the City of Merced, I am writing to express our strong support for Senate Bill 716, the California Home Internet LifeLine Act of 2025. SB 716 will significantly advance digital equity by establishing a permanent home internet subsidy for low-income households, building on the state's longstanding commitment to affordable communications access through the Moore Universal LifeLine Services Act.

The City of Merced, like many communities in the Central Valley, faces persistent challenges in closing the digital divide. While Merced has made important strides to expand broadband infrastructure, affordability remains the primary barrier preventing many low-income residents from obtaining reliable home internet service. According to statewide surveys, affordability is cited by more than one-third of unconnected or underconnected households as the main obstacle to adoption. This is acutely felt in Merced's underserved neighborhoods, where income disparities and language barriers further limit access to educational, health, and economic opportunities.

SB 716 directly addresses these challenges by creating the Universal LifeLine Home Internet Services Fund and authorizing the California Public Utilities Commission (CPUC) to implement a \$20 monthly subsidy for eligible households. For Merced, this would mean thousands of families—particularly those participating in programs like Medi-Cal, CalFresh, and the CARE utility discount program—would have financial support to maintain affordable, high-speed internet connectivity.

By providing subsidies specifically tied to broadband speeds sufficient for telehealth, distance learning, remote work, and emergency communications, SB 716 ensures that Merced residents will not be relegated to substandard service. The bill's strong provisions prohibiting credit checks and requiring streamlined enrollment will also help ensure that our most vulnerable populations, including non-English-speaking households and students in disadvantaged communities, can readily access the program.

Moreover, SB 716's outreach requirements—including targeted public awareness campaigns using community and ethnic media—align with Merced's ongoing efforts to promote digital literacy and equitable access. As federal funding sources like the Affordable Connectivity Program (ACP) sunset, SB

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716 provides a vital state-level solution to prevent Merced families from falling back into digital exclusion.

For Merced, passage of SB 716 represents more than a new program; it represents an investment in closing the digital divide, strengthening our workforce, supporting student success, improving public health outcomes, and ensuring full civic participation for all our residents.

For these reasons, the City of Merced respectfully urges your support of SB 716. If you have any questions, please contact Sharon Gonsalves at California Public Policy Group (916) 974-9270.

Sincerely,

Mayor
City of Merced

Cc: Members and Staff of the Senate Committee Energy, Utilities and Communications
The Honorable Anna Caballero, Senator 14th District