



April 3, 2024

Representative Ginny Klevorn
Chair, State and Local Government Finance and Policy
State Office Building, Room 10
600 Cedar St
St. Paul, MN 55101

RE: Concerns Regarding HF 4182 As Amended by A3

Dear Chair Klevorn:

On behalf of CTIA®, the trade association for the wireless communications industry, I write to raise concerns about HF 4182 as amended by A3.

Language in the A3 amendment to HF 4182 seeks to ensure the bill does not apply to wireless providers (Page 2, line 31). Unfortunately, the proposed language is ambiguous and leaves unclear whether – and if so how – the bill’s franchising and other regulatory provisions would apply to wireless providers and the totality of services they provide. Given this uncertainty, a number of our original objections to the bill remain, including:

- The bill allows localities to charge a franchise fee to raise revenues, defray expenses or both, and deletes the requirement that fees on telecommunications users for use of the ROW be cost-based. However, federal law prohibits such revenues-based fees. See, e.g., *Accelerating Wireless Broadband Deployment by Removing Barriers to Infrastructure Investment*, 36 FCC Rcd 9088 at ¶¶ 72-76 (2018), *aff’d in part sub nom. City of Portland v. United States*, 969 F.3d 1020 (9th Cir. 2020).
- The bill allows localities to prevent a provider from offering service without first obtaining a franchise. Such franchising requirements would violate the prohibition in Section 332 of the federal Communications Act, which preempts state and local entry requirements with respect to wireless providers. In addition, the bill deletes from current law several provisions that place limits on local franchising. These changes raise additional concerns for the wireless industry.
- The bill also removes several provisions in existing law that grant certain rights to wireless providers, regarding payment of fees and locating facilities in ROW.

We believe these issues can be fully addressed by amending the bill to clearly exempt wireless services from franchising and related provisions and define wireless services consistent with existing Minnesota law. Minnesota Statutes 2022, section 237.162, subdivision 9 contains a clear and workable definition, and section 237.162 is one of the sections addressed by HF 4182. It is thus appropriate to reference a definition that is already codified in Minnesota law.



At a time of exploding consumer demand for wireless services, and with Minnesota slated to receive \$650 million in federal funding through the BEAD program, creating more potential regulatory hurdles and barriers like those in the amended version of HF 4182 would slow deployment and investment in infrastructure. Success in these efforts depends on regulatory certainty for our members. This predictability fuels economic growth in Minnesota, where our industry supports approximately 57,000 jobs and generates \$5.7 billion in state GDP growth.

Given the legal, policy and economic impacts of this bill, we strongly encourage further amendments to HF 4182 that provide a clear and comprehensive exemption for wireless services.

Sincerely,

Jeremy Crandall
Assistant Vice President
State Legislative Affairs