



May 17, 2017

The Honorable Rick Scott
Governor, State of Florida
The Capitol
400 South Monroe Street
Tallahassee, FL 32399

Subject: Veto Request for CS/CS/HB 687 Utilities

Dear Governor Scott:

On behalf of the 412 municipalities in the State of Florida, the Florida League of Cities requests that you veto CS/CS/HB 687. This legislation will have a *significant* adverse impact on city police powers to properly regulate use of public rights of way, and cities will not receive fair compensation for use of city-owned infrastructure located within the public rights of way.

CS/CS/HB 687 preempts city control of taxpayer-owned rights of way for the placement of “small” or “micro” wireless antennas and equipment, which can be the size of a refrigerator. While the bill attempts to preserve a diminutive amount of city control of the aesthetics of the public right of way, it effectively preempts significant control to the wireless industry.

Florida cities embrace the deployment of 5G technology in their communities; however, this bill offers deep discounts to multibillion dollar telecommunications companies at the taxpayers’ expense. The bill sets an arbitrary cap on the cost to collocate wireless facilities on city-owned infrastructure in the right of way (light poles, etc.) to \$150 per attachment per year. A market analyst who testified before the House and Senate committees hearing the bill explained that the lost revenues to cities could range from \$50 million to \$100 million annually.

There is a developing market for the collocation of these facilities that this bill would distort. In the City of Fort Walton Beach, a telecommunications provider sought to install small cell wireless facilities and offered the city \$2,000 per attachment per year. The Jacksonville Electric Association has an agreement for \$1,200 per attachment per year. The telecommunications industry offered these terms because they are in line with market price.

Also, for reasons that seem both illogical - and ultimately indefensible - the bill carves out both The Villages and the Florida Department of Transportation (FDOT). Why should the FDOT be allowed to monetize the infrastructure in its rights of way but cities not be able to receive fair market value for city-owned infrastructure that the taxpayers have invested in?

President **Susan Haynie**, Mayor, Boca Raton

First Vice President **Gil Ziffer**, Commissioner, Tallahassee • Second Vice President **Leo E. Longworth**, Commissioner, Bartow

Executive Director **Michael Sittig** • General Counsel **Harry Morrison, Jr.**

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The apparent rationale for exempting The Villages was, "it is an extensively planned area with every detail woven into not only a construction project or the layout of a community, but it is actually an entire culture that was put together." Clearly, this describes each city in the state. All municipalities have a distinct personality and look, which are important to the quality of life of their residents. By their very nature, each city is unique and special.

The industry will not be ready to deploy the technology to enable 5G until 2022. Why rush and pass legislation that creates and undercuts city police powers? Rather, Florida should protect the free market, which fully understands that there is a difference in the value of property and of the use of rights of way depending on the location and value of surrounding properties.

Please contemplate these points when considering the Florida League of Cities' request to veto CS/CS/HB 687. Thank you for your leadership and your time on this matter.

In the fight for Home Rule.



Michael Sittig
Executive Director
Florida League of Cities