

March 22, 2019

The Honorable Jason Rapert Chair, Senate Insurance and Commerce Committee PO Box 10388 Conway, AR 72034

The Honorable Cecile Bledsoe Vice-Chair, Senate Insurance and Commerce Committee 709 Sky Mountain Dr. Rogers, AR 72757

RE: Support for SB 602 - Small Wireless Facility Deployment Act

Dear Chair Rapert and Vice-Chair Bledsoe,

On behalf of CTIA, the trade association for the wireless communications industry, I am writing to express strong support for SB 602, 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 Arkansas.

The people of Arkansas continue to demand – at increasing levels – access to wireless products and services. This is demonstrated by the fact that there are as many wireless devices as there are people in Arkansas. ¹ In addition, over half of Arkansas 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 up to 200 feet tall or more. Tomorrow's networks will rely on new small cell technology which will be placed on structures such as utility poles and streetlights. These new networks need new rules and SB 602 establishes an updated common sense framework to facilitate millions of dollars in new investment in Arkansas.

¹ FCC, Voice Telephone Services Report: Status as of June 30, 2017, at https://www.fcc.gov/voice-telephone-services-report, last accessed 3/22/2019.

² CDC, National Center for Health Statistics, https://www.cdc.gov/nchs/data/nhis/earlyrelease/wireless_state_201712.pdf, last accessed 3/22/2019.

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, thanks to the framework established by SB 602. Small cells will help unlock new 5G services from remote healthcare solutions to autonomous cars. Arkansas'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 In Arkansas, 5G deployment in a community like Fayetteville will create over 750 jobs and increase GDP by \$125 million, and a community like Pine Bluff may create over 400 jobs and increase GDP by \$65 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 (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 are two key areas the Order doesn't address that SB 602 does, notably "permitted use" and deemed granted. 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 Arkansas. Additionally, SB 602 includes provisions providing for a deemed granted remedy. This provision ensures that inaction on an application doesn't delay

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 3/22/2019.

⁴ Ibid.

⁵ See https://docs.fcc.gov/public/attachments/FCC-18-133A1.pdf; last accessed 3/22/2019.

deployment of small wireless infrastructure. Twenty states have also implemented similar provisions.

In closing, over the past three years, twenty one states – including the nearby states of Oklahoma, Missouri and Tennessee – 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 SB 602 will send a signal that Arkansas is ready for these investments.

We strongly and respectfully urge the passage of SB 602.

Sincerely,

Bethanne Cooley

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Senior Director, State Legislative Affairs

CTIA

State Small Cell Legislative Activity



Exact Small Cell Legislation

Penaing Governor's signature (as of 3/22/2019)

Puerto Rico