

June 19, 2024

The Honorable Steven Bradford
Chair, Senate Committee on Energy, Utilities, and Communications
1021 O Street, Suite 3350
Sacramento, CA 95814

**SUBJECT: AB 2797 (MCKINNOR) TELEPHONE CORPORATIONS: CARRIERS OF LAST
RESORT: TARIFFS
SUPPORT – AS AMENDED JUNE 10, 2024**

Dear Chair Bradford,

The California Chamber of Commerce writes to **SUPPORT AB 2797 (McKinnor)**, as amended June 10, 2024, and to urge your support of a plan to help California businessowners compete in today's digital economy. **AB 2797** outlines a robust process to transition our state's legacy copper communications networks to the modern, high-speed broadband networks we need to continue to drive economic innovation.

While copper networks enable basic connectivity, California's businesses depend on advanced technologies that are powered by high-speed internet. To grow, business owners need to be able to reach new customers, vet diverse suppliers, attract and retain talent, and expand into the digital space. If businesses aren't online, they're missing out on a key revenue stream as Californians are far more likely to shop online, accounting for approximately \$88.25 billion in online retailer revenue each year.

But reliance on legacy technology is holding some business owners back from harnessing their full potential. This is especially important for minority-owned businesses – a true pillar of our state's economy which contribute nearly \$200 billion to California's economy and support more than 2.5 million jobs statewide.

AB 2797 will allow service providers to focus on investing in modern networks rather than underutilized, less advanced technologies. On top of increasing opportunities for businesses, this investment will lead to a cascade of benefits for all Californians, including increasing access to telehealth and lower-cost online education. Modern networks will also help increase civic participation by enabling Californians to research candidates and engage with their local communities.

In short, **AB 2797** has the potential to unlock countless opportunities for Californians and our businesses while also including consumer safeguards, so no one is left behind. For these reasons we urge you to vote aye on **AB 2797**.

Sincerely,



Ben Golombek
Executive Vice President and



Chief of Staff for Policy

cc: Assemblymember Tina McKinnor
Honorable Members & Staff, Senate Energy, Utilities & Communications Committee