COMMONWEALTH OF PENNSYLVANIA HOUSE OF REPRESENTATIVES

CONSUMER AFFAIRS COMMITTEE
PUBLIC HEARING

STATE CAPITOL HARRISBURG, PA

MAIN CAPITOL BUILDING ROOM B-31

THURSDAY, AUGUST 9, 2018 10:10 A.M.

PRESENTATION ON SMALL WIRELESS CELL DEPLOYMENT

BEFORE:

HONORABLE ROBERT GODSHALL, MAJORITY CHAIRMAN

HONORABLE ALEXANDER CHARLTON

HONORABLE FRANK A. FARRY

HONORABLE ROB KAUFFMAN

HONORABLE RYAN MACKENZIE

HONORABLE THOMAS QUIGLEY

HONORABLE THOMAS CALTAGIRONE, DEMOCRATIC CHAIRMAN

HONORABLE ED NEILSON

* * * * *

Pennsylvania House of Representatives Commonwealth of Pennsylvania

I N D E X

TESTIFIERS

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DANIEL S. COHEN COHEN LAW GROUP, ON BEHALF OF PA MUNICIPAL LEAGUE AND PA STATE ASSOCIATION OF TOWNSHIP COMMISSIONERS5 ACCOMPANIED BY: AMY STURGES DIRECTOR OF GOVERNMENT AFFAIRS, PA MUNICIPAL LEAGUE AND PA STATE ASSOCIATION OF TOWNSHIP COMMISSIONERS
ED TROXELL DIRECTOR OF GOVERNMENT AFFAIRS PA STATE ASSOCIATION OF BOROUGHS13
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MICHELLE PAINTER COUNSEL, GOVERNMENT AFFAIRS, SPRINT
JODIE STUCK MALADY & WOOTEN, ON BEHALF OF T-MOBILE

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ARTURO CHANG STATE GOVERNMENT AFFAIRS COUNSEL, WIRELESS INFRASTRUCTURE ASSOCIATION
PAUL GILBERT MANAGER, GOVERNMENT RELATIONS, CROWN CASTLE
TIM BALDWIN LANCASTER COUNTY 911, ON BEHALF OF PA-NENA
ACCOMPANIED BY: JOHN HAYNES CHESTER COUNTY 911
SUBMITTED WRITTEN TESTIMONY
* * *
(See submitted written testimony and handouts online.)

PROCEEDINGS

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MAJORITY CHAIRMAN GODSHALL: Good morning. The hour of 10:00 a.m. having arrived and passed, I call this hearing to order. Today's hearing will focus on House Bill 2564, sponsored by Representative Frank Farry from Bucks County. And House Bill 2564 establishes a standardized application and approval process for the permitting of small wireless facilities within the right-of-way. And I'd like to offer Representative Caltagirone, my Co-Chairman, an opportunity to make comments.

No comments, so we'll get started right away.

I'd like to have the members that are here introduce
themselves quickly, starting here at the end. Ed?

REPRESENTATIVE NEILSON: Ed Neilson, Philadelphia County.

REPRESENTATIVE CHARLTON: Alex Charlton, Springfield, Delaware County, District 165.

REPRESENTATIVE FARRY: Frank Farry, Bucks County,
House District 142.

REPRESENTATIVE QUIGLEY: Tom Quigley, Montgomery County, House District 146.

REPRESENTATIVE KAUFFMAN: Rob Kauffman, Franklin County, District 89.

DEMOCRATIC CHAIRMAN CALTAGIRONE: Tom

1 Caltagirone, District 127.

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MAJORITY CHAIRMAN GODSHALL: Bob Godshall, Montgomery County, 53. So with that, we're going to open the floor for guestions from members after each presentation. We have a full agenda this morning. I ask all presenters to respect the time limits for presentations noted on the agenda. Local governments we'll start with: David Cohen, Cohen Law Group; and Amy Sturges, Director of Government Affairs, Pennsylvania Municipal League, Pennsylvania State Association of Township Commissioners; Ed Troxell, Director of Government Affairs, Pennsylvania State Assessment of Boroughs; Dave Sanko, Executive Director, Pennsylvania State Association of Township Supervisors. Gentlemen and ladies, whenever you're ready, please introduce yourself as you speak, and we'll get started.

MR. COHEN: Good morning, everyone. Chairman Godshall, Chairman Caltagirone, honorable members of the Consumer Affairs Committee, thank you for the opportunity to testify this morning about House Bill 2564, called the "Small Wireless Facilities Deployment" bill. My name is Dan Cohen, and my testimony today is on behalf of the Pennsylvania Municipal League and the Pennsylvania State Association of Township Commissioners.

The Municipal League has been assisting local

governments throughout the Commonwealth for over 110 years. Its 98-member municipalities comprise more than one-third of Pennsylvania's total population. The Pennsylvania State Association of Township Commissioners has been advancing the interests of first-class townships for nearly 90 years. Together, PML and PSATC represent over 160 full-service urban and suburban communities, and I have with me this morning Amy Sturges of the Pennsylvania Municipal League.

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Both of these associations are fierce advocates for the deployment of high speed broadband throughout the Commonwealth. We local governments know firsthand that, like railroads in the 19th century and electricity in the 20th century, broadband in the 21st century is essential for economic growth, for educational advancement, and for the delivery of quality health care.

Because municipalities are advocates for the buildout of broadband networks, they have been approving the facilities needed for broadband for decades. Beginning with the franchising of cable systems and then the permitting of fiber construction, municipalities are on the front lines of approving the buildout of broadband networks.

Approximately seven years ago, wireless companies in Pennsylvania started contacting municipalities to install wireless facilities in the rights-of-way. These

include large antennas on existing utility poles and new fiberglass towers as part of wireless networks known as DAS or distributed antenna systems. Municipalities in Pennsylvania have been approving these facilities for seven years. The reason is that the Commonwealth has legally assigned municipalities with the task of managing their streets and roads.

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Every municipal code requires municipalities to control and manage their public rights-of-way.

Pennsylvania citizens expect their local governments to uphold this obligation. And, as you all know, the right-of-way is a very narrow ribbon of real estate, and numerous companies want to occupy it: gas companies, electric companies, telephone companies, water authorities, fiber companies, wireless carriers, wireless contractors, the list goes on and on. There is no other level of government closer to the action or better equipped to juggle the competing interests vying for space on that small property.

So what's involved in managing the rights-of-way?

Well, just by way of example it includes reviewing

applications for new facilities and requesting information

as necessary, managing the approval process, inspecting

facilities during construction and periodically thereafter,

managing vehicular and pedestrian traffic during

construction, responding to citizen complaints, ensuring

repair of public and private property damage. All of these are involved in managing the rights-of-way.

This bill, House Bill 2564, would almost completely emasculate the ability of municipalities to manage their rights-of-way with respect to these facilities. In other words, it would prevent municipalities from doing their job as required by the Commonwealth. First, it would strip municipalities of their zoning authority over these facilities. Zoning is an essential tool to maintain the character of our communities, and Federal law preserves local zoning for the regulation of wireless facilities.

Section 3(j) of House Bill 2564, however, states that a wireless company would have the right as a permitted use, quote, "not subject to zoning review or approval" to install new towers or large antennas. That means that the application must be approved at the permit counter without any zoning process and without any opportunity for public comment.

So, House Bill 2564, if enacted, would not allow a municipality to be able to require that new towers and wireless facilities in the rights-of-way be subject to zoning, comply with collocation incentives to place antennas on existing poles rather than construct new poles, be limited to certain zoning districts and roads so long as

there's ample room for wireless service, employ stealth technology where feasible, be subject to insurance and indemnification requirements, all those things that municipalities are able to do now. Municipalities would be forced to approve any facility, regardless of its appropriateness.

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Now, in terms of the height of the towers, while Section 3(e) of the bill states that the maximum height of a tower is either 50 feet or 5 feet higher than the tallest pole within 500 feet of the proposed tower, the same section gives a wireless company the, quote "right to install a utility pole that exceeds these height limits" so long as it files a "height limit waiver request." So, the bill effectively gives a wireless company the right to install a new tower at any height it wishes.

Secondly, the bill would strip municipalities of their right to recover their costs, not to raise revenue but simply to recover their costs. And based on our experience working with municipalities, and we've worked with many of them in this area, the following are the current fee ranges in Pennsylvania, followed by the fees in House Bill 2564. And there are four categories: one, application fee. Currently, they're about \$750 to \$1,500; House Bill 2564, 100 bucks. Fees for new antennas on existing utility poles, they're currently about \$250 to

\$500 for municipalities to recover their costs; House Bill 2565, \$25. Fees for antennas on municipal poles, poles owned by municipalities -- there are about 50 of those in the Commonwealth -- currently, it's about \$1,500 to \$3,000; House Bill 2564, \$50. And fees for new poles, new poles that are installed in the rights-of-way that are not municipal poles, it's the current range of about \$750 to \$1,250; House Bill 2564, 25 bucks.

So not only are these fees a tiny fraction of the fees that municipalities are assessing today, but they clearly would not allow municipalities to recover their actual costs. And as a result, local taxpayers would be forced to subsidize the wireless industry.

Finally, on the process, House Bill 2564 would curtail the process for approval of wireless facilities applications that has been established by the FCC. So the FCC has shot clocks that require municipalities, all local governments, to approve towers and other wireless facilities in the rights-of-way within a specified period of time. House Bill 2564 would severely reduce those.

So three areas: one is the initial review of the application. The FCC has a 30-day time period for initial review for completeness. House Bill 2564 would cut that in half to 15 days. The FCC rule for action on a new pole in the rights-of-way is 150 days to take action. If you don't

take action, then they're deemed approved under Federal law. There's a lot of Federal law in this area. H.B. 2564 would reduce that 150 days to 60 days. That's a 60 percent decrease in time. Action on a new antenna in the rights-of-way, the FCC gives 90 days. House Bill 2564 gives 60 days. These shorter time periods are unworkable for most municipal governments.

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In addition, the bill allows wireless companies to submit requests of up to 20 facilities in a single application. This would make it virtually impossible for most municipal staffs, who have to balance the many competing interests inherent in managing a municipality, to review and act on these requests on time.

So the question becomes why? Why is it advisable for the General Assembly to strip municipalities of their zoning authority, make it impossible for them to recover their costs, and demand unworkable deadlines for acting on wireless applications? Have municipalities been an obstacle to the buildout of wireless networks in Pennsylvania?

Well, earlier this year, our law firm conducted a survey of our municipal wireless clients -- there are about 130 of them -- and we wanted to find out the answer to that question. So we sent the survey out to all of them.

Seventy-one of them responded in 26 counties in the

Commonwealth. Of those 71 municipalities, 41 said that they had been contacted by wireless companies seeking to facilities in the rights-of-way. Not one of them, I repeat, not one of those 41 municipalities that were contacted by wireless companies denied the wireless application. Every single municipality that received applications for wireless facilities in the rights-of-way approved them, and they did so within the FCC time frames or in a few instances within agreed-upon time frames with the wireless company. We're happy to provide this Committee with copies of all those survey responses.

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So, again, what's the public-policy problem here that requires a legislative solution? There is one legitimate public-policy problem when it comes to wireless broadband, and that is that there are unserved areas in the Commonwealth. Many rural areas still do not have access to high-speed broadband service. According to the Governor's office, over 800,000 Pennsylvanians lack access to high-speed internet service. Regrettably, there is nothing in House Bill 2564 that requires wireless companies to address this legitimate issue and expand their networks into unserved areas.

For all of these reasons, respectfully, House Bill 2564 is a flawed bill, and we urge this Committee to reject it as written. Our associations remain open to

1 working with the sponsor and the wireless industry to make

2 this bill workable for the industry and for local

3 governments. There is room for compromise here.

4 Unfortunately, there has been no substantive engagement to

date with municipal associations about this legislation.

6 We look forward to having such a discussion in order to

achieve the mutual goals of expanding wireless broadband

while properly managing the rights-of-way and preserving

the character of our communities.

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Thank you, Mr. Chair.

MR. TROXELL: Thank you, Mr. Chairman, Chairman Godshall, Chairman Caltagirone. Good morning. Hello. I got to get wired here. Good morning, Committee Members as well. I'm Ed Troxell. I'm Director of Government Affairs for the State Association of Boroughs, and this morning, the Association has prepared a pre-statement, which I feel is important to read into the record to let you know where the Association is taking its perspective regarding 2564 and the issue altogether.

For over a century, the Association has provided extensive training and education resources, as well as quality group insurance products for our members. And also, we have been a legislative advocate for those boroughs here as well, and that's what brings me here today.

The brief statement I'm giving is trying to serve that purpose here today. It's to stress that our borough communities are seeking to prompt reliable wireless services for their residents, while also balancing that pursuit with a preservation of the very community landscapes that they occupy. That's why, today, PSAB is glad to join with our fellow local government associations and the wireless services industry as we work together seeking to expand wireless services throughout the Commonwealth. In particular, this morning kicks off the conversation of House Bill 2564.

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I would begin, though, to let the Committee be aware of that PSAB membership had overwhelmingly voted during its 2018 annual conference in June of this year to adopt this resolution 2018-16, which established our overall position regarding wireless deployment issues that we're discussing here today. Much of the content of that resolution also applies to House Bill 2564, and that will be PSAB's perspective as we move forward.

For your reference, the resolution reads as follows: "Be it resolved that PSAB oppose any legislation that would strip municipalities of their legal authority to regulate wireless facilities both within and outside public rights-of-way, limit a municipality's ability to negotiate and collect reasonable fees for collocation on municipal

infrastructure or any municipal cooperation."

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Over the last several years throughout the Commonwealth, our boroughs have had firsthand knowledge and experience regarding the objectives of proponents of 2564. Our communities understand, they accept, and respect the efforts the industry is taking to move forward in delivering wireless services. PSAB understands and respects this dynamic as well.

For the purposes of moving this discussion forward, there are realistic guidelines and reasonable expectations which our local governments will maintain throughout any changes to the existing practice. And I stress practice. I believe all of us here today would appreciate that, similar to existing cable franchise agreements and the negotiations that have come from them, many of our communities have mirrored that process to arrive at the very services that we're discussing today included within the bill. Just a few of those communities are the Borough of Ambler in Montgomery County and also in Franklin County, Chambersburg and Waynesboro.

It's reasonable to conclude that this acceptable business practice has and will foster the expansion of wireless services to the benefit of the providers and their customer base. When working with our boroughs, we believe a cooperative and collaborative spirit will guarantee a

win-win, as we have witnessed regarding cable franchise and its expansion within the last decade.

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So as a result of this evolving business practice which our boroughs have experienced concerning those seeking to provide wireless services within our borough borders, it becomes necessary to recognize the general themes embodied in our resolution. Our resolution has three fundamental positions or premises, however you want to look at it. We will hold in opposition to any measure that will strip regulatory powers either within or outside of the right-of-way from our boroughs. Secondly, we will always strive to maintain the capacity to negotiate and collect reasonable fees for the use of public assets. And thirdly, we will reject any State mandate that forces us into cooperation without negotiations with wireless industry. Respect for these positions is paramount to any measure developed by the Assembly and enacted into law. It must be understood to all that such an initiative is not a novel idea or approach.

To close with, to put 2564 into a historical context, which Dan also did a little bit earlier, it was in 2008 when this very Committee held hearings on House Bill 1490, which sought to establish a statewide cable franchise law similar to what's being attempted here today. Yes, 2564 has details and technological variations, making it

and its services. However, our association's goal here today is to make clear that positions held in 2008 continue to be held by the membership of the Association, and our Association will continue to strive to preserve them in any legislative proposal, beginning here today with House Bill 2564. Thank you.

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MR. SANKO: Chairman Godshall, Chairman

Caltagirone, and Members of the Consumer Affairs Committee,
good morning. My name is David Sanko. I'm the Executive

Director of the Pennsylvania State Association of Township

Supervisors. PSATS is nearly 100 years old, is a

nonpartisan, nonprofit association that represents nearly

1,500 townships, ranging in size from a couple hundred to
over 60,000 people and cover 95 percent of Pennsylvania's

landmass and represent over 5.5 million people.

I want to thank you for the opportunity to appear before you today that's affecting many of our members. House Bill 2564 provides for the regulation of small wireless facilities in municipal rights-of-way. This legislation is an effort to provide compromise legislation to House Bill 1620. We applaud the efforts of the sponsor in bridging this gap.

There are marked improvements when comparing this bill to the prior bill. First, the scope of 1620 was very

broad and would have essentially eliminate municipal zoning authority over the placement of most, if not all, wireless facilities, including large tower and guyed-wired monopoles both inside and outside the rights-of-way where this bill, in contrast, only narrowly addresses the placement inside rights-of-way.

Secondly, unlike 1620, this bill does not amend or repeal Act 191, the Wireless Broadband Collocation Act, so the existing collocation and large tower rules will stay in place. Again, the scope of this new bill is narrowly limited to small cell deployment.

Third improvement is new language that would give municipalities some discretion over whether collocation will be permitted on decorative poles, as well as additional oversight in historic districts. Yet another improvement relates to provisions surrounding underground utilities. Twenty-five sixty-four requires the provider to comply with the rules that are in place three months prior to the submission of an application, as opposed to the former bill, which locked in the rules that were in place as of June of 2017, last year.

There's also new language allowing for a waiver request process but does not require a municipality to grant the waiver. And perhaps most importantly, this legislation also addresses the rights of a property owner

in communities with underground utilities by requiring their consent as well.

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You know, other States have passed similar legislation. This discussion is not taking place in a vacuum. I'm also the President of the National Association of Towns and Townships, and I can tell you that both Congress and the FCC are wading into these waters. I think everybody in this room would agree that these decisions are best made locally.

Also in Pennsylvania, the courts continue to weigh the issue of certificates of public convenience by the Public Utility Commission, effectively granting utility status to nonregulated companies inside the right-of-way.

We also want to be clear on what this discussion is not about. When you hear some citing the public's demand for faster and more reliable access, you need to access yourselves which public are we talking about? It is not the nearly 1 million members of the public from those areas of the State that are unserved or underserved by any type of broadband service, wired or wireless. This legislation isn't going to help anyone in those areas watch a video of a grandchild or a new great-grandchild over the internet because they don't even have dial-up service. In fact, if this bill were to provide service in unserved rural areas, our members there would likely greet the

technology with open arms and exercise only basic oversights of their rights-of-way and there would be little need for this conversation.

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Instead, this bill is designed to help a subset of wireless customers who want more access and capacity for their phones, tablets, household devices like wireless thermostats and video doorbells. You know, this bill is to provide the capacity for the insatiable desire for data and bandwidth in urban and suburban areas and help communities do their best to manage their rights-of-way because today's cutting-edge facilities may become tomorrow's blight without appropriate municipal oversight.

Our members are very concerned that they be able to continue to exercise their reasonable oversight of their rights-of-way and be able to negotiate and collect reasonable fees for collocation of wireless facilities on municipal infrastructure. Although there are similarities between the two bills, House Bill 2564 comes closer to the balance that we are seeking.

That being said, we do have some suggestions for even more improvements to this bill. It's easy to sit back and say we don't like it, but I think it's important to offer comments as to how to make it better. First, to further clarify that the legislation is limited to small wireless facilities on utility poles. The definition of

utility pole needs to be clarified to include the phrase electrical transmission towers.

As written in 2564, in addition to both the municipal and State-owned rights-of-way along any public highway, the definition also includes utility easement on similar properties. Well, we think that is somewhat overly broad and needs to be clarified. Depending on how the definition of similar properties are identified, this could allow for the proliferation of these devices in areas outside of the municipal right-of-way, as well as the State's right-of-way where a municipality has no say anyway.

This bill addresses processes and fees in municipal rights-of-way but how does it affect the Commonwealth's ability to manage their right-of-way, which, frankly, is your issue, not mine or ours.

Second 3(d) gives a right of access to wireless providers to perform certain activities within the right-of-way. This isn't clear and provides a little too much discretion to the providers with little or no oversight by the municipality, particularly to the placement of new poles. Agreeing that collocation is always preferred over new poles, this section should grant final approval to collocate and install new poles to the municipality.

Next, if collocation is not feasible, this bill

also allows providers to install a new utility pole not more than five feet higher than the tallest nearby existing utility pole. We're concerned that this bill also gives the right to install a taller pole by simply filing for a waiver. This appears to be a loophole to go higher than the 50-foot height limitation and was a huge drawback in the old bill. But this can be fixed simply by making the waiver approval at the discretion of the municipality consistent with other existing municipal rules.

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On the matter of fees, we join with our municipal partners in concern for the unrealistically low fees in this bill that would prevent a municipality from recovering their actual costs related to activities in their right-of-way. This bill allows for an application fee not to exceed \$100. We believe that this industry should be treated the same as any other applicant and charged fees that do not exceed the application fees other applicants are charged for right-of-way access. As an aside, the new law in neighboring Ohio set this at \$250.

We also question the annual fee that a municipality may receive for the use of right-of-way capped at \$25 per pole. Municipalities have continuous costs to maintain for the right-of-way that simply can't be covered by this low fee. Others who use this public right-of-way pay substantially more. Out of fairness, the fees charged

should not exceed what are charged to others for access to the right-of-way.

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The fee limit of \$50 per attachment for collocations on poles owned by the municipality is also objectionable. Again, as a set-aside, recent new law in Ohio set this fee at \$200. But I would also add since there's no limitation on what a private utility pole owner or the Commonwealth with regard to their negotiations for collocation on their structures, this legislation would put municipalities and their public at a distinct disadvantage. From a public policy perspective, this appears to create a private benefit at a public cost. And why give an unregulated industry public benefits without fair compensation to the taxpayers. Anything less could force local property tax increases.

Turning to the review process, the review process in this bill is significantly less than currently allowed for the siting of big towers and guyed-wired monopoles, but to our knowledge, the review process for the collocation of small wireless facilities or the installation of utility poles is not as complex. The FCC and Congress are also looking at shorter time frames for this new and less intrusive technology.

But we do have concerns with the shorter time frame if several applicants file consolidated applications

at the same time. Each combined application can contain up to 20 applications in a 30-day time period. If just four of the major players submit their applications on the same day, that would result in 80 applications needing to be reviewed in 30 days, and that frankly could be overwhelming to many communities. They get 15 days to determine the completeness of the application, and then they get only another 15 days to review all 80 applications or they are automatically deemed approved without having had sufficient time for a proper safety review. A solution to this issue would be to allow municipalities additional time if they receive multiple simultaneous applications.

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One final necessary correction is to add a provision that the wireless providers indemnify the municipalities for any damage caused by the providers or their subcontractors as a result of negligence.

In closing, we want to acknowledge the work that's been put into this legislation that make improvements over past versions. We are encouraged by the progress that has been made with 2564, but more work needs to be done in this Committee. We look forward to working with the sponsor and this Committee to address our concerns and provide this technology to our mutual constituents.

Thank you for this opportunity, and we are now available to answer any questions you may have.

MAJORITY CHAIRMAN GODSHALL: Thank you, gentlemen. First questions are going to come from Representative Farry.

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REPRESENTATIVE FARRY: Thank you, Chairman. And folks, thanks for appearing here. I'll start with some questions based on Mr. Cohen's testimony. During your verbal testimony, you used the word tower at least three times, and as best I can tell from your written testimony, you used the word tower at least twice in the document. Do you know how many times the word tower appears in the legislation itself?

MR. COHEN: Good morning, Representative Farry.

Thank you very much for the question. So the term tower is a term that's been addressed by the Federal Communications

Commission. And in their 2014 Wireless Infrastructure

Report and Order, the FCC said that a pole in the public rights-of-way could be defined as a tower, could be termed as a tower. In 2564 I don't believe the term tower is used for facilities in the right-of-way, but for some companies, one in particular that puts in 120-foot poles in the rights-of-way, many would view that as a tower.

REPRESENTATIVE FARRY: Okay. But this doesn't allow 120-foot pole in a right-of-way, correct, this legislation?

MR. COHEN: I mean, I respectfully disagree, sir.

So, as I said before, it allows for 50-foot poles -- let's call them poles, right? But then it gives wireless companies the right -- that's the term in the legislation -- the right to have a height waiver to have any pole higher than that. So at least in my reading of the bill, it would in fact allow for 120-foot pole in the rights-of-way.

REPRESENTATIVE FARRY: Okay. Well, that's not what the intent of the legislation is.

MR. COHEN: Okay.

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REPRESENTATIVE FARRY: I believe when I met with the stakeholders that are serving as this panel, it was clear that we're just talking about in the right-of-way, which is an important distinction from the previous piece of legislation that was introduced, as well as tower. I'll answer my own question. The word tower appears once, and it's just in the definition of electrical transmission towers. And what I'm concerned about is that there seems to be -- I don't want to call it a scare tactic, but for lack of a better term, a scare tactic in what's being put out related to this bill.

You know, you began by saying it doesn't allow any municipal review, and then further in your testimony you talk about the number of days allowed for a municipal review. As we move further down, you know, you talk about

the 41 municipalities out of the 71 that responded to your survey that said that they haven't really had any problems with approving the small cells in the rights-of-way, but that is not very representative of the 2,500-plus municipalities that are in this Commonwealth.

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Again, you know, you bring in broadband. This bill isn't about addressing broadband. This is about small cells in the right-of-way. And I think that's a shiny object that's kind of put out to again disparage this piece of legislation. We have testimony from the Grange, written testimony that was submitted that, you know, their desire is to get broadband in the underserved areas. And they believe this is a step that will help move that along. And their written testimony is actually in favor of this piece of legislation.

Moving further down in your testimony, you know, you talk about basically how we haven't really worked together. "There's been no substantive engagement to date with the municipal associations about this legislation."

That is an outright lie. That is just not true. The very first people that were met and handed as a group with the draft legislation when I got it from Amanda Rumsey,

Executive Director of this Committee, are the folks sitting at your table. They were given the legislation. We were on a short window as we were trying to finish up the

budget. I asked for a response by week's end. I realize that response was not going to be the most substantive response, but I got a response emailed to me by Mr. Sanko representing the four groups. So that meeting happened on June 18th, and the email was received on June 22nd. I have not heard from one of your groups at the table with any requests for any other substantive changes since that time. That was before the bill's introduction. It was before it officially had a bill number. It was before this hearing was announced. The only information I've received to date is the testimony that we have here today.

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But to characterize our efforts -- and my efforts have been very open and trying to be inclusive. To characterize those efforts as "no substantial engagement" is completely disingenuous. And I don't think it's fair to be presented to the public in that forum. You look forward to have further discussions? So do I.

Now, what you guys have done is you have spent your time working with the media on a campaign that I would say is a bit, again, disingenuous, and it has some disinformation in it. The first article ran in the Inquirer dated July 31st, and the quotes, excuse me, here it is. This is being labeled a "giveaway to big telecom. It's one-sided for the industry." Now, this is what's being said to the media without any further contact to me,

and it was well over a month later that this article ran from my initial contact with your folks. I'm quoting the article, "Farry said there will be compromises with the proposed legislation, and he expects the final legislation to contain higher fees to be paid by the wireless carriers or those that operate the antennas." So, clearly, we're willing to compromise and move forward.

And as recently as this week, there was an article that appeared by Jan Murphy on PennLive and, you know, again there's a bunch of different information out there. You again talk about broadband and the lack of high-speed internet in rural areas, again, not related to this bill. And you're quoted as saying you fear that this could "set a precedent that would lead to further stripping away of municipalities' authorities to manage their right-of-way." And, you know, I think that's pretty unfair because I'm trying to have an open process here. I've been very open that this is a floor, and I think every change to this bill moving forward is going to be in favor of the folks at this table and based on your concerns, as brought forward today.

So instead of waging the war in the media, how about you talk to me about and we can work on amendment that addresses what the concerns are? Because, quite frankly, that hasn't been what has transpired to date.

1 It's very clear there's going to be an amendment or 2 multiple amendments to this bill to address the concerns. Fees are absolutely going to go up, and municipalities are 3 going to have their costs covered. But fees are also not 4 5 intended to be a revenue-generator. They're intended to 6 cover your municipal costs so that burden is not on the 7 taxpayers. And I know I'm preaching to the choir, but I 8 can assure you, whether I draft the amendment or others, 9 there will be fee increases. 10 As related to the boroughs' testimony, Ed, you 11 know, your resolution that was adopted at your conference 12 was before this bill was introduced, is that correct? 13 MR. TROXELL: That's correct. 14 REPRESENTATIVE FARRY: Okay. I would hope 15 everybody --16 MR. TROXELL: That was also -- Representative 17 Farry, that was regarding more of a focus on 1620 as well. 18 REPRESENTATIVE FARRY: Understood. And I want to 19 work with you guys. I mean, is there anybody at the table 2.0 that doesn't think I don't want to work with you guys on 21 this? 2.2 MR. TROXELL: And we appreciate that, 23 Representative. However, earlier, you mentioned about the 24 associations. None of the telecom associations, okay, have

reached out to me regarding 2564, okay? I've got nothing

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from them, so they haven't done anything on the association, and you have.

2.0

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REPRESENTATIVE FARRY: Right. And to be clear -MR. TROXELL: Okay?

REPRESENTATIVE FARRY: -- I have spoken to them, and they are aware that the expectation is the fees are increased. There may be some changes in the timeliness of the review period and some of the other concerns, and I'll cover some of that during my closing statements. But here's what I would like to see moving forward. If we're going to operate in good faith --

MR. TROXELL: Exactly.

REPRESENTATIVE FARRY: -- you know, what I hope happens with your four organizations is we don't go on the scorched-earth campaign that went on with 1620. I completely understand your concerns with 1620. If that was brought up for a vote tomorrow, as written, I would be a "no" vote even though I'm a cosponsor of it. What I ask, though, is we don't start soliciting resolutions from our member communities like what went on with 1620. We keep the media moving forward in a positive direction until such time that there's not a reason to say that because let's be fair about it. This is going to be a process. That's why the Chairman asked for a hearing. This is a very large undertaking.

But I just think it's very important that we stop the inflammatory language. You know, Mr. Cohen, your testimony used the word "emasculate." I mean, that's a pretty strong word saying we're emasculating the authorities of the local governments. I'm paraphrasing, but you used the word "emasculate." That's a pretty strong word. And I think, you know, one of the things we have here as elected officials and as the stakeholders in this Commonwealth is -- the one thing we have is the way we conduct ourselves and our word. And I'm hoping you guys will give me your word that this will be a fair process. We won't start the scorched-earth campaign, just like I'm giving you my word that there's going to be changes to this bill, assuming we have the votes for it -- but I will be a "yes" vote -- to changes to the bill that move it in the direction of your concerns.

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MR. TROXELL: What I would have to make clear, Representative Farry, is that my membership are independent. And should they choose to draft resolutions that you mentioned earlier, okay, we will not stand in their way of doing such a thing. It is their right to pass resolutions on anything from, say, the soda tax to the plastic bags to other items they've done throughout the years. This is not anything different. This is another public-policy issue that we have to respect our membership

and what their positions are regarding any issue like this.

So I just can't say that we're going to prevent or stop a

resolution being passed by various boroughs.

2.2

REPRESENTATIVE FARRY: Okay. I completely understand that your council is your supervisors, your city council folks can do as they choose with resolutions, but wasn't there an organized effort with 1620 to get them to draft resolutions in opposition to 1620?

MS. STURGES: No. I would say that was not an organized effort. Our members -- and I'll echo what Ed said. Our members, whether they're boroughs, townships, or cities, are very concerned about the preemption of zoning. This is something they take very seriously. Our members are our bosses, and so we have to try our best to protect their interests. And for now, you know, we can tell them they can view this testimony, this hearing and see that you're willing to work with us, and we're very glad to hear that, but they are their own independent governing bodies, and if they choose -- if they are concerned about the preemption of zoning and they choose to pass their own resolution, we have nothing to do with it.

REPRESENTATIVE FARRY: I --

MS. STURGES: That's their prerogative.

REPRESENTATIVE FARRY: And I understand that.

I'm very clear on that. What I'm saying is an organized

1 effort because it's kind of convenient that anybody that 2 was a cosponsor of 1620 had our offices flooded with 3 resolution and the language was the same. The language in those resolutions was the same, so I have to think 4 5 municipal solicitors raising that concern certainly 6 wouldn't have all had pretty much the same or identical 7 language. I mean, nobody put out an action alert on this, 8 1620? 9 MS. STURGES: There may have been action alerts, 10 but I can't --11 REPRESENTATIVE FARRY: I believe there was. 12 MS. STURGES: -- tell you that they're -- but I 13 can sit here and say there was not a concerted effort. 14 That bill was very concerning to our members. If they choose to put out a resolution, that is their prerogative. 15 16 REPRESENTATIVE FARRY: And --17 MS. STURGES: And we can say that there's a willingness by the sponsor and the Committee to work on 18 19 this. That's wonderful news to hear, and we can certainly 20 relay that to our members, but as they see the bill now, 21 they see that as a preemption of zoning authority. 2.2 REPRESENTATIVE FARRY: When we met on June 18th, though, I was very clear to you guys that that was not 23 going to be final language, correct? 24

MS. STURGES: Yes, you were, Representative, but

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       you also gave us less than a week to provide information to
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       you on our concerns, and the bill was introduced soon
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       after. I can't exactly remember the day the bill was
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       introduced, but it wasn't long after if it was the end of
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       the week. And --
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                 REPRESENTATIVE FARRY: No, the bill -- I have to
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       correct you on that. Sorry to interrupt but --
                MS. STURGES: Okay.
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                 REPRESENTATIVE FARRY: -- Amanda, the bill was
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       introduced about three weeks ago, is that correct? The
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      bill was introduced in late July if I'm correct, and we met
      in --
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                MS. STURGES: Oh, okay. My mistake.
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                REPRESENTATIVE FARRY: Did you get --
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                MS. STURGES: July 13th.
                 REPRESENTATIVE FARRY: July 13th, and we met on
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       June 18th, so it was almost a month.
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                MS. STURGES: We provided some information to you
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      via email that budget week on our concerns, and the next we
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      heard was "The bill is being introduced. I know that it's
      not a done deal or a final bill, and there's a hearing on
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      the 9th." I think that was the major points of your email.
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                 REPRESENTATIVE FARRY: Right. But --
                MS. STURGES: Our members see this bill as a
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      preemption, and until we start to have conversations -- I
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think it's wonderful that we can work together to try to figure out a compromise here, very glad to hear you say that. But as the bill stands, there are big issues with it that we have to convey as our members are our members.

2.2

REPRESENTATIVE FARRY: I understand, but we can also choose not to send out action alerts that produce — and, look, you guys can produce whatever resolutions you want. You guys can send out your action alert. I'm just trying to say in the effort of good faith moving forward, the actions that have transpired in the last several weeks don't seem to necessarily be in good faith. And the testimony is — not all the testimony, but the testimony is not reflective of what's going on. I mean, to use the word tower, if Joe Citizen or Mary Citizen hears tower, they think it's a cell tower going up in the right-of-way. Let's be honest about that. It's not a utility pole with a five-foot extension put on top of it.

MAJORITY CHAIRMAN GODSHALL: You know, I have to -- I want to interject here. You know, this is a hearing to decide what we want to do and how we want to progress with this bill, and we're going to move forward. And that's the simple truth. That's what we're going to do. So we've had -- you know, a tower to me means a tower. It doesn't mean a telephone pole. And that, to the ordinary person in this room when you say a tower, it's a tower.

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      And a tower goes way up there. So, you know, it's that
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       kind of language that doesn't help in putting this whole
       thing together. And I've been in local government for a
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       long, long time, as David knows, for quite a long time, and
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 5
       the local governments have not been involved in this. And
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       there's 2,562 municipalities, you know, 2,562
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      municipalities in the State, and we can't have 2,562
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      municipalities with their own thoughts and their own -- I
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      mean, you guys are sort of leading them along in where to
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       go.
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                 I have four boroughs in my district. I haven't
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      heard a word from any of them. So, I mean, what's
      happening? I haven't heard a word from any of my boroughs
13
14
      or my municipalities.
                MR. TROXELL: Regarding the boroughs, maybe they
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      haven't said any --
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                MAJORITY CHAIRMAN GODSHALL: They don't know.
                MR. TROXELL: Or they may even be having
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       discussions with the industry that haven't even --
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                MAJORITY CHAIRMAN GODSHALL: I've talked to my
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      boroughs and that's not the case, sir.
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                MR. TROXELL: So it's hard to say what they're
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       doing unless we call them --
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                MAJORITY CHAIRMAN GODSHALL: So, you know --
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MR. TROXELL: -- and discuss that.

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MAJORITY CHAIRMAN GODSHALL: -- that's why we're putting a bill together. We have 2,562 I believe municipalities in the State, so what we're trying to do is to come to some consensus that's agreeable to everybody, and that's what we're trying to do.

MR. COHEN: Mr. Chair, Representative Farry, let me just say that we would absolutely welcome that kind of discussion. I personally would welcome that kind of discussion so we could sit down and actually talk about the components of the bill and how it could possibly be revised to be able to accommodate everyone. We absolutely would welcome that discussion.

MAJORITY CHAIRMAN GODSHALL: Well, and there's one thing that we're going to insist on, that maybe we want to cover costs, but in the end, the taxpayers are the ones that are paying it, and I want to make sure that costs — and so does Representative Farry — that costs are costs are costs are costs and that this is going to be a new tax break for the municipalities or for anybody else. When we look at cost, we want to make sure it's costs.

MR. COHEN: We completely agree on that point,
Mr. Chair. Municipalities, unlike some other States where
there are revenue-based fees, legally, you can't do that in
Pennsylvania anyway, but we agree on that concept, that it
should just be cost recovery. The problem is 25 bucks, 50

bucks, that's not cost recovery.

2.2

MAJORITY CHAIRMAN GODSHALL: Well, okay. As I said, I have a little bit of municipal experience, and I know that they're out there looking for, you know, help as far as taxes go, you know, which is one thing we want to make sure doesn't happen.

David, you want to --

MR. SANKO: I just want to add because everybody has and I want to be -- said I didn't voice. Our members, too, are independent and can choose to make their own policy decisions, but I will respond to Representative Farry's request and pledge to you that PSATS as an association will not engage in any type of, you know, resolution-collection process. In fact, we will ask our members to -- and we will educate them and tell them what's going on and share what happened at the hearing here today and your collective willingness to work and partner with the local government groups to find a resolution. We will ask them to encourage them to keep their powder dry until that is done or until we get to a point where it's clear that there's not going to be a resolution.

MAJORITY CHAIRMAN GODSHALL: Representative Neilson.

REPRESENTATIVE NEILSON: Thank you, Mr. Chairman. Let me start off. You all testified today that the fees

that are in the bill that the Chairman had just identified that need to increase, obviously, you all looked at them. What do you feel that fee should be? You looked at them, you testified here today. You said, well, \$25, \$50 is not enough. What is it? What's that number that you think, through your research, and let us know how you came to that number and if you could share that with us as well, share that with the Chairman. MR. TROXELL: Well, Representative Neilson, just

MR. TROXELL: Well, Representative Neilson, just briefly, we stress primarily that negotiating any fees, any costs, any agreements are primary for all of our members, and therefore, to really put a distinct number on there is difficult for me to say from my perspective. The existing number in the bill, that really, to be nailed down to something I'm sure -- I mean, Dan here can expand on that a big.

REPRESENTATIVE NEILSON: Well, you said that existing numbers don't work.

MR. TROXELL: Yes, the existing numbers -- REPRESENTATIVE NEILSON: Okay.

MR. TROXELL: -- don't work, but --

REPRESENTATIVE NEILSON: So what are the costs?

Can you share those costs with all the people that you represent on what it costs to maintain them now --

MR. TROXELL: Sure.

REPRESENTATIVE NEILSON: -- so we can get an idea 1 2 and look at a real number instead of just pulling numbers out of a hat, which being involved in municipal government 3 4 myself, sometimes they do that. 5 MR. TROXELL: A lot of that -- why I hedge to 6 bring a distinct number to the table is because a lot of 7 that has to be dependent upon the very community itself. REPRESENTATIVE NEILSON: Okay. So this number --8 9 MR. TROXELL: Someone could --10 REPRESENTATIVE NEILSON: -- may work for some 11 communities? 12 MR. TROXELL: Yes, it may work for some 13 community. 14 REPRESENTATIVE NEILSON: Okav. 15 MR. TROXELL: They could do it for a song, but 16 then for others, maybe they have new streetscape projects. 17 We have downtown revitalization going on. All those things 18 have to be looked at, and so that's why the negotiation 19 process is so vital to this. 2.0 MR. COHEN: Representative Neilson, I included in 21 my testimony what the current fees are for municipalities 2.2 that we work with, so I think that may be at least a good 23 starting point in terms of what municipalities would be 24 looking for. And I think those fees do accurately

represent what municipal costs are. So those are in my

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testimony, and I'm glad to repeat them here, but --1 2 REPRESENTATIVE NEILSON: No, that's --MR. COHEN: -- I think they're included there. 3 4 REPRESENTATIVE NEILSON: I read the testimony pretty well, and in fact, I've read yours very well, 5 6 studied it a little last night, and I --7 MR. COHEN: Thank vou. REPRESENTATIVE NEILSON: -- have a little -- I'm 8 9 not getting the same results out of the bill that you are. 10 It's contradicting. Like if I read the bill right, Section 11 3(f) when it pertains to underground districts, it requires 12 wireless providers to comply with underground sitting 13 requirements that would be permitted to apply for a waiver, 14 and that waiver process, apply for waiver, it calls for public hearing and all. I'm not seeing -- you know, it 15 16 contradicts exactly what you're talking about. There's a 17 provision and a section that calls for a public hearing and 18 approval of both the property owner and the municipality 19 before a waiver, and that waiver is part of zoning. I 20 mean, that is zoning. I mean, you're not --21 MR. COHEN: Well --22 REPRESENTATIVE NEILSON: It calls for that, and you're saying, no, it doesn't. It can just do it by right. 23 That's not what -- I must be reading it differently than 24

I'm not an attorney; I'm just an electrician who

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you.

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       actually installed these before, so --
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                            Representative --
                MR. COHEN:
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                 REPRESENTATIVE NEILSON: -- please mind me.
       just a little kid from Philly, and I'm trying to make
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       certain, you know, that we all --
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                MR. COHEN: I totally respect that.
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                 REPRESENTATIVE NEILSON: Yes.
                MR. COHEN: I mean, look, it's hard to do
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 9
      wireless underground, right?
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                 REPRESENTATIVE NEILSON: You can't. I mean --
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                MR. COHEN: Right.
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                 REPRESENTATIVE NEILSON: -- I know my phone
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       doesn't even work --
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                MR. COHEN: As an electrician, you know that.
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                 REPRESENTATIVE NEILSON: -- in my basement, okay?
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                MR. COHEN: So that's why we focus really more on
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      the above-ground stuff. Certainly, a wireless network does
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      include a lot of fiber, and some of that fiber can be
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      underground, absolutely, but our focus really is on the
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       above-ground, the poles, the antennas, those --
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                 REPRESENTATIVE NEILSON: All right. I was just
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       qoing --
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                MR. COHEN: -- sorts of things.
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                 REPRESENTATIVE NEILSON: -- off your testimony
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      because in your testimony you talked about this, and you
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       said, well, they automatically -- in underground districts,
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       they can just put up a pole.
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                 MR. COHEN:
                             T --
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                 REPRESENTATIVE NEILSON: They can't without the
      municipality's approval.
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                 MR. COHEN: I don't think I mentioned --
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                 REPRESENTATIVE NEILSON: Am I reading that
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       correctly?
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                 MR. COHEN: -- underground in my testimony,
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      but --
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                 REPRESENTATIVE NEILSON:
                                          Okay.
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                 MR. COHEN: -- I don't believe --
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                 REPRESENTATIVE NEILSON: Also, the height limits
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       if I can. Mr. Chairman, this is it. I'm done after this.
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       We're short on time. The height limits, it talks about new
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      poles, 50 feet, they can be 5 feet higher than the tallest
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      pole in the area where they're putting it in, but it
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       doesn't talk -- can you point to the section of the bill
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      that says wireless providers can automatically install 120-
20
       foot pole in my backyard or my front yard? Because it does
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       trigger -- if it goes higher than that, again, it triggers
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       zoning and hearings from my understanding of the bill.
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23
      you can just show me where in the bill that wireless
      providers can automatically install 120-foot pole in my
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25
      backyard, I'd appreciate it --
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                MR. COHEN:
                             Sure.
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                 REPRESENTATIVE NEILSON: -- because I can't find
       it.
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                MR. COHEN: I'd be happy to. So, look, this bill
 4
       -- let's be very clear. This bill preempts municipal
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 6
       zoning authority when it comes to wireless facilities in
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       the rights-of-way. That is very clear from the bill.
 8
      may not be what's intended by the bill, and that would be
 9
       great, but it --
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                 REPRESENTATIVE NEILSON:
                                          Well --
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                MR. COHEN: -- specifically --
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                 REPRESENTATIVE NEILSON: -- from what I read, it
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       triggers a waiver process, and a municipality, who handles
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       that waiver process like the City of Philadelphia, we don't
       issue waivers, we go through zoning and we go through a
15
      whole zoning process. I mean, we're just that little
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17
       first-class city in a big old State, but we are the only
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       first-class city. But it triggers zoning, which triggers
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      the community groups' involvement, which triggers the
20
       councilmen or women, whoever's elected to represent, it
       triggers all that stuff.
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22
                MR. COHEN: With all due respect, and I'm sorry,
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       I have the greatest respect for --
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                 REPRESENTATIVE NEILSON: All right.
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                MR. COHEN: -- you, it does not. I mean, the
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      bill says that "Subject to the provisions of this act or a
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      municipal ordinance consistent with this act, a wireless
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      provider shall have the right as a permitted use not
       subject to zoning review or approval to collocate an
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 5
       antenna on an existing pole or to install a new utility
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       pole," not subject to zoning review or approval. So it
 7
       preempts zoning authority. Again, that may not be the
 8
       intention of the bill, but that is in fact what the bill
 9
       says.
10
                 And on the issue of whether you can put a 120-
11
       foot --
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                 REPRESENTATIVE NEILSON: Yes, I'm talking about
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       the height limit.
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                 MR. COHEN: Sure.
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                 REPRESENTATIVE NEILSON: I mean, I'm specifically
16
       addressing the height.
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                 MR. COHEN: Sure.
                 REPRESENTATIVE NEILSON: In some instances, yes,
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      it does take the zoning out of it --
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                 MR. COHEN: So Section 3 --
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                 REPRESENTATIVE NEILSON: -- and I agree with you
2.2
       there.
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                 MR. COHEN: Sure. Okay. Thank you. I
24
       appreciate it. Section 3 --
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                 REPRESENTATIVE NEILSON:
                                          3(e).
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1 MR. COHEN: Yes. Yes. 3(e) on the height --2 REPRESENTATIVE NEILSON: Is what you said, 120foot can just go in my backyard, and I don't think it can 3 4 from what I'm reading. MR. COHEN: Right. And this may be the need to 5 6 expand upon what that height limit waiver request means, 7 right, because it really doesn't give any kind of process 8 for that. And, I mean, as an attorney, I just read the 9 words. The words say that a wireless provider shall have 10 the right. Right is a big term in the law, right? That's 11 a legal right to replace the utility pole that exceeds 12 these height limits, the 50-feet limit, by including a 13 height waiver request in the application. 14 REPRESENTATIVE NEILSON: Yes, that's the waiver 15 request, which is zoning and triggers that. 16 Which would take you up over 50 feet. MR. COHEN: REPRESENTATIVE NEILSON: But that triggers the 17 zoning, and that's what I'm trying -- I mean, I know it 18 19 does in my neighborhood --20 MR. COHEN: I would hope that would be --21 REPRESENTATIVE NEILSON: -- maybe not in yours 2.2 but in mine --23 MR. COHEN: I would hope that would be true. REPRESENTATIVE NEILSON: -- it does. Okay. 24 25 MR. COHEN: Yes.

REPRESENTATIVE NEILSON: So you need a further clarification. You would like a further clarification from us what that right to apply for a waiver is?

MR. COHEN: Well, absolutely. I think the entire bill preempts zoning, but in that section, yes, that would be very helpful.

REPRESENTATIVE NEILSON: All right. Thank you, Chairman.

MAJORITY CHAIRMAN GODSHALL: Okay. We have to continue. Representative Charlton.

REPRESENTATIVE CHARLTON: Thank you,
Mr. Chairman. Thank you, members, for coming to speak to
us.

Mr. Sanko, I want to thank you for your presentation. I think it was pretty balanced overall. I mean, you accept that there are a lot of positives to what we're looking at, and you do have some questions, and I think most of them are valid. The one area, though, that I'm going to challenge you on is your reference to who is the public. "The public is a subset of wireless customers who want to rely on greater wireless access," dot, dot, dot, dot, dot, dot. "This is to provide capacity for the customers' insatiable desire for data and bandwidth." That public, you're referring to my constituents, and for your commissioners in my area, their constituents, too. I don't

think the constituents are going to appreciate hearing from their township commissioner that the video system or the security system that they set up in their house doesn't work well because they won't approve a right-of-way access on a utility pole that's currently existing in their yard or down the street from them.

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You know, this "insatiable" appetite that we're referring to here, this is for greater security with their video system. This is for energy efficiency in these new thermostats and, frankly, for convenience for them. I'm not sure that they're going to want to hear that these systems don't work properly because we got into a right-of-way squabble over who's allowed to put what where. I think that's going to become a serious challenge not only for us but also for the elected officials at the township level.

You know, this bill was never intended to provide greater access to rural areas, and it's certainly something that we've been trying to address and come up with solutions to. This legislation is created to help the public who do have wireless access currently but the systems aren't working properly because of limited signal strength. So I just want to put that out there that I think, you know, this is going to be something that is only going to become a greater issue with the Internet of Things.

And I appreciate that you recognize that we can work together on this, but to say that, you know, the constituents have this insatiable appetite, I don't think that they're going to appreciate being told that.

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MR. SANKO: Maybe my communication skills are a little rusty because that's what I -- I didn't intend that to be as a negative. I think that insatiable appetite is something that we all have to come to grapple with, that the demand for this service is going to continue to grow year after year after year. And insatiable is not a bad phrase. I mean, I didn't talk about the necessity of this service. I mean, we all know we need it for economic development, we need it for education, we need it for recreation. I mean, there's a ton of reasons why we need this and our residents need it and want it.

And you're right; they're not going to be saying, you know, why can't I watch this game? Why can't I, you know, when I'm at work dial up on my smartphone and watch the baby monitor to make sure that everything's okay?

We're in total agreement that that's something that's out there.

Actually, my point was to be supportive that we need to find a way to make sure that that very need is met, and that's what this bill is intended -- my point was to say that this bill is not about the rural area; it is about

the area that is already built out, that is populated, that has a demand. And frankly, right now, I don't know that we can even understand what their demand is. I mean, the average household today -- and I came back from our national conference two weeks ago. The average household today has 10 wireless devices. We were told that in four years the average household would have 50 wireless devices. And, you know, as we sit here today, nobody has the capacity to meet that expected demand, and this is about developing a partnership to be able to have that capacity because they're going to buy the stuff and they're going to want it to work. And we all have an obligation to make sure that it does work. I mean, when I heard 50, I was like, holy cow, I'm going to have like phones strapped around my waist.

2.2

But it's not about phones and tablets. It's about all the other -- it's the wireless doorbell and the monitors and turning your lights on so when you get home at night you can feel safe. I mean, some people want to be able to see what's in their refrigerator and do their grocery shopping. I mean, there are wireless devices that dial your refrigerator. I don't know that I ever want one of those, but we want to meet that demand.

REPRESENTATIVE CHARLTON: Okay. Well, I appreciate that answer. I just want to make sure, you

know, that the township commissioners understand that, you know, this is something for consumers but it's their constituents as well. So I appreciate that. Thank you.

MAJORITY CHAIRMAN GODSHALL: Thank you. That's, I think, all for the panel right now. And we went a little longer than we expected here. I'd like to call the next panel.

The next panel is Bethanne Cooley, Senior

Director, State Legislative Affairs of CTIA; Frank

Buzydlowski, Director of State Government Relations,

Verizon; David Kerr, External Affairs-Pennsylvania, AT&T;

Michelle Painter, Counsel, Government Affairs, Sprint; and

Jodie Stuck, Malady & Wooten, T-Mobile. When you're ready.

MS. COOLEY: Good morning, Mr. Chairman, Members of the Committee. My name is Beth Cooley. I am the Senior Director of State Legislative Affairs at CTIA.

We wanted to do a panel here today. I'm going to sort of take a different approach. I was asked to actually sort of do a presentation of sorts to explain why House Bill 2564 is important, why it's needed. So I believe everyone has handouts of my PowerPoint presentation, and I will go through that, and then my esteemed colleagues from the wireless carriers would be happy to answer any questions about the bill and also why it's needed.

So I don't know if we want to do introductions

down the panel or if you just want me to jump right in?

2 MAJORITY CHAIRMAN GODSHALL: Jump right in.

MS. COOLEY: All right. Jump right in.

MAJORITY CHAIRMAN GODSHALL: Yes.

MS. COOLEY: All right. Well, thank you again for having me here today. I am with CTIA. We are here in support of House Bill 2564. And I kind of go by handout, so if you move to handout #2, I am with CTIA. We do represent the U.S. wireless industry. Our members consist of the wireless carriers, the device manufacturers, suppliers, and the app companies.

Moving to the third handout, I wanted to kind of provide an overview of the impact that the U.S. wireless industry has here in the United States, here in the Commonwealth, what we're doing now, and where we're going. So if we're on handout #3, you can see that wireless plays a pivotal role in driving our economy today. The wireless industry contributes \$475 billion to the U.S. economy annually. In fact, every wireless job creates an additional 7.7 jobs throughout the broader economy, ultimately supporting 4.7 million U.S. jobs across ecosystem sectors. And these jobs, they're good-paying jobs. Wireless employee wages are 50 percent higher than the average wage.

I love this particular slide on handout #4. This

shows that the wireless industry's contribution to the U.S. economy supersedes others. In fact, it is three times that of the agriculture, forestry, fishing, and hunting industries, almost four times the motion picture and sound recording industries, and almost 4.5 times the air transportation industry. So if the U.S. wireless industry were an economy, it would be the 24th largest economy in the world.

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And so that's in the U.S., but wireless also powers Pennsylvania. Over 102,000 jobs, that's the number of jobs the industry supports in Pennsylvania, which does not include construction jobs; \$16.2 billion, that's the amount the industry generates for Pennsylvania's GDP; and 13.4 million, that's the number of wireless subscriber connections in Pennsylvania. What that means is that there are actually more wireless devices in Pennsylvania than there are people.

So having given sort of the overview of the national economic contribution of the U.S. wireless industry, I wanted to talk about what are consumers doing with their wireless devices. And that's sort of already been discussed. As you look at this graph on handout #6, you can see that data-only devices have grown 147 percent since 2013. And folks are using a lot of data. Year over year, data usage trended up as Americans continued to

embrace the power of wireless connectivity. Data use has increased 40 times since 2010. Specifically, last year in 2017, we saw over 14 trillion megabytes carries over U.S. wireless networks, which is another record. So what does that mean, you know, 15 trillion megabytes? That is the equivalent of over 249 million people individually streaming every available episode of *Game of Thrones* in H.D., so that is a lot of data.

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So where are we going? What are we doing about this explosive demand? How do we accommodate it? If you have a wireless device in this room, which our data suggests you probably have more than one, in the upper right-hand or left-hand corner, you will see 4G LTE. That's fourth generation long-term evolution. That's today's networks. We are now looking at 5G or fifth generation, and that is the answer to consumers' growing data usage.

5G networks will be five times as responsive as
4G networks, and this means that the latency or the time
between data sending and receiving will be reduced by five
times, which makes 5G especially well-suited for those
mission-critical communications in areas like telemedicine,
public safety, and first response.

5G will also serve up to 100 times more devices, which means, it was already referenced, that the Internet

of Things, or IoT, can connect a vast array of previously unconnected objects from streetlights to trashcans to parking meters and crops.

2.0

Finally, 5G will be 100 times faster than 4G, which makes it a great backbone for those bandwidth-intensive technologies like V.R. and high-resolution images and videos.

Also, 5G is a really exciting time for economic development in the United States. According to Accenture, 5G will bring about 3 million new jobs nationally, \$500 billion contributed to the U.S. GDP, \$275 billion will be invested by these folks on my panel, and \$160 billion in smart-city benefits and savings.

Now, moving on to handout #9, Accenture also has a formula that can take those 3 million national jobs and hone in on a particular region, so if you're looking at Philadelphia, for example, we're talking over 14,000 jobs created; Reading, over 800 jobs created; Allentown, over 1,100 jobs created; and here in Harrisburg, over 450 jobs created.

So I was asked to kind of talk about, you know, this sounds great, but what are some real applications of some of these 5G solutions? And so I wanted to talk about just a few areas in this presentation. And the first area I wanted to talk about is smart communities because I think

that's probably what is, particularly for this Committee, at the forefront of everyone's mind. So in smart communities, we're talking about with infrastructure; remote monitoring of roads, bridges, buildings, parks, and venues; citizen convenience; real-time traffic, including consideration of traffic lights and smart parking in which you can find a spot and reserve it.

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Public transportation, this is huge. I'm from Washington, D.C., and we have some issues with our public transportation sometimes. This would have digital signage to let commuters know when the next bus or train will arrive. As just one example, 5G will make flexible bus management possible, allowing bus stops and people to tell the bus when people are waiting and when to tell bus drivers to skip a particular stop and go to the next one where you have high demand.

And public safety, this is also very important. You could have alerts of incidents such as a shooting, which could enable better response and improve safety. Enhanced sensors can actually differentiate between a car backfiring and a gunshot. And also, public safety but also a little more health care, we're talking about real-time transmittal of health information from an ambulance to the hospital where the patient is going so the hospital can be prepared for the incoming patient.

And speaking of health care, on handout #11, according to Deloitte, wireless devices could create \$305 billion in annual health savings from reduced costs and mortality due to chronic illness. And it's important to note that some of this is happening today. For example, in California, a healthcare system saved rural hospital emergency departments over \$4,500 on each hospitalization by leveraging telehealth and telemedicine to reduce patient transfers from rural to urban areas. In addition, a cardiac program in Massachusetts has seen a 51-percent reduction in heart-failure readmissions thanks in part to wirelessly enabled remote monitoring.

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Also, I previously mentioned public safety, but I think it's important to mention it again, that 5G can help save lives. A 60-second improvement in first-responder response time translates to a reduction of 8 percent in mortality. Let that sink in. That faster response time can save lives.

And finally, on handout 12, smart grid and the energy sector, wireless-enabled energy distribution can help save \$1.3 trillion. And again, this is happening today. In Sacramento, California, for example, they've leveraged wireless technology to reduce their energy outages by 37 percent from 2009 to 2013. Also in Florida, Florida Power and Light customers are now saving on average

\$191 a year on their electricity bills thanks to wirelessly connected smart meters.

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And then a final area is autonomous vehicles or autonomous cars. Wireless-powered self-driving cars could save nearly \$450 billion each year, but more importantly, over 20,000 lives per year.

So having talked about all that excitement, how do we get there? House Bill 2564 addresses streamlining the process of small wireless infrastructure, as you've heard commonly referred to as small cells. Small cells will accommodate that explosive demand I was talking about today, but they will also facilitate 5G and those exciting solutions that I just talked about. Small cells can extend the network on common structures like municipal streetlights and utility poles. And we're going to need about 300,000 of them over the next three to four years. So to put that into context, we have about that number of macro 200-foot towers that we've put over the last 30 years, so we need to do in three to four years what we previously did over 30 years.

So my next few handouts are actual pictures of small cells and some animation digital pictures. As you can see, small cells are wireless antennas that can be placed on an existing structure such as a streetlight, rooftop, utility pole. And the next few handouts are

actual small cells that are deployed today.

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And because I'm a big fan of visual representation, I actually brought a small cell with me today. This is from Ericsson. This is about 8 pounds, and this is what would go on the side of the pole. There will be an additional antenna that will be on top for the receiving, but this is where the radio heads are. And I'm happy to play show-and-tell, but please don't steal it because Ericsson would be very, very mad at me. If you folks want to pass that, it's up to you. You want to pass it?

So as you look at the other handouts, those are actual deployments as well on handouts 15 and 16. I probably should have waited to hand that out. I'm sure everyone can listen, but that's okay.

So we're on handout 17. So why are we here today? With respect to small cells, some of the challenges or, as I would like to frame it, the opportunities that we have, so many of the rules and regulations for infrastructure are decades old, put in place when those 200-foot cell towers that are miles apart when those towers were the norm. Some of those rules and practices are left over, but whether they're inadvertent or intentional, the result is the same: less investment and less jobs.

We've seen infrastructure applications blocked

outright, exorbitant fees and waiting periods that last for months or even years. So modernized relief will help meet consumers' increasing wireless demand, unlock wireless-powered smart community solutions that I talked about, and create millions of jobs.

So onto handout #18, you know, we are arguing and advocating that we have new networks, and we need new rules, and that's what House Bill 2564 does. Our infrastructure reform really comes down to three key issues: greater access to government-owned property like utility poles and right-of-way; reasonable and nondiscriminatory fees reflecting municipalities' direct management costs; modernized processes providing reasonable schedules, uniform approaches, and objective standards.

And handout #19, I think this might be one of the most important handouts, is that we cannot emphasize strong enough that we do believe municipalities have a key role here. Under this bill, cities and towns retain local oversight of the permitting process and have the right to deny an application. They just need to tell us why so we can fix it. In addition, another example is that, you know, if the municipality pole does not support the type of equipment that we have. They can reject that application or just require us to put a new pole up. Local government remains in control and oversight over engineering and

safety standards. In addition, municipalities retain requirements for building electrical and public way use permits.

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So I promise I'm getting close towards my end, and I just have a couple slides left, but I just want to sort of close by saying that I've been working on this issue for the last two years with the industry and our coalition partners and stakeholders, and to date, 20 States have passed similar legislation to House Bill 2564. Every bill is slightly different. The State and local government needs are slightly different. But in some way all the bills in those 20 States address three principles: greater access, reasonable costs and fees, and modernized procedures.

And then finally, my last handout, these are the public vote counts in the 20 States that have passed these bills. As you can see, this is not a partisan issue, Republican, independent, Democrat. You can see these are overwhelmingly supportive votes and in some cases unanimous.

So I'd just like to close by saying that, you know, at the end of the day I don't think that our interests are in conflict. Towns, cities, boroughs, they want for themselves and their constituents the same 5G services that the wireless companies want to provide to

1 their customers.

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So thank you very much for the opportunity to present before you today. I would welcome any questions at the appropriate time. Thank you.

MAJORITY CHAIRMAN GODSHALL: Representative Farry?

REPRESENTATIVE FARRY: Thanks, Chairman. I'll be quick. Just a couple things we want to clarify. There was a misnomer out there publicly earlier this year that these installations will require a refrigerator-sized device every 500 feet in people's yards. Is that accurate or no?

MS. COOLEY: That is not accurate.

REPRESENTATIVE FARRY: Okay. Just to follow up on the previous panel, the legislation, as drafted, is not allowing for towers, as we'll call them towers and not poles, and not allowing for 120 feet in the right-of-way, is that correct?

MS. COOLEY: That is correct. These will be 50 feet. If they go higher, then they absolutely have to go through regular zoning where you have proper hearings and input from all.

REPRESENTATIVE FARRY: Okay. And we heard the concerns raised by the municipal groups. In a general sense, I wrote if you guys can't agree to specific terms, then you have to send it back up a pipeline, but you guys

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       are open to working with the municipal groups so we work on
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       the fees and just clarify some of the approvals and all?
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       Is that a fair general statement?
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                MS. COOLEY: Absolutely.
                 REPRESENTATIVE FARRY: Okay. Everybody's
 5
 6
       nodding --
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                 MS. COOLEY: Yes.
                 REPRESENTATIVE FARRY: -- for those that may be
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 9
       listening. That's it, Mr. Chairman. Thank you.
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                MAJORITY CHAIRMAN GODSHALL:
                                              Quickly,
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      Representative Neilson.
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                 REPRESENTATIVE NEILSON:
                                          Quickly?
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                 So if I can clarify even further on
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      Representative Farry, you would be open for these height
       limitations for a full zoning review if it goes over a
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      certain height and stuff like that? You think you'd be
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       open to the -- because we heard the concerns previously
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       that we can't do it. And Frank, you live by me, so we go
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      through all this all the time already.
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                MR. BUZYDLOWSKI: Been before the ZBA many times,
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       and yes, if --
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                 REPRESENTATIVE NEILSON:
                                          Yes.
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                 MR. BUZYDLOWSKI: So if one of us wanted to put a
       120-foot pole, it should go through the zoning process.
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FEMALE SPEAKER: And that's what was meant by the

1 inclusion of the waiver language is that it would --2 REPRESENTATIVE NEILSON: That's what I thought. 3 FEMALE SPEAKER: -- absolutely trigger. But if 4 it needs to be clarified with belt-and-suspenders language, we are more than committed to provide that belt-and-5 6 suspender language to you. 7 REPRESENTATIVE NEILSON: Because that's how I took the bill as well, the legislation that I've always 8 9 done, that waiver, you had to go get it. That included the 10 zoning and made the community involved. 11 One quick question on your slide, I don't know 12 what number it is to you, but it talks about the economic 13 development benefits of Pennsylvania. It talks about jobs. 14 MS. COOLEY: Yes. 15 REPRESENTATIVE NEILSON: What kind of jobs? 16 MS. COOLEY: So these jobs --REPRESENTATIVE NEILSON: I'm from Philadelphia, 17 so you're telling me I'm going to get 15,000 new jobs? 18 19 Because I would hope that the providers would use their 20 existing workforce and their agreements in place to install 21 all this new equipment. I mean, am I right in assuming 2.2 that, that will happen? 23 MS. COOLEY: So I'll start it off. So yes, the 24 number for Philadelphia, they are new jobs. They're a

variety of jobs. They are direct and induced jobs.

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1 direct construction jobs, obviously, folks need to be 2 trained on how to put these things in, how the electricity 3 works, install them safely, again, according to local governments' guidelines. And then these are induced jobs of what the 5G economy is going to create, a lot of which 5 6 we don't know because if you think just 10 years ago what 7 an app was, there was no app economy. So we don't know what's going to happen. In any of the silos that I 8 9 discussed from health care to smart communities, local 10 government is going to need folks to remotely monitor that 11 traffic so you can find --12 REPRESENTATIVE NEILSON: Okay. I just wanted to 13 clarify that because I wanted to make sure these weren't 14 specifically in installing these devices. This is the after-effects after market. 15 16 They're both. It's both, direct MS. COOLEY: 17 and --18 REPRESENTATIVE NEILSON: Do we have any direct jobs on how many jobs will be created just by the 19 2.0 installation and construction of these? 21 MS. COOLEY: I can look into that. 2.2 That'd be great. REPRESENTATIVE NEILSON:

MR. BUZYDLOWSKI: And, Representative, let me add to that from Verizon's perspective. In the City of Philadelphia, you know, we have contractors that install

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the small cells. They all use organized labor. Local IBEW
Local 98 does the work, and I would expect that the more of
these we are going to put in, the more of those union
workers are going to be employed.

REPRESENTATIVE NEILSON: Well, she pointed out that they're good wages and stuff like that, so the International Brotherhood of Electrical and the CWA, communication workers, they do a lot of this work now, and I want to make certain that this would all be covered under those agreements within. This way, they're not losing their jobs as well. And I don't want --

MR. BUZYDLOWSKI: Right.

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REPRESENTATIVE NEILSON: -- new technology coming in and costing them their existing jobs, and that's always been a concern of us. We want to move forward in technology, but we want to make sure we move ahead together.

MR. BUZYDLOWSKI: And remember, for every one of these that is installed, it has to be connected to fiberoptics. And speaking for us, a Verizon landline puts the fiberoptics in, and we're represented by CWA.

REPRESENTATIVE NEILSON: Right. Thank you, Mr. Chairman. That was quick.

MAJORITY CHAIRMAN GODSHALL: Yes. Representative Caltagirone.

1 DEMOCRATIC CHAIRMAN CALTAGIRONE: Thank you, Mr. 2 Chair. I'll make this quick also. Frank, communications with CWA, we're going to 3 make sure that communications continues with them because 4 5 at the present time they're opposed to the legislation, and 6 I think communications have got to be made with them in 7 order to get some details in working this out. That's number one. 8 9 MR. BUZYDLOWSKI: I noticed Alex sitting behind 10 me, and I'd be happy to work with him to address his 11 concerns.

DEMOCRATIC CHAIRMAN CALTAGIRONE: The next thing is, and my E.D. wanted to know, are those boxes bigger than that that are put on the poles? Because there is some concern about --

MS. COOLEY: So --

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DEMOCRATIC CHAIRMAN CALTAGIRONE: That's a pretty heavy piece of equipment.

MR. BUZYDLOWSKI: Well, this one's going to wind up on the Verizon pole in front of Representative Neilson's house I suspect, unless we lock it up, but Beth will answer the rest of the questions.

MS. COOLEY: So while you have the wireless carriers here, it's their suppliers that create these, so this is an Ericsson --

DEMOCRATIC CHAIRMAN CALTAGIRONE: Right.

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MS. COOLEY: -- so it's really what the carriers are asking for. So you could have two of these next to each other and then the antenna, or you could just have one bigger one of these. So it's really up to what the supplier develops at the demand of the wireless carrier. So, for example, T-Mobile has asked that everything be inside and compact. I know that. But then you have other entities that have both the antenna and the box as one, so that's what's being developed now. In addition to the standards and how these will work, that's what we're talking about. So it's going to depend on the supplier on who's making this.

FEMALE SPEAKER: It's important to note, too, that as the technology continues to improve and we become more technologically advanced, the size and matter of these is getting smaller, not larger.

DEMOCRATIC CHAIRMAN CALTAGIRONE: Okay

FEMALE SPEAKER: So we're hoping that as we continue to roll these out and get more innovative that you're going to see less and less, but the network will be able to do more and more.

FEMALE SPEAKER: But I also want to point out that, structurally, there's a lot of work that goes forward with the engineers to make sure that these will fit and

work on a pole. If the pole needs to replaced, that work does get done and the carriers do pay for that.

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DEMOCRATIC CHAIRMAN CALTAGIRONE: And one final comment. Congress is looking at this very issue. They may very well preempt everything that we've done here if that legislation were to pass in Washington, so, you know, I just want to lay that on the table. My E.D. gave me some information that the Congress may preempt this and do some legislation.

End of questioning. Thank you, Mr. Chairman.

recently, and when I did look at that, I looked at it recently to see how it compared to the draft legislation. They're actually very consistent, and I don't see anything in that Federal legislation that would preempt what is being done here because they are quite consistent.

DEMOCRATIC CHAIRMAN CALTAGIRONE: But that would be nationwide, of course, and we would have to [inaudible].

FEMALE SPEAKER: Correct.

FEMALE SPEAKER: The FCC has been looking at this for quite a while now and trying to determine what is the best way to move forward with predictable, consistent rules and regulations that could be applicable across State lines. To date, that ruling has not come out. There have been recommendations. There's been task force meetings

with municipalities and carriers alike, but to date, that has not come to fruition.

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DEMOCRATIC CHAIRMAN CALTAGIRONE: Thank you.

MAJORITY CHAIRMAN GODSHALL: Thank you. Thank you very much.

MS. COOLEY: Can I just make one --

MAJORITY CHAIRMAN GODSHALL: Yes.

SEMALE SPEAKER: -- really quick clarifying statement? And I think it's important because it's written in both Mr. Troxell's, the boroughs' association testimony, as well in Mr. Cohen's testimony, that the wireless carriers have not tried to work with the municipalities.

And I think it's important for the Committee to understand or to know that we've approached the municipalities two years ago. In the fall of 2016, we had a draft template document that we sat down with and said if we were to draft a piece of legislation and it would contain these types of provisions, what would your feedback be?

One of those entities got back to us, and it was the township supervisors, and they have been forthcoming with working with us or talking to us. Even though we don't like what they have to say, we appreciate and we've built upon what their concerns are and tried to adapt to it.

Mr. Troxell at that time didn't respond back to

us. Instead, he gave our template to Mr. Cohen, who then two weeks later put out his first action alert to his wide network of municipalities. Because he's a Campbell franchise attorney, he has long-term relationships with these municipalities, and that's when he got into, well, this is really going to be upsetting you; maybe you need to hire me as your attorney to rewrite your ordinances to make sure that the wireless industry cannot come in and do what it is that they're proposing.

And, mind you, there was no legislation introduced at the time, but we were touted as the big, bad industry, and we were touted as not cooperating with them. And what we did was let them have the first bite at the apple and provide feedback. One of them did. The other did not and instead turned around and started to launch a really nasty campaign against the industry. And you're seeing it in the media. It played out when 1620 was introduced. You saw resolutions get passed that were really making misleading statements, mischaracterizing the intent of the legislation.

And the real reason why that bill was put in was because we only had feedback from one association. And instead of negotiating against ourselves as an industry, we put pen to paper and put this legislation out to collect input from all of the parties that were engaged to say what

works, what doesn't.

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And as a result of that, in Representative

Farry's leadership and the leadership of the Chairs of this

Committee, we got to this compromise 2564, which is a

streamlined version of what we anticipated that we were

trying to get introduced and across the goal line. It's

specifically in the right-of-way. We don't deal with the

outside of the right-of-way. That is, again, governed

under existing State statute that was enacted in 2012, Act

191 of 2012, dealing with collocations on wireless support

structures, i.e., macro towers, electric distribution

systems, transmission systems, water towers, et cetera.

That's where your division comes in. That's your towers

versus the actual poles that we're dealing with in this.

I would like to say that we have worked, we have communicated with the township supervisors. They have communicated with us at times. We have not heard anything from the boroughs except in your face, absolutely not. And I would be remiss -- and I hope that I'm wrong, but I anticipate that a model draft resolution has already been drafted and is sitting in the back pocket of a couple of those entities that's ready to launch tomorrow opposing this bill based on the reasons that they have outlined inside of their testimony today. I hope that I'm wrong, but I've seen this play before, and I think we're going to

see it again.

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I'm hoping we go forward rather than backward, and that's what we're here for. We want to move forward on this because I know -- I had a telephone call yesterday from Philadelphia, and they have thousands and thousands of visitors coming in there on a regular basis, and they want to serve those people and those people want to be served, you know, in a quick manner.

And as they said, they weren't -- they asked about coming up and testifying. I said we were pretty well filled up, but they're going to get something in. But they're quite interested in making sure that the interests of their visitors into Philadelphia are well-served, you know, and served, you know, on a timely basis. So, you know, we want to move forward with this, and I appreciate your being here today and say thank you.

Next group is Arturo Chang, State Government

Affairs Counsel, WIA; and Paul Gilbert, Manager of

Government Relations, Crown Castle. And you're going to

have to say what WIA stands for because I don't know. I do

know. I apologize. Wireless Infrastructure Association.

MR. CHANG: Thank you. Good morning. Chairman Godshall, Chairman Caltagirone, and Members of the Committee, thank you for holding this very important

hearing on House Bill 2564. My name is Arturo Chang, and as you noted, I am with the Wireless Infrastructure

Association on their State Government Affairs Counsel team that works on their State efforts.

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WIA is a principal trade association representing the companies that build, design, own, and manage wireless facilities in the United States. Our members include the wireless carriers, infrastructure providers, and professional consulting firms that collectively operate more than 135,000 telecommunications facilities around the U.S. WIA works to support the responsible and sustainable deployment of wireless infrastructure needed to deliver the wireless services to communities across the United States.

First off, I'd like to commend Representative

Farry and other Members of the General Assembly for
introducing a bill that would provide a pathway for
deployment in the Commonwealth. As you have already heard
this morning, there is definitely an appetite and
increasing demand for wireless services. I'm certainly not
going to repeat all the statistics that were already
mentioned, but I would just note that data traffic is
expected to increase sevenfold between 2016 and 2021.
These metrics don't come as a surprise. Wireless services
already play a substantial role in our everyday lives,
giving us access to efficient navigation services and

allowing us to stay connected with friends and family.

5G, however, will also enable a variety of services already mentioned, such as increased access to telehealth medicine, public safety response, autonomous vehicles, expanded educational opportunities, and smart farming. These 5G services are fueled by small cell technology and can only be as good as the infrastructure on which it is deployed. This will involve, as already noted, hundreds of thousands of small cells throughout the country to provide such capacity.

Fully realizing the economic growth of 5G is important because building the networks of tomorrow requires sound policy from all levels of government today. And, as already mentioned, 21 States, including your neighbors Ohio and Delaware, have enacted legislation similar to H.B. 2564, recognizing that small cells provide a unique opportunity to densify networks, provide additional coverage, and improve wireless transmissions.

WIA supports the Pennsylvania bill with amendment. Although we agree with the framework of the bill, we have concerns about a much-discussed section regarding height limit waivers, which is subsection (e)(2) on page 8.

As you may be aware, and this has already been discussed, one of the premises of the bill is to allow for

the installation of a utility pole, not a tower, up to 50 feet for small cell needs. In our view, any structure taller than 50 feet should undergo the regular application zoning regulation. Our members work very hard with communities across the U.S., and we strongly believe that it is important that cities and localities retain the oversight for those taller structures.

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I think it's also important to clarify a comment made earlier is the measure -- the utility pole can be five feet above an existing utility pole, not a tower, so that's an important distinction because infrastructurally speaking, definitions do matter, and it's important that we separate the two types of structures.

Also, this policy is consistent with the small cell bills that have been adopted across the Nation. In other words, anything above 50 feet should undergo the applicable zoning regulation process. For those reasons, WIA submits for your consideration an amendment that will address this small but important section. This amendment strikes a good balance between the need for deployment and localities' control, and it also provides the industry with a transparent and clear framework to follow in support of improved, as well as expanded service. As already noted, small cell deployment brings many benefits to the Commonwealth, including expanded job opportunities, and WIA

looks to be part of that discussion.

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We are also a member of the Pennsylvania

Partnership for 5G, a business and technology advocacy

group that represents over 20 businesses in the

Commonwealth, including trade associations and local

governments from across Pennsylvania. I look forward to

continuing to work with you and the rest of the Committee

to make additional progress on this piece of legislation.

Thank you again, Chairman Godshall, Chairman Caltagirone, and Committee Members for allowing me to testify, and I'll be happy to answer any questions.

MR. GILBERT: Thank you, Chairman Godshall.

Thank you, Chairman Caltagirone. My name is Paul Gilbert.

I'm here today on behalf of Crown Castle, a company based right here in Pennsylvania, to support House Bill 2564.

Crown Castle has more than 15 years of experience deploying small cell networks across the country. We're the Nation's largest provider of shared wireless infrastructure. We have over 60,000 small cells either on air or under development throughout the country today. Right here in Pennsylvania we have 2,800 small cells on air or under development, and those are supported by 10,000 route miles of fiber.

I'm one of more than 1,200 Pennsylvania resident employees of Crown Castle, and Crown Castle's

telecommunication networks support the connectivity of 130 public school districts in the Commonwealth.

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As you know and we've discussed today, the use of wireless broadband is growing rapidly, and that's true in Pennsylvania and throughout the country. Today, we all text and stream video and post and use our phones to navigate, but we rarely think about the infrastructure that's required to make that happen and to provide that level of service.

A recent study indicated that 50 percent of children in Pennsylvania now are growing up in a wireless-only household. The growing demand for wireless service can quickly overwhelm and overload existing networks, and the best way to address that challenge is to build additional infrastructure and redistribute it to multiple locations via small cell.

Unfortunately, Crown Castle has encountered significant difficulties in deploying our networks over the past several years in Pennsylvania. Some jurisdictions have flat out denied our initial applications for our facilities. Others impose outrageous fees or outrageous permitting conditions. Some of these efforts have taken longer than two years to deploy our networks.

We enable our wireless carrier customers to improve service to their users by providing additional

network capacity where it's needed. The capacity that's created by our small cells not only supports large-scale events like the folks visit to Philadelphia or the Democratic National Convention or the Penguins crowd at PPG Paints arena where we have an indoor small cell system, or the Eagles Super Bowl victory parade, but they're growing in importance for everyday use, and they're critical for everyday usage, especially as usage continues to skyrocket.

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As we discussed, small cells are small, discrete installations that are typically installed in the right-of-way. The equipment is the same size and scale as other utility infrastructure that you'd see commonly in the right-of-way like an electric transformer or a traffic control signal. And we can pinpoint the networks to areas where there's congestion and a network need.

So I brought with me a chart that demonstrates the last 20 years or so of the evolution of the mobile network, and I'd say most of us and most of our devices here in the room are using a 4G connection. And the smart devices that will connect to 5G are going to experience more than 40 times greater speed than the 4G devices and four times greater capacity.

Small cells are going to be the critical backbone for 5G. An example to help illustrate the difference between 4G and 5G, right now, you can download on your 4G-

connected device a two-hour movie in roughly 90 minutes. It'll kind of be buffering in the background as you're watching it. On a 5G-connected device, you can download that same two-hour video in four seconds. That increase in connection speed and conductivity is going to open many opportunities for every sector, health care, public safety, transportation, you name it.

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But Pennsylvania does not currently have this critical small cell backbone in place to give consumers access to the 5G technology. Crown Castle has worked with over 71 municipalities throughout the State to deploy these critical small cell networks, and this includes large cities to small boroughs, and we're currently working with hundreds more to deploy these networks.

We've encountered myriad approaches to deploying this technology and to regulating the right-of-way. For example, the city of Butler required us to share our plans with them and notify them before we would install our facilities in the right-of-way. The city of Erie, for example, requires us to obtain an administrative permit similar to what all the other utilities that are deploying infrastructure in the public right-of-way must obtain. That process takes two weeks usually. Communities like Altoona have required us to go through a zoning process, and often that process involves a public hearing, a process

that rarely applies to other public utilities who are deploying infrastructure in the public right-of-way.

The city of Pittsburgh, for example, required us to enter into a contract to use the right-of-way, a right-of-way use agreement, before we obtained administrative permits. And at the lengthiest, towns like Doylestown have required us to enter into a contract, to obtain a zoning permit, to attend public hearings, all in a cumulative process that has taken longer than two years.

This legislation sets a clear structure, clear framework, and a clear timeline for processing small cell applications. Often, our networks cross municipal borders, so one network deployment could be required to go through all those different many and varied procedures that I just mentioned. Now, imagine trying to predict the process in 2,506 different local governments in the Commonwealth. For applicants, a certainty in timeline and costs will lead to accelerated deployment. For municipalities, there is still a clear right and clear and easy-to-follow guidelines for regulating the right-of-way.

The fees municipalities charge for small cell applications have also been inconsistent across the Commonwealth. Some communities have charged more than \$3,000 a year to collocate small cells within the right-of-way. We understand that the fees in this bill are

negotiable, and it's important that these fees be uniform across the State. And ensuring that they're reasonable will promote continued investment in these wireless networks.

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As my colleagues have mentioned, many States have passed similar legislation recently, including our neighboring States of Ohio and Delaware. We feel that, overall, House Bill 2564 removes ambiguity for the industry and for municipalities to appropriately balance the need for technology with the concerns of the community.

This bill would also impact an array of

Pennsylvanians. Arturo mentioned the Pennsylvania

Partnership for 5G. This is a group -- a diverse set of

industries and communities have come together to form this

partnership with the hope of creating a technologically

advanced, progressive Pennsylvania. We are a member, Crown

Castle, the greater Pittsburgh Chamber of Commerce is a

member, the Wireless Infrastructure Association, Allegheny

County, Philadelphia Fraternal Order of Police Lodge #5,

Technology Council of Central Pennsylvania, Pennsylvania

Fire and Emergency Services Institute, and many others

across the Commonwealth. These organizations all agree

that stronger conductivity is a win for public safety and

for economic competitiveness, and they're all committed to

moving the Keystone State forward.

I think it's important that Pennsylvania get this right. A recent study commissioned by CTIA, the wireless industry trade association, indicated that speeding deployment of 5G by one year would result in a \$100 billion positive impact on the national economy. Let's make sure that Pennsylvanians benefit accordingly.

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With your leadership and support of House Bill 2564, the Commonwealth will be positioned to take advantage of all that 5G is offering. Thank you for your time.

MAJORITY CHAIRMAN GODSHALL: I just want to say, you know, with 2,562 municipalities, just what you illustrated here, you know, each one doing their own thing is just impossible to get anything done in the State of Pennsylvania. Isn't that correct?

MR. CHANG: That's correct. And in fact I know that in those States that have passed and enacted a small cell bill, there's been already tremendous confusion of small cell and capital invested.

MAJORITY CHAIRMAN GODSHALL: In the illustration you have given pertaining to fees and the various municipalities and what you have to go through in each and every of 2,500-plus municipalities is just impossible, so it's got to be at the State level that we do something.

MR. GILBERT: Mr. Chairman, I think we share your opinion. It's the predictability and uniformity with

jurisdictional interactions and processes would benefit the industry greatly and the communities. The technology would be able to be deployed in a predictable fashion, and we'd be able to benefit all the different boroughs and cities and townships in the State.

MAJORITY CHAIRMAN GODSHALL: Representative Neilson?

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REPRESENTATIVE NEILSON: Thank you, Chairman.

You hit it right on the mark where I was going to go with myself, but it's 5G today. When is it 6G?

MR. GILBERT: Representative Neilson, I wish I could answer that for you, but I can't. I don't have that foresight.

REPRESENTATIVE NEILSON: [inaudible].

MR. GILBERT: I'd say I can speak to the 4G to 5G, and the small cell infrastructure, the fiber that Crown Castle installs, the utility poles that support small cell equipment, that is a critical piece of the infrastructure that's needed to be ready for 5G when that type of equipment starts coming onto the market.

REPRESENTATIVE NEILSON: Thank you [inaudible].

MAJORITY CHAIRMAN GODSHALL: Okay. And in any of the municipalities where you put this equipment in, have you had any repercussions as far as complaints about, you know, the boxes and so forth you put up on the poles? Has

1 it been accepted or is there outspread complaint, you know, 2 against what we're doing here with the new boxes on the 3 poles? MR. GILBERT: Mr. Chairman, I'd say Crown Castle 4 5 strives to be a good partner with the communities that we 6 serve, and certainly concerns arise during our deployments, 7 but we always find a way to work with concerned elected officials or concerned residents to address those prior to 8 9 deploying our infrastructure. 10 MAJORITY CHAIRMAN GODSHALL: Yes, I see from your 11 chart from 1G to 2G, you were getting smaller rather than 12 larger, you know, as we go along, which seems to be, you 13 know, what we're trying to do here today so --14 MR. GILBERT: Yes, Mr. Chairman, I think that 15 echoes --MAJORITY CHAIRMAN GODSHALL: Any other questions? 16 17 No other questions? Well, thank you very much. I 18 appreciate your testimony here today. 19 MR. CHANG: Thank you. 20 MR. GILBERT: Thank you. 21 MAJORITY CHAIRMAN GODSHALL: The next testifier 2.2 is Tim Baldwin from Lancaster County 911 and John Haynes 23 from Chester County 911 [inaudible]. MR. HAYNES: You're always welcome, sir. 24 25 MAJORITY CHAIRMAN GODSHALL: And from Chester

MR. BALDWIN: You've reached the end of the line. Good morning, Chairmen Godshall and Caltagirone and Committee Members. We appreciate appearing before you today. My name is Tim Baldwin. I am the Treasurer of the Pennsylvania Chapter of the National Emergency Number Association, which is a State 911 association here in PA. I'm here with my colleague John Haynes, Deputy Director for Chester County Department of Emergency Services. And again, PA-NENA appreciates the opportunity to provide input on House Bill 2564.

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As you can imagine, county 911, public safety answering points, PSAPs, or 911 centers, whichever term you so choose, depends on technology to perform our duties. As the first first responders, PSAPs rely heavily on our ability to communicate with callers. Considering our evermobile society, improvements to wireless voice infrastructure are especially meaningful to us.

House Bill 2564 will provide incentives for small cell technology by reducing potential impediments throughout the Commonwealth. From our perspective, this should provide improved wireless phone and data coverage and greater capacity. More reliable and improved indoor and outdoor coverage, especially in very rural and very urban areas, will allow 911 centers to better serve those who may be experiencing the worst day of their lives.

Nearly half of the residents in Pennsylvania have discontinued landline service and now only use wireless devices. About 70 percent of 911 calls are from wireless devices here in Pennsylvania.

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Although not specifically noted in the bill, we'd like to mention a number of wireless 911 features that PSAPs deem extremely important. They include the ability to view a caller's handset telephone number; locating a caller within close proximity to their actual location; presentation of the caller's geographical coordinates, the latitude and longitude; our ability to rebid or electronically query the caller's location -- this is especially important if the caller is moving or if they are lost; texts to 911; and in-motion calls not dropping. That means effective roaming connectivity between cellular sites.

For frontline 911 dispatch, the most important product of wireless technology, whether voice or text, is 911 call location accuracy. While caller location information continues to improve, the very nature of wireless calls makes it difficult for 911 telecommunicators or dispatchers, call takers, to acquire and maintain the exact location of a caller. Accurate 911 caller location means faster response times.

Based on our experience with macro cells, which

are the large cellular sites with shelters and towers, we feel small cell sites must continue to permit simultaneous 911 calls given the inherent mobility of wireless customers who want to report incidents to 911. This is especially true when confronted with events that are visible to many onlookers such as vehicle crashes and structure fires. Events such as these generate many 911 calls.

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Number two, to ensure call integrity while mobile, as mobile callers transition from cellular site to cellular site, the small cell must receive and maintain a handoff of a roaming 911 call.

Number three, remain available in the event of commercial power loss with small cells being equipped with battery backup and generator power.

We appreciate your interest in hearing our support for improved wireless technology. We encourage you to visit your local county PSAP. We're sure you would enjoy seeing the staff and technology at work. We look forward to working with the Committee and wireless providers to improve wireless infrastructure that increases the quality of 911 service in Pennsylvania.

That concludes my quick testimony, so we will answer any questions you might have.

MAJORITY CHAIRMAN GODSHALL: I just want to mention one thing. I think beyond what you said there,

with the unfortunate drug problem we have today and with the amount of thousands of deaths, you know, and so forth, location, you know, and time, minutes, you know, are extremely important. And as you know, as well as I do, that those drug deaths are in the thousands that we have today in this country and, as I said, time and location is extremely important.

MR. BALDWIN: We agree.

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MAJORITY CHAIRMAN GODSHALL: So, Representative Quigley?

REPRESENTATIVE QUIGLEY: Thank you, Mr. Chairman. Thanks for your testimony.

Can you give us an idea of or do you track how many of these 911 calls made by mobile phones, like a drop rate or, you know, an instance where someone is on the phone, goes into a dead zone, and you lose that call? Do you guys have any statistics on that?

MR. BALDWIN: That's a great question,

Representative. And if this were six years ago, I would be able to give you a percentage number. At this point in

Chester County, which is rather suburban, we do not have a problem with that as much anymore. My peers, however, when you get into more the rural areas, I do know there's a place on 322 up near State College where whoever you're talking to you're going to lose them on the way. So it is

a problem throughout the Commonwealth. It is not the problem that it was several years ago.

MAJORITY CHAIRMAN GODSHALL: Okay. Our prime sponsor, Representative Farry, would like to make a closing statement at this point.

REPRESENTATIVE FARRY: Thank you, Chairman, and thank you, Members, for taking the time to be here today.

I also want to thank all of the participants that testified today or who have submitted testimony.

You know, one of the things we've heard -- and obviously, we just heard from the public safety folks and that is obviously paramount in terms of importance -- but the benefits that have, in terms of health care, education, jobs, the economy, tourism, Mr. Sanko talked about the public's desire, which I can testify to as a being out door knocking, now I'm ringing doorbells and people are answering from other locations from their phone and I'm encouraging them to vote for me. But that's a perfect example of literally how technology has changed in my 10 years of seeking reelection.

But let's remember what we're here for, especially as elected officials. You know, we talk about health care, education, public safety, and all those issues on a statewide level, and all of those were touched on by the various folks testifying. You know, the bill has I

think roughly 35 cosponsors, both Republicans and Democrats, and from across Pennsylvania. I thought that the graphic that was provided by CTIA that shows the 20 States and more specifically the actual vote count of those 20 States -- as I'm trying to eyeball it here without glasses, it really only looks like one of those 20 States and only in one chamber was it even really close. A lot of them were unanimous or with very few dissenting votes. And if those States can successfully do this, I don't see why Pennsylvania can't join their ranks.

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You know, in terms of debunking some of the information that was out there and some of the concerns the municipalities have, I hope they're walking away, the local government groups are walking away with a very clear message that there's going to be some amendments to the bill. As the prime sponsor -- and I think you also heard from the Chairman and the other Members -- we're willing to work with you. Some of the issues raised were fees, the waiver component and new poles, timing for review, exceeding the height limitations and the process there, some definitional issues. We also obviously heard some of the concerns raised by labor as well.

So my hope would be that in the coming week or two some folks get some specific language back to me on what your concerns are or some language you would like to

see changed in the bill so we can start working on the amendment or amendments to get those concerns addressed and we can work with the other stakeholders.

And I just really want to close with I hope moving forward that we don't see action alerts and the organization of the resolutions. You know, I have what was sent out last year by the Borough Association, you know, which is asking their members to adopt the sample resolution in opposition to House Bill 1620. I have some stuff that the Cohen Law Group has sent out, you know, on the previous bill as well. And I understand what the concerns were with 1620, but I can't state any further how much we want to work and try and get these things resolved.

I am personally, as the prime sponsor, not going to sit by and let disinformation be put out. I think we've debunked the 120-foot issue. We debunked using the word tower and some of the other aspects. So I certainly hope all of the stakeholders will pull a seat up to the table and let's get this thing finalized.

Mr. Chairman, thank you.

MAJORITY CHAIRMAN GODSHALL: Thank you. I just want to say that I have, you know, done my best to say that we want to move forward, you know, on this issue. And I do have letters of support that were also from ExteNet Systems, from GlobeHealer, from Pennsylvania e-Commerce

Association, from the Pennsylvania Wireless Association,
Pennsylvania State Grange, Pennsylvania Partnership for 5G,
Delaware County Chamber of Commerce, Main Line Chamber of
Commerce, and as I said earlier, from the -- the city of
Philadelphia also called me yesterday in opposition, the
Pennsylvania County Commissioners Association and Lori
Flynn at the same time in opposition.

No, go ahead, sir.

DEMOCRATIC CHAIRMAN CALTAGIRONE: No, I would just hope that exactly what Representative Farry had said. You know, the business of trying to negotiate and compromise, if we could in good faith sit down and try to work out some of the issues, I think the legislation could possibly move forward before the end of session. We only have about eight or nine days left, so we've got to sit down at the table, you all, and see if there's some way that you can negotiate some of the language. And I think we can go on from there.

Thank you, Mr. Chairman. Thank you, Representative Farry.

MAJORITY CHAIRMAN GODSHALL: Thank you. I'd like to thank all the presenters for the testimony today, and the meeting is now adjourned. Thank you very much.

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(The hearing concluded at 12:11 p.m.)

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2	are a true and accurate transcription produced from audio
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