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TO THE HOUSE COMMITTEE ON
INTRASTATE COMMERCE

TWENTY-NINTH LEGISLATURE
Regular Session of 2017

Date: Wednesday, February 1, 2017
Time: 9:00 a.m.

TESTIMONY ON H.B. NO. 625 – RELATING TO INFRASTRUCTURE.

TO THE HONORABLE TAKASHI OHNO, CHAIR, AND MEMBERS OF THE
COMMITTEE:

My name is Ji Sook “Lisa” Kim, and I am the Cable Television Administrator at the Department of Commerce and Consumer Affairs (the “Department”). The Department appreciates the opportunity to provide comment on H.B. No. 625, which establishes provisions relating to the siting of small wireless facilities and small wireless facilities networks.

The Department supports permit streamlining that can facilitate statewide access to affordable, high speed broadband services necessary to build a vibrant economy and to improve the quality of life for our residents. However, the Department also recognizes that such streamlining must be balanced against the need to protect the health and safety of the public, the need to control visual impacts in the community, and the need to collect appropriate and reasonable fees necessary to maintain state infrastructures and rights-of-way. For this reason, the Department believes that H.B. No. 1047 provides a better approach by providing the appropriate balance between permit streamlining to expedite the deployment of small wireless facilities and mechanisms to protect public health and safety, and to consider community aesthetics. Accordingly, the Department recommends that H.B. No. 1047, which has been vetted for these purposes, be adopted in place of H.B. No. 625.

More specifically, the Department’s primary concerns with H.B. No. 625 are as follows:

1. H.B. No. 625, at page 2, line 6, to page 5, line 7, appears to provide providers of small wireless facilities and small wireless facilities networks an **absolute right** to place equipment on state utility poles, structures, and light standards, subject only to a denial of their application, as provided at page 3, lines 7-10, “if the application does not meet applicable rules regarding construction in the public rights-of-way, building, or electrical codes or standards.” The Department questions whether it is appropriate to grant such a broad right to place equipment on all state utility poles and light standards, and particularly on all state structures, subject only to construction and building rules, codes and standards. No other types of communications infrastructure or other types of communications providers are granted such a right. The Department defers to those agencies responsible for the management of the State’s property assets any further comment regarding the physical, visual, and other impacts the grant of such a right may have on State assets.

The Department supports streamlining regulatory processes, including concepts such as batch permitting. However, H.B. No. 625 at page 3, line 14 to page 4, line 2, provides that an “applicant for a small wireless facilities network involving no more than twenty-five individual small wireless facilities of a substantially similar design shall be permitted, upon request by the applicant, to file a consolidated application and receive a single permit for the installation, construction, maintenance, and repair of a small wireless facilities network, instead of filing separate applications for each individual small wireless facility.” This **affirmative right by request** of the applicant to have review and approval of up to twenty-five small wireless facilities where they are of “substantially similar design” does not appear to appropriately safeguard the interests of the public and the state.

In contrast, H.B. No. 1047 also provides for batch permitting of facilities that are “substantially the same” or smaller, but instead provides the permitting agency the discretion to waive additional permit requirements, thereby allowing the agency to consider “other impacts of the attachment” to state property and to the community. See H.B. No. 1047 at page 4, line 21 to page 5, line 6. For example, in addition to the size, weight, and height of each attachment, an agency may also consider additional health, safety, and other impacts, such as increases in radio frequency or electromagnetic emissions; increases in electrical consumption; increases in wind loading; interference with other wireless networks; changes in height or location on structures, utility poles, and light standards; possible damage to structures; and visual impacts. These same factors should be considered for replacement facilities and networks because similarly sized facilities may in fact create these different impacts. See H.B. No. 625 at section (e)(3) at p. 5, lines 2-7.

2. H.B. No. 625, at page 4, line 12 to page 5, line 1, sets the rate the State can charge annually for the collocation of small wireless facilities and small wireless facilities networks on state structures at the lesser of (a) the amount charged for utility pole collocation under the Federal Communications Commission (FCC) rate for pole

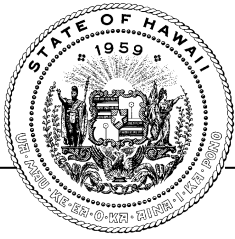
attachments; (b) the projected cost to the State resulting from collocation; or (c) \$500 annually. The language of H.B. No. 625 is unclear as to whether the charge set is for each attachment, each wireless facility (that includes an antenna and other wireless equipment), or for a wireless facilities network, which may include multiple antennas, fixtures, and structures.

The Department recommends that the fee be set using the FCC rate formula for telecommunications pole attachments in 47 C.F.R. § 1.1409(e)(2), and that it be clearly applied to each small wireless facility attachment. However, because the FCC is currently reviewing small wireless facilities siting, including fair and reasonable compensation for wireless facilities attachments (docket DA16-1427), the Department suggests amendment of the language in H.B. No. 1047 to address possible FCC rulemaking on this issue. For example, the language in H.B. No. 1047 at page 4, lines 15-20, could be amended to provide the charge for attachments to state structures as follows:

The annual recurring rate to collocate a small wireless facility on a state structure shall not exceed the rate produced by applying the formula adopted by the Federal Communications Commission for telecommunications pole attachments in 47 C.F.R. § 1.1409(e)(2); provided that, if the Federal Communications Commission shall adopt a rate formula for small wireless facility attachments, such rate formula shall apply.

The Department supports permit streamlining that expedites broadband infrastructure deployment while creating and protecting an even playing field for the various technologies and providers who offer, or seek to offer, communications services in the State. The Department believes that H.B. No. 1047, together with the shot-clock law under Section 46-89, Hawaii Revised Statutes, provides a balanced approach by creating a streamlined process for small wireless facilities and networks that also includes reasonable fees and appropriate review processes to consider the impacts of the deployment of small wireless facilities for those agencies responsible for safeguarding the public, the State's property and facilities, and the nature and quality of our community. Accordingly, the Department instead recommends that the language of H.B. No. 1047, with the additional amendment set forth above, be adopted in place of H.B. No. 625.

Thank you for the opportunity to testify on this bill.



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DAVID Y. IGE
GOVERNOR

LEO R. ASUNCION
DIRECTOR
OFFICE OF PLANNING

Statement of
LEO R. ASUNCION
Director, Office of Planning
before the
HOUSE COMMITTEE ON INTRASTATE COMMERCE
Wednesday, February 1, 2017
9:00 AM
State Capitol, Conference Room 429

in consideration of
HB 625
RELATING TO INFRASTRUCTURE.

Chair Ohno, Vice Chair Choy, and Members of the House Committee on Intrastate Commerce.

The Office of Planning (OP) strongly supports HB 625. Broadband technology is now a critical part of infrastructure and it is important to support efficient broadband opportunities and to facilitate the deployment of such high-speed broadband technology for the future global connectivity and economic viability of the State. Broadband technology is essential across multi-sector industries and among many benefits, provides opportunities for: enhanced educational opportunities, expansion of telehealth capacity, strengthening safety and civil defense communications, increasing economic competitiveness, addressing consumer privileges, and providing tourism services.

HB 625 supports the development of critical infrastructure, establishing a siting process at State and county levels in order to facilitate the deployment of broadband technology by: amending Hawaii Revised Statutes (HRS) Chapter 27 to include a section describing the siting process of small wireless facilities and small wireless facilities networks at the State level;

amends HRS Section 27-41.1 to include five (5) new definitions; and amends HRS Chapter 46 to add the county siting process of small wireless facilities and small wireless facility networks at the County levels.

OP finds that HB 625 supports and enables potential implementation addressing the State goal under the Hawaii State Planning Act (HRS Chapter 226) to achieve: A strong, viable economy, characterized by stability, diversity, and growth, that enables the fulfillment of the needs and expectations of Hawaii's present and future generations (HRS Section 226-4(1)).

Thank you for the opportunity to testify on this measure.

HOUSE COMMITTEE
ON
INTRASTATE COMMERCE

February 1, 2017

House Bill 625 Relating to Infrastructure

Chair Ohno, Vice Chair Choy, and members of the House Committee on Intrastate Commerce, I am Jim Blundell, Senior Manager, State Government Affairs, T-Mobile USA, Inc.

T-Mobile is committed to bringing the most technologically advanced, efficient, and beneficial services to its customers in Hawaii and throughout the country. We support House Bill 625 Relating to Infrastructure for the following reasons:

As the next wave of advances are developed, and wireless carriers prepare to invest the billions of dollars necessary to deliver those advances to consumers, it becomes clear that governments are not quite prepared for what is coming. Here's what we know so far:

- The national wireless carriers have built out robust 4G networks, which rely on hundreds of thousands of large, macro cell sites across the country.
- Consumer demand for wireless data continues to grow exponentially.
- Cities, counties and states can only thrive and compete, and serve their constituencies, when they're able to deliver the most advanced services and capabilities to their citizens, at the capacity they demand.
- The next generation of wireless technology—5G—will require even more capacity, improved latency, and more ubiquitous coverage.
- Networks of small and densely-configured wireless installations are absolutely necessary for the success of 5G.
- Municipal rights of way provide an exceptional opportunity for local government to deliver the next generation of wireless services to their constituencies.
- Wireless providers will invest in and deliver 5G where there is reasonable access to rights of way and certainty in the approval process.

In order to achieve these objectives, T-Mobile believes that a state must be prepared to provide the following three policy principles, developed by CTIA:

Access: States and local governments must provide reasonable access to the public rights-of-way (ROW) so they can responsibly deploy small cells near consumers in urban areas, which helps to meet customer demand for faster data speeds, stronger in-building signals and an overall improved customer experience.

Reasonable Costs and Fees: Today, access to the right of way often comes at an exorbitant price, which acts to curb investment in wireless infrastructure. Application fees, attachment fees and ROW access fees must be based on the actual, direct management costs of local government, without discriminating against any technology.

Streamlined Siting Processes: Local government should not treat small wireless facilities the same as cell towers that have been built to date. Investment requires the certainty of streamlined approval processes, expedited timelines and objective standards. Applications should be “deemed approved” if no action is taken within a specified time. Applicants should be allowed to consolidate applications for approval of small cell installations, in order to minimize administrative impacts while improving efficiency.

T-Mobile supports these principles and eagerly advocates for adoption of legislation that implements these principles.

House Bill 625 has captured these principles, as well as a vision for Hawaii as a national leader on wireless infrastructure investment. House Bill 625 recognizes the need to provide access to local rights of way and certainty in the approval process. And the bill also establishes reasonable parameters on the fee structure local governments can expect in exchange for their careful review of applications and the maintenance of rights of way. House Bill 625 will place Hawaii firmly in the lead among states that wish to attract the heavy investment necessary to bring the next generation of wireless technology to the people of Hawaii.

For more information, please visit T-Mobile’s own website on these important technology developments, <http://howmobileworks.com/>.

Thank you for the opportunity to present this testimony.



Bob Bass
President
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February 2, 2017

Rep Takashi Ohno, Chairman Committee on Intrastate Commerce
Rep Isaac W. Choy, Vice-Chairman on Committee on Intrastate Commerce

RE: Testimony on House Bill 625 Relating to Infrastructure

Committee Chair Takashi and Vice Chair Choy:

On behalf of AT&T, I would respectfully request that the committee support House Bill 625—Relating to Infrastructure—a bill that will promote the installation of small cell wireless facilities to improve wireless networks.

Consumers and businesses are using their mobile devices more than ever before in history to connect to everyone and everything around them. Since 2007, AT&T has experienced a 250,000% increase in data usage on our network. Additionally, as streaming video continues to become more prominent and new applications and services are introduced, this growth in data usage will continue to rise. Small cell wireless facilities help bring customers faster download speeds, improved call quality and a better overall wireless experience.

With this increased demand and pressure on the mobile network, AT&T has developed innovative ways to enhance our network, prepare for 5G network deployment and provide the best possible experience for our customers.

House Bill 625 will allow for access to the public rights-of-way at reasonable rates, and expedite the process for small cell installation that will promote critical investment to benefit Hawaii consumers.

Please support House Bill 625

Respectfully submitted,

Bob Bass
AT&T



Brenda M. Palomino, Govt. Affairs Manager
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January 30, 2017

Honorable Takashi Ohno
Chair, House Committee on Intrastate Commerce
Hawaii State Capitol
Room 332
Honolulu, HI 96813

Honorable Isaac W. Choy
Vice Chair, House Committee on Intrastate Commerce
Hawaii State Capitol
Room 404
Honolulu, HI 96813

RE: HB 625: SUPPORT – Small Wireless Facility Deployment

Dear Chair Ohno and Vice Chair Choy,

On behalf of Sprint, I am pleased to advise you of our Support for House Bill 625, related to the deployment of small wireless facilities. House Bill 625 is a common sense bill that seeks to expedite deployment of wireless infrastructure so that Hawaii's consumers and businesses can receive the wireless coverage and capacity they demand in a timely manner. House Bill 625 allows providers like Sprint the opportunity to responsibly deploy small cells by having reasonable access to existing state and county infrastructure within and outside the public rights-of-way (ROW).

Today, wireless communication is a critical part of our everyday lives. From security to public safety, education to entertainment, fitness to finance, and much more. Our lives at home, work and school are more wirelessly connected than ever. Business, consumers and government simply depend on it. In order to accommodate these rapidly growing demands, wireless infrastructure is needed, which is why House Bill 625 is so important and timely.

While wireless providers seek to make considerable infrastructure investments to keep up with consumer demand, this process can often be delayed as a result of the local permitting process, which can stall applications for months. House Bill 625 helps remove these barriers by making the deployment of small cells a permitted use while retaining a locality's requirement for building and encroachment permits as well as applicable health and safety codes.



House Bill 625 ensures uniformity and predictability in the application process, which will help increase and improve competitive voice and broadband services throughout Hawaii, benefitting consumers across the state.

For these reasons, we are pleased to support House Bill 625. Please contact me should you have any questions or require additional information.

Very truly yours,

A handwritten signature in black ink that reads "Brenda M. Palomino". The signature is written in a cursive style with a large initial "B".

Brenda M. Palomino
State Government Affairs Manager, Western Region



January 30, 2017

Honorable Takashi Ohno
Chair, House Committee on Intrastate Commerce
Hawaii State Capitol
Room 332
Honolulu, HI 96813

Honorable Isaac W. Choy
Vice Chair, House Committee on Intrastate Commerce
Hawaii State Capitol
Room 404
Honolulu, HI 96813

RE: Support House Bill 625 – Small Wireless Facility Deployment

Dear Chair Ohno and Vice Chair Choy:

On behalf of CTIA, the trade association for the wireless communications industry, I am writing in support of House Bill 625, related to the deployment of small wireless facilities. The people of Hawaii continue to demand – at skyrocketing levels – access to wireless products and services. This is demonstrated by the fact that, according to the Federal Communications Commission (FCC), there are more wireless connections than there are people in Hawaii, a wireless penetration rate of over 100%.¹ The number of wireless subscribers in Hawaii has grown nearly 16% since 2010 amounting to over 1.4 million subscribers and 99.5% of Hawaiians have access to mobile broadband service.^{2,3} These demands from the wireless industry's customers – your constituents – require that wireless networks be updated today and readied for the next generation of wireless networks. House Bill 625 is a needed mechanism to solve today's problem and help to realize the future.

Small wireless facilities – also known as small cells – are being widely deployed to accommodate this increased demand. Small cells are wireless antennas, typically no more than six cubic feet in volume, and associated equipment generally less than twenty-eight cubic feet, that are being installed on existing structures like utility poles, street lights and traffic signal poles. This global trend is sweeping the country. More than 250,000 small cells are expected to be installed over the next few years in the United States, about the number of traditional "macro" cell sites built over the last 30 years.

Small cells enhance capacity on existing 4G LTE wireless networks by efficiently using scarce spectrum and will be required for higher-frequency 5G spectrum. The benefits provided by 5G are astounding. 5G networks will provide increased capacity to accommodate growing

¹ U.S. Census, Population Estimates, at <http://www.census.gov/data/tables/2016/demo/popest/state-total.html>, last accessed 1/30/2017.

² FCC, Voice Telephone Services Report: Status as of June 2015, August 2016, at <https://www.fcc.gov/wireline-competition/voice-telephone-services-report>, last accessed 1/30/2017.

³ Broadband Now, Broadband Internet in Hawaii, at: <http://broadbandnow.com/hawaii>, last accessed 11/9/2016.

consumer demands and will connect 100 times more devices. Imagine a future where nearly everything is connected to ubiquitous wireless networks at speeds ten times faster than today. Imagine communities that are smarter and more connected. Entire industries, from public safety to transportation, will be transformed.

In fact, Accenture recently published a study noting that 5G wireless networks could create as many as three million jobs and boost the U.S. GDP by nearly \$500 billion over the next seven years.⁴ More specifically, Hawaii communities – from small towns to big cities – that embrace the next-generation of wireless connectivity will realize significant economic benefits. For instance, 5G deployment in a community like North Kona may create over 300 jobs and increase GDP by \$50 million and a community like Honolulu may create nearly 3,500 jobs and increase GDP by \$570 million.⁵ That's the promise of the next-generation of wireless technology. America needs to lead in its deployment.

House Bill 625 helps to remove barriers to efficient deployment of small cell wireless infrastructure. House Bill 625 allows providers the opportunity to responsibly deploy small cells by having reasonable access to existing state and county infrastructure within and outside of the public rights-of-way (ROW). Such access will help to meet customer demands for faster data speeds, stronger in-building signals and an overall improved customer experience. House Bill 625 makes small cells on existing infrastructure a "permitted use" and not subject to discretionary review like larger "macro" towers. Finally, House Bill 625 also allows for consolidation of substantially similar small cell applications, to minimize administrative impacts while improving efficiency.

Further, House Bill 625 seeks to impose reasonable rates, terms and conditions for access to infrastructure in and outside of the ROW. Today, county or state pole attachment rights often come with exorbitant prices that curb investment in wireless infrastructure. House Bill 625 remedies this situation and provides "wireless providers with a fair and predictable process for the deployment of small wireless facilities," as stated in Section 1 of the bill.

Finally, it is important to note that House Bill 625 places no limitations on a locality's ability to deny a permit based on building, safety or electrical codes or standards. There is no removal of the locality's jurisdiction in this regard.

In closing, since 2010, wireless providers have invested more than \$177 billion to improve their coverage and capacity to better serve Americans, with \$32 billion invested in 2015 alone.⁶ As stated above, more than 250,000 small cells are expected to be installed over the next few years in the United States. The regulatory and land use environment must allow for capital to be

⁴ "How 5G Can Help Municipalities Become Vibrant Smart Cities," Accenture Strategy, Jan 12, 2017. These estimates are based on expected benefits for the United States from next generation wireless networks and some smart city technologies. They are based on per capita application of the estimated national benefits to individual cities (e.g., the number of construction jobs are national averages assigned on a per-capita basis), and may vary depending on the individual city.

⁵ *Ibid.*

⁶ CTIA's Wireless Industry Summary Report, Year-End 2015 Results, 2015, <http://www.ctia.org/industry-data/ctia-annual-wireless-industry-survey>, last accessed 1/29/2017.

efficiently spent as capital tends to flow to places that are ready for investment. House Bill 625 would send such a signal that Hawaii is ready for investment.

Thank you for the opportunity to submit testimony in support of House Bill 625 and we strongly urge its approval.

Sincerely,

A handwritten signature in black ink that reads "Bethanne Cooley". The signature is written in a cursive, flowing style.

Bethanne Cooley
Director, State Legislative Affairs
CTIA

**Testimony to the House Intrastate Commerce Committee
Wednesday, February 1, 2017 9:00 am
Conference Room 429, State Capitol
RE: House Bill 625**

Chair Ohno, Vice Chair Choy and Members of the Intrastate Commerce Committee:

Mobilitie **supports** HB 625, which establishes the siting process of infrastructure for small wireless facilities and small wireless facilities networks on state and county owned land.

Mobilitie is a nationwide provider of wireless infrastructure solutions, currently deploying a hybrid transport network designed to provide high-speed, high-capacity bandwidth in order to facilitate the next generation of devices and data-driven services. In Hawaii, Mobilitie is authorized by the Public Utilities Commission (“PUC”) to provide telecommunications services under its’ Certificate of Authority.

HB 625 is much needed enabling legislation which will allow the industry to site small wireless facilities on state and county owned land. These small wireless facilities will help densify the current network in order to sustain the data capacity needed today, while building in capacity for future technologies that support 5G. Access to state and county rights-of-way is allowable under a Certificate of Authority granted by the PUC. HB 625 facilitates the permitting process through batch submissions, providing a consistent process for approval or denial, while preserving appropriate local control, and sets rate structures based on cost and non-discriminatory rates and fees, consistent with the Federal Government.

Mobilitie is poised to invest in building out our network as soon as this legislation is effective, which will provide for dozens of local jobs, and millions of dollars invested in the local economy.

Thank you for the opportunity to testify.



Joyce Masamitsu
Director, Public Policy & Legal Affairs
Pacific and North Central Markets
15505 Sand Canyon Avenue
Irvine, CA 92618

January 31, 2017

Honorable Takashi Ohno
Chair, House Committee on Intrastate Commerce Hawaii State Capitol
Room 332
Honolulu, HI 96813

Honorable Isaac W. Choy
Vice Chair, House Committee on Intrastate Commerce Hawaii State Capitol
Room 404
Honolulu, HI 96813

RE: HOUSE BILL 625 – Relating to Infrastructure - SUPPORT

Dear Chair Ohno and Vice Chair Choy,

On behalf of Verizon, I submit this testimony in STRONG SUPPORT of House Bill 625. This legislation seeks to expedite the deployment of small wireless facilities in order to meet the current demands of mobile users and while also creating the infrastructure to deploy 5G technologies and next generation wireless networks.

The increased use of smart phones, tablets, health monitors and other wireless devices in everyday life relies on the continued improvement of wireless infrastructure and networks. Cisco reports that global mobile data traffic has grown 4,000-fold over the past 10 years and almost 400-million-fold over the past 15 years. In North America, mobile data traffic grew 55 percent in 2015 alone. Looking forward, Cisco reports that in the U.S. there were 275.7 Million mobile users in 2015, and there will be 292.2 Million (88% of the United States population) mobile users by 2020. Accenture recently published a study noting that US telecom operators are expected to invest \$275 billion over the next seven years, and 5G wireless networks could create up to 3 million jobs and boost the U.S. GDP by nearly \$500 billion.

According to CTIA, there are approximately 1,450,000 wireless subscribers in the state of Hawaii and 95% of Hawaii residents have access to mobile broadband. Explosive growth in the demand for mobile data presents a network capacity challenge for wireless providers. Throughout the state of Hawaii growing demand is reducing available capacity across existing wireless infrastructure, leading to network congestion. The end result is slower broadband speeds, shrinking cellular footprints and increased coverage problems evidenced by an increase in dropped calls. Construction of “macro” cell towers has been typically pursued for wireless infrastructure deployment but carriers can and in many cases must now deploy small wireless facilities – often called “small cells” -- to address network

capacity challenges. Small cells deployed in greater quantity offloads capacity from existing macro towers and improve the user experience for subscribers in the immediate service area.

Small cell technology is relatively new and as the term suggests is small; much smaller than macro towers. Small wireless facilities normally consist of a small antenna, radios (that process the spectrum) and certain support equipment mounted on utility poles, street lights, signs, bus shelters traffic signals or other host structures. Although the designs may vary slightly as required to support the network in a particular area, small cells typically consist of a 40" tall by 12" diameter canister antenna; cables down the pole to 1 or 2 radio heads; an electrical disconnect switch in the junction box that will power down the antenna if crews will be working on or near the antenna; and unless the electric utility allows a flat fee arrangement, a power meter. For most installations, small cell are connected to the wireless network by fiber, which may be installed aerially or underground as required in the area. These deployments are designed to blend into the existing environment as much as possible. Indeed, due to their small size and unobtrusive design, they are aesthetically pleasing compared to traditional "macro" cell towers.

Because small cells are relatively new, most county or state existing legal frameworks—which have not kept up with the changes in technology—require obtaining the same time-consuming discretionary permits as with a macro tower installation. HB 625 seeks to remedy this situation: it updates the existing legal framework by clarifying the right of wireless service and infrastructure providers to place facilities on existing structures in and outside of the public right of way. It allows small wireless facility siting as a permitted use and aligns with HRS §§ 27-45 and 46-89 relating to broadband permits, to ensure a reasonable length of time for application review to install small wireless facilities by the appropriate city, county or state department. HB 625 makes permissible the submission of a single permit application for a batch of small wireless facilities attachments that are similar in form and structure, to expedite processing.

This legislation preserves state and local government control with the authority to deny an application that does not meet building, electrical, health, safety and public right of way use permit requirements. Finally, HB 625 fairly compensates the state and local government through reasonable and nondiscriminatory cost-based fees consistent with federal pricing standards. Such policy encourages wireless providers to invest in wireless broadband technology in order to bring its benefits to the people of Hawaii.

Creating the correct legal framework for small wireless facilities is also critical to the deployment of the next generation wireless network: 5G. This new technology—spawned by the release of new "millimeter wave" spectrum—will be truly a game changer. 5G is 100x faster than the current technology, 4G and has 1/10 the latency of 4G, making response time from a command nearly imperceptible to humans. Together, ultra-fast speed and super low latency will power telemedicine, remote surgery, remote equipment operation, public safety communications, and enhance safety on the roads by allowing much better pre-crash sensing, enabling vehicles to sense imminent collisions and mitigate or even avoid adverse impacts of a collision. 5G technology will enable simultaneous connections from billions of independent devices and embedded sensors, from cellphones to home appliances to clothing, creating the internet of things (IoT) and enabling "smart city" solutions. Smart City solutions can prove fruitful to meet the pressing needs of state and local governments. Solutions such as intelligent lighting, intelligent traffic and smart meters can facilitate significant reduction of energy consumption while supporting the state's sustainability goals and more.

HB 625 delivers a state policy framework striking the right balance in encouraging ongoing investment in wireless broadband data technology that consumers, business and government increasingly demand, while maintaining the state's and local governments' oversight of the public rights-of-way.

Chair Ohno, Vice Chair Choy and members of the House Committee on Intrastate Commerce, for the above reasons, Verizon requests your vote to SUPPORT HB 625.

Mahalo for your consideration.



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

DAVID Y. IGE
GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

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Statement of
LUIS P. SALAVERIA
Director
Department of Business, Economic Development and Tourism
before the
HOUSE COMMITTEE ON INTRASTATE COMMERCE
Wednesday, February 1, 2017
9:00 AM
State Capitol, Conference Room 429

in consideration of
HB 625
RELATING TO INFRASTRUCTURE.

Chair Ohno, Vice Chair Choy and Members of the House Committee on Intrastate Commerce.

The Department of Business, Economic Development and Tourism (DBEDT) **supports** HB 625 which establishes a siting process for small wireless facilities and networks on state and county owned land. DBEDT prefers HB 1047 which has been reviewed by the Attorney General (AG). However, if the Committee is inclined to move HB 625 forward, we urge that the language be replaced with that from HB1047 to ensure that the AG's recommended changes are included in the measure that goes to the House Finance Committee.

HB 625 supports the development of critical infrastructure by establishing a siting process at State and county levels that allows collocations of up to 25 small wireless installations to be treated as a Permitted Use by state and county permitting agencies.

Small wireless facilities fit on light standards and utility poles in public rights of way and their visual impact is minimal. Expediting their installation by all wireless carriers will help Hawaii keep up with the increasing internet speeds and capacities needed to remain economically competitive with the rest of the world.

Broadband technology is essential across multi-sector industries and provides opportunities for: enhanced educational opportunities, expansion of telehealth capacity, strengthening safety and civil defense communications, increasing economic competitiveness, addressing consumer privileges, and providing tourism services.

Thank you for the opportunity to offer this support for HB 625.

Testimony before the House Committee on Intrastate Commerce

By Paul A. Nakagawa
Superintendent, T&D Infrastructure
Construction and Maintenance Department
Hawaiian Electric Company, Inc.

Wednesday, February 1, 2017
9:00 a.m., Conference Room 429

House Bill 625 Relating to Infrastructure

Chair Ohno, Vice Chair Choy, and Members of the Committee:

My name is Paul Nakagawa, and I am testifying on behalf of the Hawaiian Electric Company, Inc. and its subsidiaries, Hawaii Electric Light Company, Inc. and Maui Electric Company, Limited (collectively, the “Hawaiian Electric Companies”) in support of HB 625.

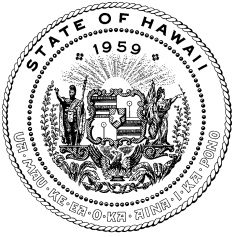
While we support and encourage the deployment of high-speed broadband infrastructure in Hawaii, and, as an active participant in, the efforts of the Legislature and the Broadband Assistance Advisory Council (BAAC) to streamline the permitting process applicable to the State’s broadband initiative, we have the following strong concerns as a result of our interpretation of HB 625 as written:

1. The proposed amendment to Chapter 27, Hawaii Revised Statutes, described in SECTION 2, page 2, line 16 states: **“Wireless providers may place small wireless facilities or small wireless facilities networks on state utility poles, structures, and on light standards; provided that the State may require permits of general applicability for their collocation.”** Our concern is this proposed amendment is unclear if the reference to **“state utility poles”** is poles solely owned by the State or partially owned by the State with other parties such as the Hawaiian Electric Companies. If the Hawaiian Electric Companies are joint owners with the State, then any entity installing broadband infrastructure under SECTION 2 of this bill should also comply with H.A.R. 6-73, which provides for Hawaii Public Utilities Commission requirements for safety and prudent engineering standards.

2. The proposed amendment to Chapter 46, Hawaii Revised Statutes, described in SECTION 4, page 8, line 4 states: ***“Wireless providers may place small wireless facilities or small wireless facilities networks on county-owned utility poles, structures, and on light standards; provided that the county may require permits of general applicability for their collocation.”*** Similar to our comment in (1) above, our concern is that this proposed amendment is vague and unclear whether the reference to ***“county-owned utility poles”*** is poles solely owned by the county or partially owned by the county in conjunction with other parties such as the Hawaiian Electric Companies. If the Hawaiian Electric Companies are joint owners with the county on the subject poles, then any pole attachment installing entity under SECTION 4 of this bill should also comply with H.A.R. 6-73.

We appreciate the support of the Legislature and BAAC in hearing and understanding our concerns as we work together to address these issues.

Thank you for the opportunity to testify on this matter.



OFFICE OF ENVIRONMENTAL QUALITY CONTROL

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DAVID Y. IGE
GOVERNOR

SCOTT GLENN
DIRECTOR

(808) 586-4185

Testimony of
SCOTT GLENN, Director

before the
HOUSE COMMITTEE ON INTRASTATE COMMERCE
Wednesday, February 1, 2017
9:00 AM
State Capitol, Conference Room 429

in Support of
HOUSE BILL 625
RELATING TO INFRASTRUCTURE

Chair Ohno, Vice Chair Choy, and Members of the House Committee on Intrastate Commerce

The Office of Environmental Quality Control (OEQC) administers Hawai'i Revised Statutes (HRS) Chapter 343, Environmental Impact Statements (EIS). The purpose of the EIS law is to "establish a system of environmental review which ensures that environmental concerns are given appropriate consideration in decision making along with economic and technical considerations" (HRS §343-1). Additionally, the OEQC serves "the Governor in an advisory capacity on all matters relating to environmental quality control," as directed in HRS §341-3.

HB 625 proposes to facilitate the deployment of high-speed broadband infrastructure in Hawai'i by establishing a siting process for new small wireless facilities and networks throughout the State.

OEQC understands that HB 625 addresses the installation of new small wireless facilities by establishing a siting process; we prefer this over the language of HB 624 that exempts such facilities from the requirements of the HRS Chapter 343 environmental review process, as well as established state and county permitting and approval processes.

Thank you for the opportunity to testify on this measure.

HB 625

RELATING TO INFRASTRUCTURE

**KEN HIRAKI
VICE PRESIDENT – GOVERNMENT & COMMUNITY AFFAIRS
HAWAIIAN TELCOM**

February 1, 2017

Chair Ohno and members of the Committee:

I am Ken Hiraki, testifying on behalf of Hawaiian Telcom on HB 625 - Relating to Infrastructure.

Hawaiian Telcom strongly opposes HB 625. This measure attempts to circumvent the provisions of Act 151, Session Laws of Hawaii 2011 by creating in Chapter 27, Hawaii Revised Statutes, a separate regulatory framework exclusively for wireless broadband facilities.

Enactment of Act 151 was the result of a yearlong collaborative process, under the auspices of the State Broadband Task Force, involving state, county and private sector stakeholders. Passage of HB 625 is contrary to the spirit and intent of the Task Force process which involved working with numerous parties to create uniform, fair and equitable legislation for the purpose of advancing broadband deployment. Creating a dual process (wireline versus wireless) involving Act 51 and Chapter 27 will only add more bureaucracy, confusion and unfairness to what exists today. Simply stated, “if ain’t broke, don’t fix it.”

Based on the aforementioned, Hawaiian Telcom requests that this measure be held. Thank you for the opportunity to testify.



Maui Hotel & Lodging

ASSOCIATION

Testimony of

Lisa H. Paulson

Executive Director

Maui Hotel & Lodging Association

on

HB 625 and HB 624

Relating To Infrastructure and Relating to the Installation of Infrastructure

COMMITTEE ON INTRASTATE COMMERCE

Wednesday, February 1, 2017, 9:00 am

Conference Room 429

Dear Chair Ohno, Vice Chair Choy and Members of the Committee,

The Maui Hotel & Lodging Association (MHLA) is the legislative arm of the visitor industry. Our membership includes over 175 property and allied business members in Maui County – all of whom have an interest in the visitor industry. Collectively, MHLA’s membership employs over 25,000 residents and represents over 19,000 rooms. The visitor industry is the economic driver for Maui County. We are the largest employer of residents on the Island - directly employing approximately 40% of all residents (indirectly, the percentage increases to 75%).

MHLA is **in support of both** HB 625 and HB 624, which establishes the siting process of infrastructure for small wireless facilities and small wireless facilities networks on state and county owned land; and Clarifies the telecommunication exemptions to include small wireless facilities. Repeals and codifies in the Hawaii Revised Statutes provisions of Act 151, SLH 2011, that are permanent and general. Expands the definition of wireless communications antennas to include small wireless facilities.

MHLA believes that these measures would enable Hawai`i to establish a faster, more reliable wireless network to meet the growing demands of our communities and our visitor industry.

Our visitor industry needs to remain competitive globally, it is essential that Hawai`i reaffirms its position as a premier travel destination by establishing a stronger wireless network to remain attractive to visitors while keeping pace with their expectations. These bills would accommodate the public’s need for more data by creating a next-generation (5G) network. To transition to 5G, this bill would enable small wireless facilities known as “small cells” to be placed in a timely and cost-efficient manner on existing structures, such as utility poles and public facilities, in a visually pleasing and non-obtrusive manner.

We respectfully request you consider passing HB 625 and HB 624. Thank you for the opportunity to testify.

TO THE HOUSE COMMITTEE ON INTRASTATE COMMERCE

TESTIMONY RELATING TO HB 624 and HB 625

**MARK BROWN
VICE PRESIDENT – STATE REGULATORY AFFAIRS
CHARTER COMMUNICATIONS, INC.**

**February 1, 2017
9:00 AM**

TO THE HONORABLE TAKASHI OHNO, CHAIR, AND MEMBERS OF THE COMMITTEE:

My name is Mark Brown, and I am Vice President for State Regulatory Affairs for Charter Communications, the overall corporate parent of Oceanic Time Warner Communications. I appreciate the opportunity to speak with you today regarding both our company and pending legislation concerning small cell deployment.

At the outset, I want to highlight Oceanic's commitment to robust broadband deployment in Hawaii. Oceanic is the single largest provider of high-speed broadband and video throughout the state. We currently have deployed over 2,900 Wi-Fi hotspots throughout the Islands, with a commitment to provide an additional 1,000 hotspots by 2020. Oceanic has also committed to raise our base or floor-level broadband speed to 60 MBs by May of this year. Additionally, Oceanic is also planning to introduce by May Spectrum Internet Assist, our low-cost broadband program for low-income families and seniors, which at 30MBs, will be the fastest program of its kind offered by any broadband provider, and we believe will have a tremendous positive impact on the communities we serve in Hawaii.

We agree with Hawaiian Telecom that certain aspects of HB 624 and HB 625 raise unlevel playing field concerns by potentially crafting special rules for the placement of small wireless facilities in the right of way. Access to municipal rights of way should be equitable access for all occupiers.

In order to access the public right of way Charter, as a cable operator, is required to obtain a franchise, which involves a lengthy vetting process with DCCA. We are also subject to stringent safety and other obligations, including the requirement to pay franchise fees in Hawaii of 5% of gross revenue for occupancy and use. This equates to millions of dollars each year in payments.

This legislation is intended largely to allow unfranchised entities to circumvent the right of way authorization process, bypassing the procedure applicable to cable providers.

We are very concerned that cable operators should not be treated discriminatorily simply because we use the right of way to offer video/cable service, and our customers should not have to pay for us to use the right of way when others do not. Direct Broadcast Satellite companies like Dish Network and DirecTV already enjoy an advantage because they are not subject to any state or

local regulation applicable to cable operators. This legislation would go one step further, allowing companies that are building a series of *wireline* networks to circumvent the processes applicable to cable providers simply because they deliver content to customers over a wireless device like a mobile phone.

Although we are still reviewing these bills, and any unintended consequences, it is worth noting that the expedited process contemplated by this legislation does not apply only to the antennas themselves. The definition of “small cell facility” in and HB 624 and HB 625, for example, appears to include all “associated equipment”, which seems to encompass “cable runs for the connection of power and other services.” Use of the term “associated equipment” for the provision of “other services” is a clear example of the bills’ effort to broaden its application beyond the stated purpose of wireless facility deployment and cover all uses of the public right of way, including a series of wireline connections between wireless antenna sites.

The bill is also unfair with regard to payment for the use of the public right of way. The expedited wireless process severely limits fees while cable operators pay millions of dollars in franchise fees each year (not to mention cable’s provision of valuable public, educational and government programming and other obligations that flow from our cable authorization). We think reduced fees for wireless services would be appropriate but only if the Legislature were willing to consider a comprehensive reform of all fees and obligations required of cable and telecommunications providers for access to the public right of way.

Finally, it is important to note that requiring underlying right of way authority also ensures better coordination among the entities within the right of way (electric, telephone, cable) when plant and network are installed, repaired or replaced. Entities that are allowed to place equipment in the right of way without such authority can easily jeopardize the network and services of other providers.

HB 624 and HB 625 make significant changes to the current process for right of way access and create an unlevel playing field. We ask the Committee to hold consideration of the bills until it has an opportunity to further review the implications of these bills and provide entities, like Charter, an opportunity to more fully detail issues and concerns.

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