

Supplemental Testimony to the New York State Assembly Corporations, Commissions and Authorities Committee

Public Hearing on the ConnectALL Initiative

January 8, 2026

Submitted by: Western New York Digital Equity Coalition

Date: January 21, 2026

Chairman Braunstein and Distinguished Members of the Committee:

Thank you for the opportunity to submit supplemental testimony following the January 8, 2026 public hearing examining the status of New York's ConnectALL Initiative. The Western New York Digital Equity Coalition (WNYDEC) works collaboratively with community members and organizations to achieve lasting digital equity for all Western New Yorkers. We advocate for the access, literacy, support, and resources necessary to thrive in today's digital ecosystem.

We write today in a spirit of partnership and shared commitment to expanding digital opportunity for all New Yorkers. The hearing testimony revealed ConnectALL's considerable strengths and highlighted significant concerns that warrant our collective attention and action.

Commendations

First, WNYDEC commends Governor Hochul and the ConnectALL Office for demonstrating state leadership by allocating state dollars to replace funding lost when the Trump Administration rescinded key resources from the NTIA Digital Equity Competitive Grants under the Digital Equity Act. This swift response exemplified New York's commitment to digital equity even as federal support proved unreliable. Such leadership positions New York as a national model for state-level investment in digital opportunity.

We also wish to recognize and extend our appreciation to ConnectALL as an awardee of a Digital Equity Technical Assistance grant. These grants represent essential investments in regional digital equity capacity that will strengthen local digital equity infrastructure and better position practitioners to secure additional funding from non-state sources. Building regional coalition and community organization capacity creates sustainable ecosystems for digital equity work that extend well beyond any single funding cycle.

The hearing testimony documented New York State's and ConnectALL's impressive progress in broadband infrastructure deployment and affordability. ConnectALL's management of over \$1.3 billion in state and federal funding across six grant programs, with 90 announced projects totaling nearly \$1 billion in planned investment, demonstrates effective program administration. The Affordable Housing Connectivity Program's delivery of high-speed service to low-income households in over 20 counties at rates as low as \$10 per month represents meaningful progress toward affordability. These achievements provide a strong foundation upon which to build comprehensive digital equity.

Concerns and Recommendations

Critical Threat to the Affordable Broadband Act from Federal BEAD Regulations

We have grave concerns about recent updates to BEAD regulations that prohibit states from imposing rate regulation on BEAD sub-grantees throughout their entire service footprint within the state. In October 2025, NTIA Administrator Arielle Roth announced that "any state receiving BEAD funds must exempt BEAD providers throughout their state footprint, from broadband-specific economic regulations, such as price regulation and net neutrality."

This federal directive threatens to eviscerate New York's groundbreaking Affordable Broadband Act if major broadband providers such as Verizon or Charter become BEAD sub-grantees. The exemption would apply not only to BEAD-funded locations but to these providers' entire New York service areas for the BEAD program's 10-year period of performance. New York faces an untenable choice: forfeit \$664 million in BEAD funding or effectively nullify the Affordable Broadband Act for the state's largest providers serving approximately 95% of New York households.

We urge the Legislature and Governor to work collaboratively to:

- Assess whether accepting BEAD funding under these conditions serves New Yorkers' long-term interests in affordable broadband access
- Explore legal challenges to NTIA's authority to impose such sweeping preemption of state consumer protection laws
- Consider whether state-funded broadband deployment programs might better serve New York's dual goals of infrastructure expansion and enduring affordability
- Engage New York's Congressional delegation to address this conflict between federal infrastructure funding and state consumer protection authority

The Affordable Broadband Act represents years of advocacy, legislative deliberation, and legal vindication through the courts. We must not allow federal regulatory changes to undermine this achievement.

Severe Underfunding of Non-Infrastructure Digital Equity Efforts

The hearing testimony powerfully documented the dramatic imbalance between infrastructure investment and digital equity funding. While New York has invested well over \$1.5 billion in broadband infrastructure over the past decade, confirmed spending on digital opportunity – encompassing skills training, device access, and adoption support – amounts to less than one percent of that total.

Witnesses provided compelling comparisons to other states. Massachusetts, with approximately 7 million residents, has made tens of millions of dollars in direct upfront investments in digital equity through their Massachusetts Broadband Institute, separate from infrastructure spending. The rural western counties of Massachusetts (Berkshire, Hampshire, and Hampden) received roughly \$15 million for a population of only 1 million people. At a comparable per-capita rate, New York should be committing at least \$150-200 million to advance digital skills, devices, and community-based access.

High-speed broadband infrastructure alone does not constitute meaningful economic, educational, or health opportunity if people lack the equipment to access it or the knowledge to use it effectively. Hearing testimony included powerful examples of how combined device access and skills training produces measurable improvements in employment, wages, and economic mobility. One witness shared the story of an eight-year unemployed military veteran who, when provided with both a laptop and training, secured employment making \$48-50,000 and within three years was earning over \$100,000. Such transformative outcomes remain out of reach when we fail to invest in digital opportunity at scale.

As witnesses emphasized, New York cannot advance major investments in Empire AI, artificial intelligence infrastructure, and quantum research while many New Yorkers remain excluded from basic digital participation. AI literacy cannot exist without digital literacy. If we fail to build a strong foundation of digital skills first, artificial intelligence will deepen existing divides rather than close them.

We strongly support the New York State Digital Equity Network's recommendation that the Legislature appropriate \$25 million in the state budget for digital equity programming. This investment would begin to address the funding disparity while positioning New York to leverage additional federal and philanthropic resources.

Reimbursement-Based Funding as a Major Obstacle

Multiple witnesses emphasized that limiting digital adoption programs to reimbursement-based funding prevents community organizations from beginning their work immediately. Organizations

need upfront funding, or at least partial advances, to provide laptops, hotspots, training programs, and wraparound support. As one witness testified, we need "actual dollars to fund projects at scale that hit the streets now, not years from now."

This concern resonates powerfully with our members' experiences. New York State is notoriously delayed in reimbursing nonprofit service providers across multiple program areas. Nonprofit organizations already struggle to maintain operations while awaiting payment for services rendered. Requiring these same organizations to front costs for equipment purchases, staff salaries, and program operations before receiving reimbursement creates insurmountable barriers for many qualified providers.

Reimbursement-based funding excludes organizations without sufficient cash reserves or access to bridge financing, often the same community-based organizations with the deepest trust and strongest relationships in the communities most affected by digital inequity. Even partial advances would substantially alleviate the financial pressures nonprofit providers experience while carrying out the direct service programming necessary to advance the state's digital equity goals.

To the extent possible, we implore ConnectALL to revisit and reconsider its reimbursement-based funding models in favor of advance payment approaches, enabling community organizations to deliver services immediately without bearing unsustainable financial risk.

Transparency in Grant Scoring and Evaluation

We appreciate ConnectALL's commitment to competitive grant processes and recognize the complexity of evaluating applications across diverse program areas and geographic contexts. However, we share concerns raised by digital equity practitioners about insufficient transparency regarding how scoring criteria are evaluated in grant award decisions.

Greater clarity about evaluation processes would serve multiple purposes:

- Enabling organizations to understand why applications succeeded or failed, improving future submissions
- Building confidence that awards reflect stated priorities and evaluation criteria
- Reducing the risk that qualified, experienced providers are inadvertently excluded
- Demonstrating accountability in the stewardship of public funds

While we understand the need to protect the integrity of competitive processes, we believe ConnectALL can provide more detailed feedback to applicants and clearer public documentation of how scoring criteria translate into funding decisions.

Alignment Between Stated Priorities and Award Decisions

Related to transparency concerns, we have observed instances where organizational experience and non-duplication of services -- factors emphasized in ConnectALL's Capacity Building and Asset Optimization program and the New York State Digital Equity Plan -- did not appear to feature as prominently in grant award decisions as we anticipated.

Organizations with proven track records of delivering digital equity programming, established relationships with target populations, and demonstrated outcomes represent valuable assets that should receive appropriate weight in competitive evaluations. Similarly, minimizing duplicative services maximizes the reach and efficiency of limited resources. When award decisions appear misaligned with these stated priorities, it raises questions about evaluation processes and potentially results in less effective use of public investment.

We encourage ConnectALL to review its evaluation frameworks to ensure that organizational capacity, demonstrated experience, and minimizing service duplication receive appropriate consideration in funding decisions.

Community Voice and Participatory Approaches

Digital equity needs vary significantly across New York's diverse regions and communities. What works in the Southern Tier may differ substantially from effective approaches in the Capital Region, Western New York, or New York City. This diversity demands program designs that incorporate meaningful community input and allow for regional variation in implementation approaches.

We urge ConnectALL to develop stronger mechanisms for community voice in setting funding priorities and shaping program design. Participatory approaches might take various forms:

- **Community Advisory Committee:** ConnectALL could establish a community advisory committee with members selected through open calls to communities rather than appointed from above. Clear guidelines for inclusivity and representativeness would ensure the committee includes diverse voices with lived expertise in digital inequity and vested interest in their communities' success. Such a structure would provide ongoing input on funding priorities, program design, and evaluation criteria.
- **Regional Coalition Input:** Digital equity coalitions representing specific geographic areas could identify and recommend funding priorities based on their communities' unique needs, assets, and challenges. Regional coalitions possess granular knowledge about local contexts that state-level program design cannot fully capture.
- **Participatory Budgeting Models:** ConnectALL could provide block grants to county, city, or regional entities to operate their own participatory budgeting processes, similar to the Central New York Community Foundation's approach with LeadSafeCNY in Syracuse. Such models have

proven successful in ensuring that funding addresses authentic community priorities while building civic engagement.

- **Community Representation in Review Processes:** Including community representatives from affected populations on grant review panels would bring essential perspectives to evaluation processes and strengthen accountability to the communities these programs aim to serve.
- **Structured Stakeholder Engagement:** Regular, structured opportunities for community organizations, digital equity practitioners, and residents to inform program design would ensure that policies and practices remain responsive to evolving needs and emerging best practices.

We recognize that incorporating community voice adds complexity to program administration. However, this investment yields more effective programming, stronger community buy-in, and better alignment between investments and actual needs. Given the substantial public resources at stake and the urgency of closing persistent digital divides, such approaches merit serious consideration.

Conclusion and Path Forward

The ConnectALL Office serves an indispensable role as New York's statewide coordinator of digital opportunity, the administrator of federal broadband funding, and the bridge between infrastructure investment and human capital development. ConnectALL has demonstrated strong program management capabilities and achieved meaningful progress in broadband deployment and affordability.

Despite its impressive progress, the hearing testimony made clear that infrastructure investment alone will not close New York's digital divide. Without substantial investment in equipment access, digital skills training, and community-based support services that is not hamstrung by reimbursement-based models, high-speed broadband remains an unfulfilled promise for too many New Yorkers. Without greater transparency, stronger alignment between stated priorities and funding decisions, and more robust mechanisms for community voice, we risk implementing programs that fail to meet communities' authentic needs.

We remain eager and ready to collaborate with the Legislature, Governor Hochul's administration, and the ConnectALL office to:

- Secure meaningful state budget appropriations for digital equity programming
- Protect the Affordable Broadband Act from federal regulatory overreach
- Implement advance payment structures that enable community organizations to deliver services effectively
- Enhance transparency in grant evaluation processes

- Develop participatory mechanisms that center community voice in program design
- Ensure that organizational experience and strategic positioning receive appropriate weight in funding decisions

The Western New York Digital Equity Coalition is rooted in the digital inequities laid bare by COVID-19. The pandemic demonstrated with painful clarity that digital access constitutes essential infrastructure for economic participation, educational opportunity, and civic engagement. We and our regional digital equity partners from across the State have the knowledge, organizational capacity, and strategic vision to help close New York's digital divide. What we need now is commensurate investment and program structures that enable community-based organizations to deliver transformative outcomes at scale.

Thank you for considering our recommendations and for your continued leadership in advancing digital equity for all New Yorkers.

Respectfully submitted,

Western New York Digital Equity Coalition

For questions or additional information, please contact:

Donald Matteson Facilitator, Western New York Digital Equity Coalition
dwmatteson@wnydigitalequity.org