

DAVID Y. IGE
GOVERNOR OF
HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the Senate Committee on
WAYS AND MEANS**

**Thursday, April 05, 2018
10:30 A.M.
State Capitol, Conference Room 211**

**In consideration of
HOUSE BILL 2651, HOUSE DRAFT 2, SENATE DRAFT 1
RELATING TO WIRELESS BROADBAND FACILITIES**

House Bill 2651, House Draft 2, Senate Draft 1 proposes to establish a permitting, application, review, and approval process for broadband or wireless service providers to install broadband or wireless facilities on state or county owned utility poles, or to install associated utility poles, in the right of way. **The Department of Land and Natural Resources (Department) appreciates the intent of the measure and offers the following comment on the measure.**

The Department notes that any user and occupier of State of Hawaii Public Trust Land will need to apply for a land or building disposition (use and occupancy agreement) in accordance with Chapter 171, Hawaii Revised Statutes.

Thank you for the opportunity to comment on this measure.

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA
FIRST DEPUTY

JEFFREY T. PEARSON, P.E.
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

DAVID Y. IGE
GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: www.hawaii.gov/dbedt

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
LUIS P. SALAVERIA
Director
Department of Business, Economic Development and Tourism
before the
SENATE COMMITTEE ON WAYS AND MEANS

Thursday, April 5, 2018
10:30 AM
State Capitol, Conference Room 211
in consideration of

**HB 2651, HD2, SD1
RELATING TO WIRELESS BROADBAND FACILITIES.**

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee on
Ways and Means.

The Department of Business, Economic Development and Tourism (DBEDT)
supports HB 2651, HD2, SD1, which establishes a standardized permitting,
application, review, and approval process to upgrade and support next generation
wireless broadband infrastructure on state- or county-owned utility poles and light
standards throughout the State.

Thank you for the opportunity to submit testimony in **support** of HB 2651, HD2,
SD1.



Testimony by:
JADE T. BUTAY
DIRECTOR

Deputy Directors
ROY CATALANI
ROSS M. HIGASHI
EDWIN H. SNIFFEN
DARRELL T. YOUNG

IN REPLY REFER TO:

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

April 5, 2018
10:30 a.m.
State Capitol, Room 211

H.B. 2651 H.D. 2, S.D. 1
RELATING TO WIRELESS BROADBAND FACILITIES

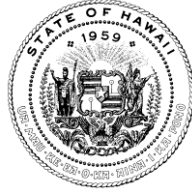
Senate Committee on Ways and Means

The Department of Transportation (DOT) **supports** H.B. 2651, H.D. 2, S.D. 1, that proposes to expedite the installation of wireless broadband infrastructure. However, DOT has concerns over some of the requirements and proposes to work with the staff of the Committees to draft language to address these concerns as itemized below.

1. This bill appears to require DOT to perform upgrades to poles to support wireless infrastructure within a specified timeframe. Timeframes for delivery of upgrades should consider manufacturing and delivery from the continental U.S.
2. The cost for the work cannot be recovered by the minimal fee structure proposed. DOT believes this cost should not be borne by the Department.
3. As a condition of Federal Aid, DOT is required to collect fair market value from the users of the Federal Aid system. If DOT is not allowed to charge this value, we may be in violation of the requirements of our Federal Aid program.
4. The State supports reviewing permit applications in a timely manner; however, it should not be required to expedite review that would compromise public safety. Thirty days is an insufficient amount of time for the State to review the initial application for completeness, content, and compliance with applicable standards, regulations, requirements or practices.
5. We recommend that the bill clearly maintain the legal requirement that any work within the Highways Division right-of-way requires the entity to obtain the Highways Permit under Section 264-6, HRS. This allows the Highways Division to verify that all new infrastructure within the right-of-way meet current safety and design standards as well as coordinate work with other entities and highways projects to minimize impacts to safety and traffic flow.

6. DOT's Airports Division (Airports) expresses concerns that this bill could impact existing contracts if applied to Airports properties. Airports has recently entered into an exclusive contract with a wireless company to provide wireless and DAS cellular-connect services at Hawaii airports. Allowing others to provide service within the Airports properties may violate the intent of the contract and would negatively affect Airports revenues. For these reasons, we respectfully request that **Airports properties be excluded from this bill.**

Thank you for the opportunity to submit our testimony.



DAVID Y. IGE
GOVERNOR

DOUGLAS S. CHIN
LIEUTENANT GOVERNOR

STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
335 MERCHANT STREET, ROOM 310
P.O. BOX 541
HONOLULU, HAWAII 96809
Phone Number: 586-2850
Fax Number: 586-2856
cca.hawaii.gov

CATHERINE P. AWAKUNI COLÓN
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI
DEPUTY DIRECTOR

TO THE SENATE COMMITTEE ON
WAYS AND MEANS

TWENTY-NINTH LEGISLATURE
Regular Session of 2018

Thursday, April 5, 2018
10:30 a.m.

WRITTEN TESTIMONY ONLY

**TESTIMONY ON H.B. NO. 2651, H.D. 2, S.D. 1, RELATING TO WIRELESS
BROADBAND FACILITIES.**

TO THE HONORABLE DONOVAN M. DELA CRUZ, CHAIR, AND MEMBERS OF THE
COMMITTEE:

The Department of Commerce and Consumer Affairs (“Department”) appreciates the opportunity to testify on H.B. 2651, H.D. 2, S.D. 1, Relating to Wireless Broadband Facilities. My name is Ji Sook “Lisa” Kim, and I am the Administrator of the Department’s Cable Television Division. The Department appreciates the intent of this bill, which is a companion to S.B. 2704, and provides the following comments.

This bill establishes a permitting, application, review, and approval process for broadband or wireless providers to install broadband or wireless facilities on state- or county-owned utility poles or to install associated utility poles in the rights of way. S.D. 1 amends this measure by, among other things, deleting its contents and replacing them with the language from S.B. 2704, S.D. 2, its companion bill, as amended.

The Department strongly supports efforts to improve access to broadband services for Hawaii residents and to increase competition that may result in more

affordable services for consumers. The Department thus supports legislation that establishes uniform and streamlined permit and approval processes statewide that would expedite the deployment of infrastructure required for small wireless systems. The Department also recognizes the need to balance expedited deployment with protecting the public interest and thus defers to state and county asset owners and managers to comment on the bill's impact on their ability to manage, maintain, and preserve those public assets, to protect the public's safety, and to use those assets for their intended public purpose.

With respect to the State's broadband coverage, the Department notes that the Federal Communications Commission's 2018 Broadband Deployment Report to Congress reported that 99.9 percent of Hawaii's population has access to either fixed broadband at 25 megabits per second download speed and three megabits per second upload speed or mobile LTE service with a minimum advertised speed of 5 megabits per second download speed and 1 megabit per second upload speed. Although wireless coverage in the State, as shown by maps using provider data, is widespread and wireless providers have in recent years indicated that substantial sums have been invested in building infrastructure in Hawaii, there is clearly a growing demand for wireless service capacity. Furthermore, there continues to be a need for broadband access in rural areas of the State that do not present a market case for providers because of the cost of extending service to those areas.

In any legislation adopted by this Committee allowing the deployment of small cell facilities on public assets or in public rights of way, the Department thus respectfully requests that consideration be given to include by statute enforceable commitments to extend high-speed Internet access that can bridge the digital divide for residents in the unserved and underserved areas of the State. The Department acknowledges that in section 2, page 30, line 20 to page 31, line 4, S.D. 1 provides that "[t]he State or a county may require a communications service provider to consider installing and operating small wireless facilities and utility poles in rural districts, where economically feasible, particularly in neighbor island communities having low- or medium-density concentrations of residents." However, given that the difficult economics of providing

service to unserved and underserved rural areas has left these areas on the other side of the digital divide, a provision that essentially asks communications service providers to choose to provide service in rural districts “where economically feasible” is not likely to effectuate the installation and operation of small wireless facilities in those areas.

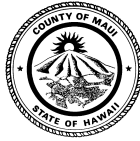
Thank you for the opportunity to provide written testimony on this bill.

Council Chair
Mike White

Vice-Chair
Robert Carroll

Presiding Officer Pro Tempore
Stacy Crivello

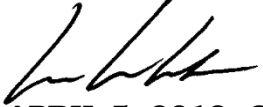
Councilmembers
Alika Atay
Elle Cochran
Don S. Guzman
Riki Hokama
Kelly T. King
Yuki Lei K. Sugimura



COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

April 4, 2018

TO: The Honorable Donovan Dela Cruz, Chair
Senate Committee on Ways and Means

FROM: Mike White
Council Chair 

SUBJECT: **HEARING OF APRIL 5, 2018; OFFERING COMMENTS ON HB 2651,
HD2, SD1 RELATING TO WIRELESS BROADBAND FACILITIES**

Thank you for the opportunity to provide **comments** on this important bill. The purpose of this measure is to establish a policy framework to upgrade and support next-generation wireless broadband infrastructure by creating a permitting, application, review, and approval process for broadband or wireless service providers to install broadband or wireless facilities on State- owned and county-owned utility poles.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I support the intent of the bill, but offer the following **comments**:

1. As the State's population, visitor counts, and technological innovation rise, upgrading infrastructure for wireless or broadband service is critically important. Robust internet coverage is vital for not only residents, but the tourism industry, and the growth of the IT and telecommunications industries.
2. In providing broadband infrastructure, it is important to maintain a cooperation with service providers, the State, and counties. Fair compensation by private providers to government entities is essential in covering on-going operational costs and for the luxury of utilizing publicly owned property.
3. The ability for local oversight is also important. The intent is not to slow the installation process, but to ensure plans fit with the unique character of each local community. Minimizing impacts on emergency communication systems is also an ongoing concern.

Thank you for the opportunity provide comments on this measure.



Jesús G. Román
VP of Government Affairs
Pacific & North Central Market
15505 Sand Canyon Avenue
Irvine, CA 92618

April 4, 2018

Senator Donovan M. Dela Cruz, Chair
Senator Gilbert S.C. Keith-Agaran, Vice Chair
Members of the Senate Committee on Ways and Means
Twenty-Ninth Legislature
Regular Session of 2018

RE: HB 2651, HD2, SD1 – RELATING TO WIRELESS BROADBAND FACILITIES
Hearing Date – April 5, 2018 at 10:30 a.m.

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and Members of the Senate Committees on Ways and Means:

Mahalo for the opportunity to submit testimony on behalf of Verizon Wireless in **STRONG SUPPORT** of HB 2651, SD1 – Relating to Wireless Broadband Facilities. Wireless broadband services are a significant and growing part of the nation’s economy and will have a demonstrably positive impact on productivity in nearly every industry. As an essential part of the technology economy, the state must be ahead of the national curve by ensuring a robust and advanced wireless broadband network.

Current demands on the wireless networks have exploded over the past five years. The wireless infrastructure available in Hawaii is unable to meet the growing demand for capacity and quality of service that exists today. Moreover, as customer demands for ultrafast speeds, low latency and connection to the Internet of Things continues to grow, wireless carriers must be able to provide the latest generation wireless technology, 5G. But because of the propagation characteristics of the 5G spectrum, which covers very short distances, a different type of infrastructure is needed. Instead of the large macro towers currently in use, wireless carriers must shift to a relatively new type of cellular transmittal system known as small wireless facilities or “small cells.”

As the name indicates, small cells are much smaller than existing macro towers. Although the designs may vary slightly as required to support the network in a particular area, small cells typically consist of a small antenna, radios (that process the spectrum) and support equipment mounted on utility poles, street lights or other host structures. By definition, the small cells are no bigger than 28 cubic feet and are essential to propagating the spectrum needed to supplement 4G and 5G

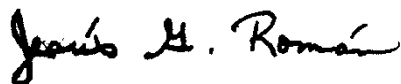
Because small cells are relatively new, the state and county agencies don’t have existing permitting processes to allow deployment of small cells in a timely manner. Instead, the agencies rely upon outdated permitting processes which can take more than 18-24 months for approval. The current permitting processes may have been needed for macro towers, which are visibly obtrusive and can occupy an area of 700 square feet or more, but can provide coverage up to a 10-mile radius. On the other hand, because small cells are much smaller and visibly unobtrusive, but require a greater number because of the limited propagation area, a much simpler process is needed for effective and timely deployment.

HB 2651, SD1 would provide a clear and appropriate permitting process by which carriers can upgrade the existing wireless broadband infrastructure and set the platform for 5G technology. Specifically, HB 2651, SD1 makes deployment of small cells on state and county utility poles a permitted use and sets the framework for a statewide process to approve small cells in a reasonable time and at cost based rates. The bill allows for the submission of a single permit application for a batch of small cells to expedite processing. Importantly, this legislation preserves state and local government control with the authority to deny an application that does not meet building, electrical, health and safety requirements.

CTIA and the wireless providers have been working with all stakeholders to provide input on HB 2651. The current version, HB 2651, SD1 addresses the important concerns from the parties interested in supporting statewide small cell legislation. Simply put, HB 2651, SD1 strikes the right balance between the important policy goals of encouraging ongoing investment in wireless broadband technologies statewide to stimulate the technology economy and meet the demand of Hawaii residents and visitors, while maintaining the state and county agencies' oversight of host facilities in the right of way.

We appreciate your proactive approach in supporting the rapid deployment of wireless broadband technology to meet the state's important policy objectives and strongly feel HB 2651, SD1 is the vehicle to achieve those objectives.

Mahalo,

A handwritten signature in black ink that reads "Jesús G. Román". The signature is written in a cursive, flowing style.

Jesús G. Román



TESTIMONY OF CHARTER COMMUNICATIONS

Senate Committee on Ways and Means

Hawai'i State Capitol, Conference Room 211

RE: H.B. 2651, H.D.2, S.D.1

THURSDAY, APRIL 5, 2018

10:30 AM

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran and Members of the Committee,

I am Myoung Oh, Director of State Government Affairs, submitting written testimony on behalf of Charter Communications in **opposition** to H.B. 2651, H.D.2, S.D.1.

Established in Hawai'i in 1969, Spectrum continues to be a dedicated community partner employing 1,400 Hawai'i residents and contributing to Hawai'i's economy with tens-of-millions of dollars in fees, taxes, and other obligations. We have over 3,500 Wi-Fi hotspots deployed throughout the islands with a commitment to provide hundreds more.

We have also raised our base-level broadband speed to 200 Mbps for new customers and have launched Spectrum Internet Assist, our low-cost broadband program, for low-income families and seniors, which at 30 Mbps, is the fastest program of its kind offered by any broadband provider, and believe will have a tremendous positive impact on the communities we serve in Hawai'i.

As a connectivity and customer service company, Spectrum embraces new technologies like 5G and the deployment of wireless facilities and continues to advance new products and services that meet the ever growing needs of our customers. However, we respectfully disagree with Standing Committee Report No. 3169 as Hawaii having "one of the lowest rankings in broadband network speeds available to consumers¹." Hawai'i has made great strides in broadband adoption over the years and Spectrum's efforts has brought increased speeds from 60 Mbps, 200 Mbps, and 940 Mbps (a.k.a. "Spectrum Internet Gig").

We embrace new technologies such as 5G; however, H.B. 2651, H.D.2, S.D.1 is unnecessary and requires continued discussions with all stakeholders to ensure parity, fairness and non-discrimination for all right-of-way ("ROW") users regardless of technology.

Public Facilities - Rights of Way

Presently, wireless companies are not precluded from acquiring right-of-way access. Case in point is Resolution 18-34 that is before the Honolulu County Council. Wireless providers have the authority to request attachment rights for both utility and county owned poles as well as the ability to work with all Counties on attachments for other structures.

¹ <https://www.akamai.com/us/en/multimedia/documents/state-of-the-internet/q1-2017-state-of-the-internet-connectivity-report.pdf>

The utilization of public facilities and public rights-of-way should carry public benefit obligations in the form of community investments, fees, in-kind donations or taxes. The financial implications proposed in this measure are pennies-on-the-dollar of \$40.00 per pole compared to the proposed Honolulu County Resolution 18-34 of \$4,000.00 per pole. While there is considerable disparity to the pole itself, one that raises continued concerns and issues, Spectrum believes further discussions are required.

Video Service and Fair Competition

With respect to fair completion, Charter offers video service and so do wireless carriers. Wireless companies have made no secret of their desire to use 5G to compete against cable companies. Entities that offer a video service by using facilities in the public rights-of-way should be treated similarly, hence H.B. 2651, H.D.2, to subject all video providers that utilizes the public rights-of-way to the franchise regime regardless of technology.

Spectrum certainly want to be sure that as long as we are subject to fees, taxes, and other obligations for operating video service facilities in the public rights-of-way, other providers that also seek to use the public rights-of-way to provide video to subscribers should be subject to the same regime for video, even if those facilities are wireless. We continue to advocate for this level playing field and anything short is inequitable to create a fair and competitive market.

Unserved and Underserved Areas

With respect to rural deployment and other commitments, Spectrum continues to expand access to closing the digital divide to unserved and underserved communities. Small cell technology is not a viable solution for rural broadband deployment and wireless providers have made no commitment to build out rural areas of this state; whereas, Spectrum's community responsibilities include not only rural deployment but also many others community investments.

-) Access to low-income broadband service to: (1) households with children that have a student participating in the National School Lunch Program ("NSLP") and (2) senior citizens age 65 and older who are eligible and receive from the federal government Supplemental Security Income ("SSI") benefits.
-) Deploy at least 1,000 new public WiFi access points throughout Hawai'i by 2020.
-) Invest \$10 million to build out to unserved and underserved areas in Hawai'i.
-) Abide by 25 homes-per-mile requirement for build out extensions.
-) Increase broadband speed and enhancements.

Not Only Wireless

We further add that the scope of H.B. 2651, H.D.2, S.D.1 has greatly expanded beyond facilitating the build-out of small cell facilities that will provide wireless broadband service over 5G networks. Instead, language of the bill would expand the expedited permitting process and compensation formula to deployment of wireline broadband networks by wireless providers.

Small cell facilities could encompass much more than the antenna itself and include wireline and other equipment that places a substantial burden on the public rights-of-way. We have sought, and continue to seek, narrow definitions of small cell facilities, so that the more streamlined permitting process cannot be used to build a ubiquitous wireline network.

Exempt from Environmental and Historic Review Process

The Federal Communications Commission (“FCC”) is pursuing ways to enable the deployment of wireless infrastructure to support 5G. In a March 2018 order, small cell facilities are exempt from National Environmental Policy Act (“NEPA”) and National Historic Preservation Act (“NHPA”) reviews. Chairman Pai launched the Broadband Deployment Advisory Committee to encourage buildout of our nation's networks.

Hawaii is a unique place to live, work, and play and localized efforts to expand exemptions to the deployment of 5G without adequate review process could jeopardize public safety, visual blight, and the loss of regulatory oversight and control.

In closing, Spectrum supports new technologies like 5G and the deployment of this technology continues to evolve and be discussed. The treatment of one technology over another should be discussed thoroughly by all interested and affected stakeholders.





Bob Bass
*President of External and
Legislative Affairs, Hawaii*

AT&T Services, Inc.
16331 NE 72nd Way RTC1
Redmond, WA 98052

T: 425-786-8816
F: 425-580-8652
robert.bass@att.com
www.att.com

April 5, 2018

Honorable Donovan M. Dela Cruz
Chair, Senate Committee on Ways and Means
Hawaii State Capitol
Room 208
Honolulu, HI 96813

Honorable Gilbert S.C. Keith-Agaran
Vice-Chair, Senate Committee on Ways and Means
Hawaii State Capitol
Room 221
Honolulu, HI 96813

RE: Support House Bill 2651, HD2, SD1 – Relating to Wireless Broadband Facilities

Dear Committee Chair Dela Cruz and Vice-Chair Keith-Agaran:

On behalf of AT&T, please accept this letter of support for House Bill 2651, HD2, SD1 – Relating to Wireless Broadband Facilities – 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 to connect to everyone and everything around them. According to the CDC's January-June 2017 National Health Interview Survey, 48.3% of Hawaii residents now use wireless services exclusively for their communication needs. Indeed, AT&T has nationally experienced a 250,000% increase in data usage on our network since 2007. Additionally, as streaming video continues to become more prominent and new applications and services are introduced, data usage will continue to grow exponentially.

With this increased demand and pressure on the mobile network, small cell wireless facilities can help deliver faster download speeds, improved call quality, and a better overall wireless experience to Hawaii's residents, while also preparing our networks for 5G investment and deployment.

House Bill 2651, HD2, SD1 will create a framework to facilitate the deployment of small cell technology in Hawaii by wireless companies, providing access to the rights-of-way for a reasonable fee and a fair and predictable application review process, while preserving the ability of local governments to deny an application based on building, safety, or electrical codes or standards.

Please support House Bill 2651, HD2, SD1.



Respectfully submitted,

A handwritten signature in black ink that reads "Bob Bass". The signature is written in a cursive style and is positioned to the left of a vertical line.

Bob Bass

AT&T

SENATE COMMITTEE

ON

WAYS AND MEANS

April 5, 2018

House Bill 2651, H.D.2, S.D.1 Relating to Wireless Broadband Facilities

Chair Dela Cruz and Members of the Committee on Ways and Means:

On behalf of T-Mobile USA, Inc., I am Jim Blundell, Senior Manager, State Government Affairs. I write to reiterate our continued support for the passage of H.B. 2651, H.D.2, S.D.1 Relating to Wireless Broadband Facilities. T-Mobile stands with the authors and sponsors of this bill in their effort to promote investment in wireless infrastructure across Hawaii. We believe the bill establishes a critically important framework to pave the way for the deployment of the next generation of wireless infrastructure by clearing away burdens and challenges that stand in the way of a first-class wireless broadband network in Hawaii.

As you know, T-Mobile provides wireless communication services across the State to its residents, the business community, and visitors. Today, residents of Hawaii are increasingly mobile and reliant, exclusively in many instances, on mobile networks. We are primed to deploy our network to these constituencies in the coming year, to meet their demands and expectations, and to support 5G technology in the coming years, as are the other wireless carriers in Hawaii.

While traditional macro deployments, or large wireless broadband facilities, will remain an important component of our networks, customers increasingly rely on wireless services exclusively, and are extremely mobile, and have ever growing data demands that require the deployment of new small cell and 5G network infrastructure. This infrastructure is critical to the deployment of future wireless applications that consumers demand, such as healthcare delivery, the Internet of things, autonomous vehicles, etc. These new applications and technologies require us to densify our networks and to do so very rapidly.

H.B. 2651, H.D.2, S.D.1 establishes a framework that will enable to do just that by:

- **Providing access to public rights-of-way** in a manner comparable to our broadband competitors,
- **Streamlining the siting process** in a manner that reflects the relative impact small cells will have on other existing right-of-way uses and users, and
- **Establishing a framework to ensure that the costs and fees imposed are reasonable** by ensuring they reflect the actual costs to local government of allowing small cells in the right-of-way and are comparable to the fees imposed on other uses.

H.B. 2651, H.D.2, S.D.1, as amended, reflects the efforts of T-Mobile, and the industry as whole, to develop compromises in each of these areas to ensure that the bill addresses substantive

concerns raised by municipalities and other stakeholders. As result, H.B. 2651, H.D.2, S.D.1 represents precisely the type of statewide broadband policy that a state such as Hawaii, which is focused on and committed to laying the foundation for the deployment of broadband, should undertake. We are ready to continue working with those stakeholders to help get this important measure adopted.

T-Mobile is proud to stand with the authors and sponsors of H.B. 2651, H.D.2, S.D.1 and support broadband policy that will achieve its intended purpose. Thank you for the opportunity to present this testimony.



April 4th, 2018

Honorable Donovan M. Dela Cruz
Chair, Senate Ways and Means Committee
Hawaii State Capitol
Room 208
Honolulu, Hawaii 96813

Honorable Gilbert S.C. Keith-Agaran
Vice Chair, Senate Ways and Means Committee
Hawaii State Capitol
Room 221
Honolulu, Hawaii 96813

RE: Support for HB 2651, HD2, SD1 – Wireless Broadband Facilities

Dear Chair Dela Cruz and Vice Chair Keith-Agaran,

On behalf of CTIA, the trade association for the wireless communications industry, I am writing to express strong support for HB 2651, HD2, SD1. The legislation creates a critical framework to promote job creation, economic investment and opportunity throughout Hawaii and we strongly support its passage.

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

Specifically, the existing rules governing wireless networks are designed for wireless facilities that can be as tall as 200 feet. Tomorrow's networks will be augmented by new small cell technology, often the size of a pizza box, which will be placed on structures such as utility poles and streetlights. These capacity additions are critical to keep up with exploding consumer demand on an increasing number of devices and these new networks need new and predictable rules. HB 2651, HD2, SD1 establishes an updated common sense framework to meet this immediate need and facilitate millions in new investment in Hawaii.

¹ FCC, Voice Telephone Services Report: Status as of December 31, 2016, at <https://www.fcc.gov/wireline-competition/voice-telephone-services-report>, last accessed 4/4/2018.

² CDC, National Center for Health Statistics, https://www.cdc.gov/nchs/data/nhis/earlyrelease/wireless_state_201712.pdf, last accessed 4/4/2018.



These small cells will help unlock new 5G services from remote healthcare solutions to autonomous cars. 5G networks will provide needed new 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, thanks to the framework established by HB 2651, HD2, SD1. Hawaii'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 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 More specifically in Hawaii, 5G deployment in a community like Honolulu may create over 3,500 jobs and increase GDP by over \$571 million, and a community like Hilo may create over 400 jobs and increase GDP by \$66 million.⁴

Furthermore, a report published by Deloitte illustrates how other industries are leveraging today's wireless platform for innovation and growth, and how increased wireless deployment will spur even more advancements in these key economic sectors⁵:

- **Energy.** Wireless-enabled smart grids could create \$1.8 trillion for the U.S. economy—saving consumers hundreds of dollars per year.
- **Health.** Wireless devices could create \$305 billion in annual health system savings from decreased costs and mortality due to chronic illnesses.
- **Public Safety.** Improvements made by wireless connectivity can save lives and reduce crime. A one-minute improvement in emergency response time translates to a reduction of 8% in mortality.
- **Transportation.** Wireless powered self-driving cars could reduce emissions by 40-90%, travel times by nearly 40% and delays by 20% – and translate to \$447 billion per year in savings, and, more important, 21,700 lives saved.

That's the promise of the next-generation of wireless technology. Hawaii has an opportunity to be a leader in its deployment.

In closing, over the past two years, fifteen states – representing over 1/3 of the U.S. population – have enacted statewide small cell legislation both streamlining the process for small cell deployment and imposing reasonable fees for access to the infrastructure in the public rights-of-way. Several more states are considering legislation this session as you are. Appropriate siting

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 4/4/2018.

⁴ *Ibid.*

⁵ Deloitte, "Wireless Connectivity Fuels Industry Growth and Innovation in Energy, Health, Public Safety, and Transportation," http://www.ctia.org/docs/default-source/default-document-library/deloitte_20170119.pdf, last accessed 4/4/2018.



and land use regulation will facilitate and encourage capital investment because capital tends to flow to places that are ready for investment. Enactment of HB 2651, HD2, SD1 will send a signal that Hawaii is ready for investment.

Thank you for the opportunity to submit testimony in support of HB 2651, HD2, SD1. CTIA strongly urges its approval.

Sincerely,

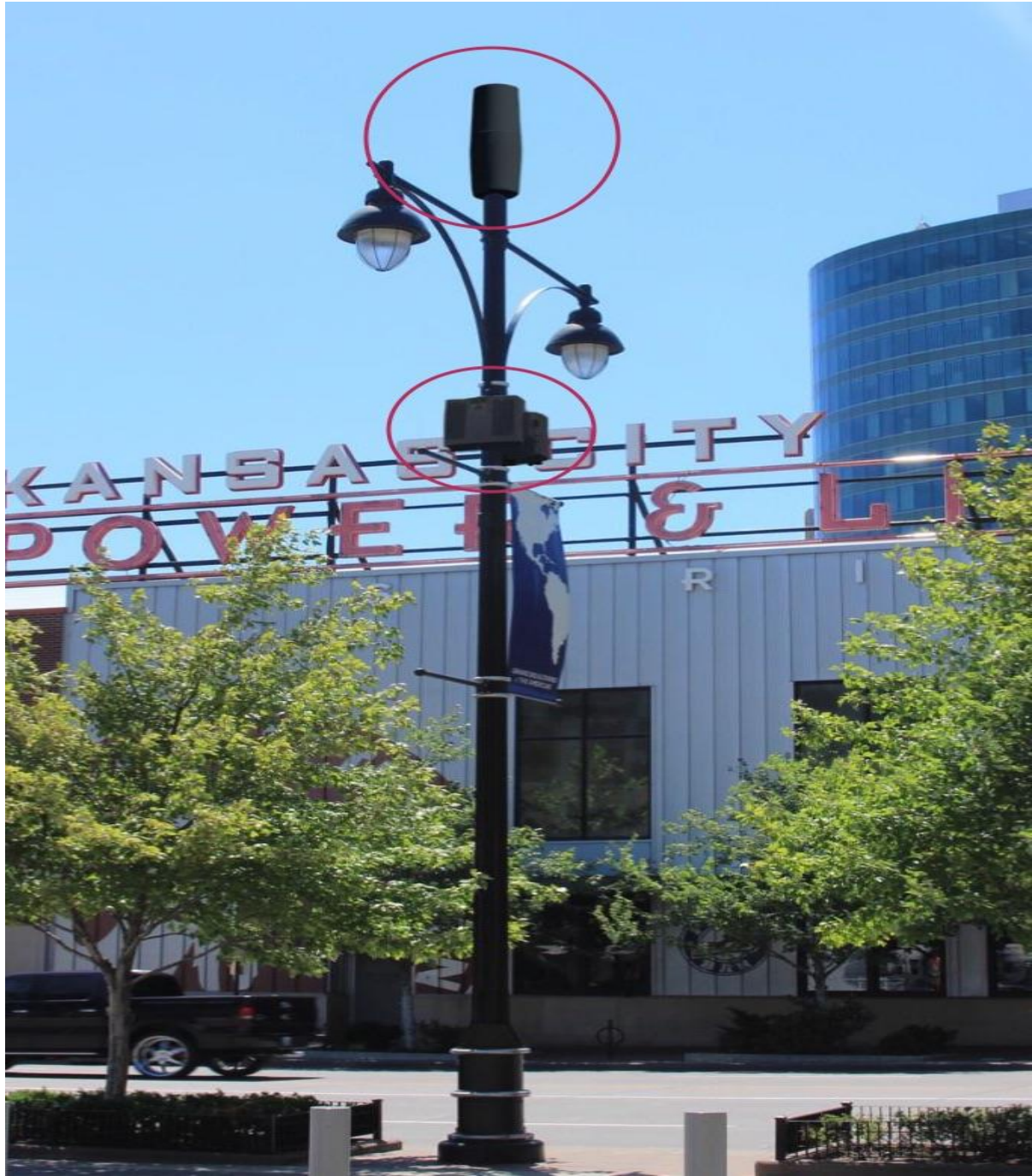
Bethanne Cooley
Senior Director, State Legislative Affairs
CTIA



Small Cell Examples









5G Economic Benefits: Hawaii



• Honolulu

- Over 3,500 jobs created
- Over \$216 million in Smart City benefits
- \$571 million in estimated GDP growth

• Ewa

- Over 2,600 jobs created
- Over \$166 million in Smart City benefits
- \$426 million in estimated GDP growth

• Pearl City

- Over 440 jobs created
- Over \$14 million in Smart City benefits
- \$73 million in estimated GDP growth

• Hilo

- Over 400 jobs created
- Nearly \$13 million in Smart City benefits
- \$66 million in estimated GDP growth

• Kailua

- Over 360 jobs created
- Over \$11 million in Smart City benefits
- \$59 million in estimated GDP growth

• North Kona

- Over 300 jobs created
- Nearly \$10 million in Smart City benefits
- \$50 million in estimated GDP growth

Improving Communities Across America, from small towns to big cities.

✓ \$275B New Wireless Investment



✓ 3 Million New American Jobs



✓ \$500B Contribution to GDP



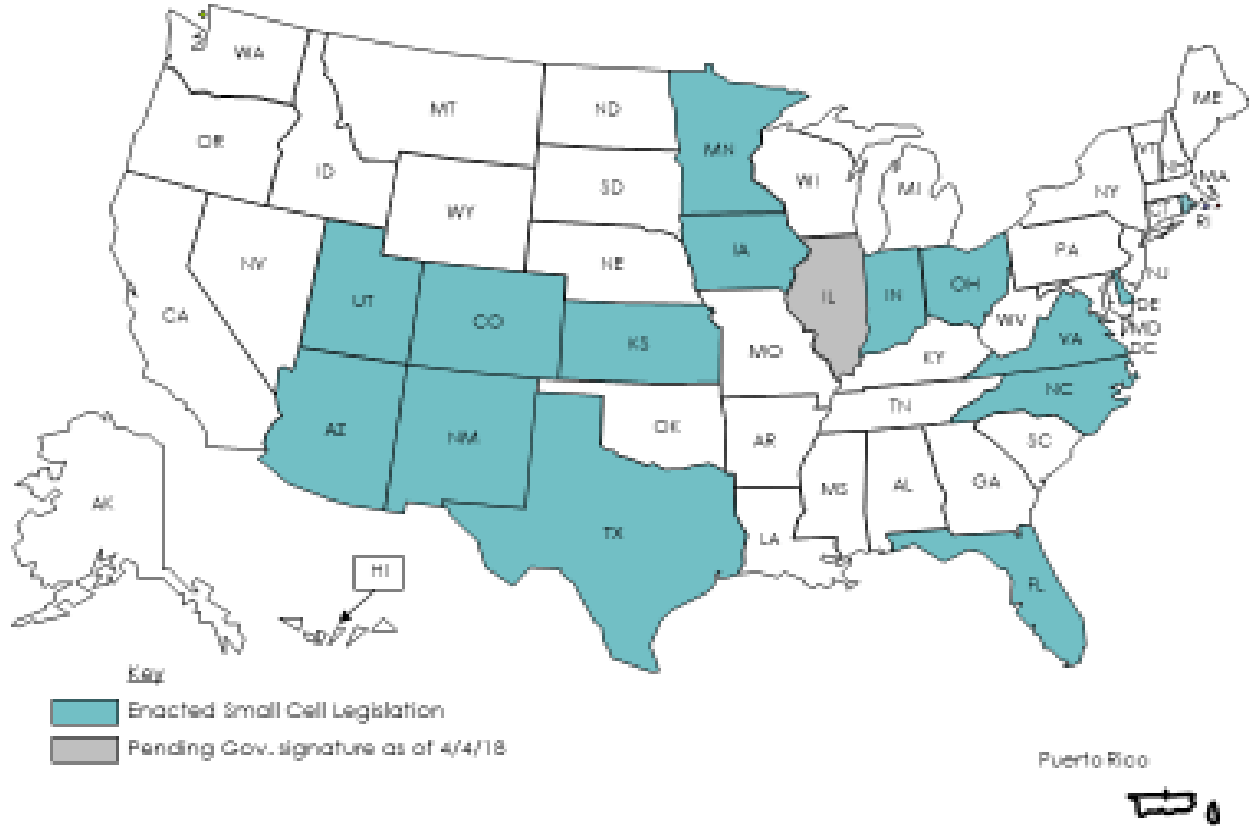
✓ \$160B in Smart Community Benefits & Savings
by reducing energy usage, decreasing traffic congestion and reducing fuel costs



Source: <http://www.pcm.accenture.com/news/newspcmh-from-accenture-technology-division-economic-and-social-impact-of-5g-in-hawaii>



National Wave of State Small Cell Legislative Activity



HB-2651-SD-1

Submitted on: 4/4/2018 9:28:52 AM

Testimony for WAM on 4/5/2018 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Brenda M. Palomino	Individual	Support	No

Comments: