



February 23, 2017

Honorable Peter Cownie
Chair, House Commerce Committee
P.O. Box 110
West Des Moines, IA 50266

Honorable Gary Mohr
Vice Chair, House Commerce Committee
P.O. Box 1556
Bettendorf, IA 52722

RE: Support House File 380 – Small Cell Wireless Deployment

Dear Chair Cownie and Vice Chair Mohr,

On behalf of CTIA, the trade association for the wireless communications industry, I am writing in support of House File 380, legislation that streamlines the deployment of small cells. The people of Iowa continue to demand – at increasing levels – access to wireless products and services. This is demonstrated by the fact that 92% of Iowans use wireless.¹ Further, according to the Federal Communications Commission (FCC), wireless subscribers in Iowa have grown to over 2.8 million subscribers, representing a 13% increase since 2010.² 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 File 380 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 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.³ More

¹ U.S. Census, Population Estimates, at <http://www.census.gov/data/tables/2016/demo/pepest/state-total.html>, last accessed 2/22/2017.

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 2/22/2017.

³ "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

specifically, Iowa 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 Des Moines may create nearly 2,000 jobs and increase GDP by \$319 million and a community like Indianola may see the creation of over 140 jobs and increase GDP by \$23 million.⁴ That's the promise of the next-generation of wireless technology. America needs to lead in its deployment.

House File 380 legislation helps to remove barriers to efficient deployment of small cell wireless infrastructure. House File 380 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 File 380 makes small cells on existing infrastructure a "permitted use" and not subject to discretionary review like larger "macro" towers. House File 380 creates a "deemed approved" remedy after 60 days from submission of a small cell application if there is no deficiency in the application. Further, House File 380 also allows for consolidation of substantially similar small cell applications, to minimize administrative impacts while improving efficiency. The legislation also imposes height limitations on the construction of small cell structures. Finally, the bill seeks to impose reasonable rates, terms and conditions for access to infrastructure in and outside of the ROW.

Finally, it is important to note that House File 380 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.⁵ 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 efficiently spent as capital tends to flow to places that are ready for investment. House File 380 would send such a signal that Iowa is ready for investment.

Thank you for the opportunity to submit testimony in support of House File 380 and we strongly urge its approval.

Sincerely,



Bethanne Cooley
Director, State Legislative Affairs
CTIA

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.

⁴ *Ibid.*

⁵ CTIA's Wireless Industry Summary Report, Year-End 2015 Results, 2015, <http://www.ctia.org/industry-data/ctia-annual-wireless-industry-survey>, last accessed 2/22/2017.

Example of a Small Cell



5G Benefits: Iowa

Des Moines

- Nearly 2,000 jobs created
- Over \$120 million in Smart City benefits
- \$319 million in estimated GDP growth

Sioux City

- 770 jobs created
- Over \$47 million in Smart City benefits
- \$126 million in estimated GDP growth

Indianola

- Over 140 jobs created
- Over \$4.5 million in Smart City Benefits
- \$23 million in estimated GDP growth

