Testimony of Lisa McCabe Director, State Legislative Affairs Support HB 1400 June 12th, 2019

Before the Pennsylvania House Consumer Affairs Committee

Chair Roae, Chair Matzie and members of the Committee, on behalf of CTIA, the trade association for the wireless communications industry, I am here to express strong support for HB 1400, related to the efficient and streamlined deployment of small wireless facilities. This legislation creates a critical framework to promote job creation, economic investment and opportunity throughout Pennsylvania.

The people of Pennsylvania continue to demand – at increasing levels – access to wireless products and services. This is demonstrated by the fact that there are more wireless devices than there are people in Pennsylvania. ¹ In addition, nearly half of Pennsylvania residents live in wireless-only households. ² The wireless communication demands from the residents and businesses of Pennsylvania require that wireless networks be both updated to meet the existing demand and readied for the next generation of wireless services.

Specifically, the existing rules governing wireless networks are designed for wireless facilities that can be up to 200 feet tall or more. Tomorrow's networks will rely on new small cell technology which is being placed on structures such as utility poles and streetlights. This new infrastructure needs new rules and HB 1400 establishes an updated common sense framework to facilitate millions of dollars in new investment in Pennsylvania.

Small cells will provide needed additional capacity to accommodate growing consumer demands and help connect 100 times more devices. In a few short years, nearly everything will be connected to ubiquitous wireless networks at speeds up to 100 times faster than today, highlighting the importance of the framework established by HB 1400. Small cells will help unlock new 5G services to support things like remote healthcare solutions and autonomous cars. Pennsylvania's communities will be smarter and more connected, and entire sectors, from public safety to tourism, to transportation, will be transformed.

Accenture has found that 5G and small cell deployments will provide tremendous economic benefits. Specifically, Accenture estimates that wireless operators will invest as much as \$275 billion

¹ FCC, Voice Telephone Services Report: Status as of June 30, 2017, at https://www.fcc.gov/voice-telephone-services-report, last accessed 6/5/2019.

² CDC, National Center for Health Statistics, https://www.cdc.gov/nchs/data/nhis/earlyrelease/Wireless_state_201903.pdf, last accessed 6/5/2019.

nationwide over seven years creating up to three million jobs and adding approximately \$500 billion to the U.S. GDP through direct and indirect potential benefits.³ In Pennsylvania, 5G deployment in a community like Philadelphia may create over 14,700 jobs and increase GDP by \$1.3 billion, and in a community like Bethlehem may create over 700 jobs and increase GDP by over \$60 million.⁴

In 2018, the Federal Communications Commission (FCC) recognized the importance of winning the global race to 5G and the need to expedite the deployment of small wireless infrastructure to help reach that goal. With its issuance of the State and Local Wireless Infrastructure Declaratory Ruling and Third Report and Order (FCC Order), the FCC set guardrails – including clear timelines and cost-based fees – around state and local siting practices. ⁵ These reforms are timely and necessary, and they provide clarity to both communities and applicants while respecting the important role that states and localities continue to play in the siting process.

While the FCC's leadership in this action and others is critical, there is a key area the FCC Order does not expressly address that HB 1400 does, notably "permitted use." The "permitted use" construct ensures that a zoning hearing is not required for every submitted small cell application. A zoning hearing for every small cell application would drain local resources and treat small cells like 200-foot tall macro cell towers, thereby delaying deployment, and more importantly, delaying the benefits of enhanced wireless services and 5G for the citizens of Pennsylvania. Likewise, HB 1400 ensures that inaction on an application within the stated time frames does not delay deployment of small wireless infrastructure.

In closing, over the past three years, twenty-six (26) states – including regional competitors Delaware, West Virginia, Virginia and Ohio – have enacted statewide small cell legislation providing for streamlined and efficient processes for the deployment of small wireless facilities. Appropriate siting and land use regulation will facilitate and encourage capital investment. Enactment of HB 1400 will send a signal that Pennsylvania is ready for these investments.

We strongly and respectfully urge the passage of HB 1400.

³ "How 5G Can Help Municipalities Become Vibrant Smart Cities," Accenture Strategy, Jan 12, 2017, https://newsroom.accenture.com/content/1101/files/Accenture_5G-Municipalities-Become-Smart-Cities.pdf, last accessed 6/5/2019.

⁴ Ibid.

⁵ See https://docs.fcc.gov/public/attachments/FCC-18-133A1.pdf; last accessed 6/5/2019.

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State Small Cell Legislative Activity







