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## SUBSTITUTE SENATE BILL 6515

State of Washington 55th Legislature 1998 Regular Session

**By** Senate Committee on Energy & Utilities (originally sponsored by Senators Strannigan, Finkbeiner, Morton and Swecker)

Read first time 02/06/98.

- 1 AN ACT Relating to franchises and the use of public rights of way;
- 2 adding new sections to chapter 80.36 RCW; adding a new section to
- 3 chapter 35.21 RCW; adding a new section to chapter 35A.21 RCW; adding
- 4 a new section to chapter 36.01 RCW; and creating a new section.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** The legislature finds that technological
- 7 developments have made telecommunications evermore important to the
- 8 health, safety, and welfare of the people of this state and to the
- 9 efficient and cost-effective conduct of the state's economy. The pace
- 10 of technological change is expected to continue and increase in the
- 11 future. Massive investment by private industry in telecommunications
- 12 infrastructure will be required to make the benefits of technological
- 13 development available to the people of the state. This is particularly
- 14 true if the modern infrastructure is to reach all parts of the state,
- 15 rural as well as urban.
- 16 The legislature also finds it necessary to clarify and integrate
- 17 policies on use of public rights of way in order to recognize and
- 18 foster the changes that are occurring in telecommunications.

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The legislature declares that government policies for the use of public rights of way should encourage investment in and development of infrastructure needed for leading-edge applications 4 telecommunications. These policies will also serve as an important means of economic development, allowing the state to remain competitive in national and international markets and to attract jobs to and develop robust economies in its rural and underdeveloped areas.

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The legislature further declares that growth in economic activity resulting from modernized right of way policies will create new jobs and business opportunities as well as bring better service and lower prices to consumers. State and local government will benefit by the availability of improved services and the creation of a larger and more stable revenue base.

The legislature declares that rights of way are granted to the government for the use of the public in transportation and commerce; and that the use of these rights of way by telecommunications facilities is essential for the protection and advancement of the public's health, safety, and welfare and therefore is in the public's interest.

The legislature recognizes that franchises are one means by which state and local governments determine the uses to be made of rights of way and by which these uses are regulated. However, the legislature declares that existing law on the regulation of construction and development provides state and local governments with the authority necessary to regulate the use of the public rights of way for telecommunications facilities. Therefore, it is not useful or appropriate for governments to use franchises in connection with telecommunications facilities.

The legislature intends that governments rely on construction and development regulations, and not on franchises, permits, or licences that relate solely to the public right of way, that apply generally and uniformly to construction both inside and outside the public right of in connection with use of the public right of telecommunications facilities.

The legislature recognizes that it is presently the case and the policy of this state that government and industry codes, regulations, and standards for telecommunications exist to protect the safety of the public and of the workers in the telecommunications industries. It is the intent of the legislature to promote policies that recognize the

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introduction of competition in telecommunications, and that will result 1 2 in new entrants into this industry, without needlessly changing or supplanting existing codes, regulations, and standards. As additional 3 4 companies seek to locate their facilities in public rights of way, it 5 is the intent of the legislature to establish uniform, competitively neutral, and nondiscriminatory rules for use of the public right of way 6 7 so that all competitors will face the same requirements and obligations 8 and none will have a privileged position in relation to others.

Therefore, it is the policy of the state of Washington to terminate the use of franchises in connection with the use of the public rights of way by certain telecommunications facilities and to rely on general authority over construction and development to foster investment in updated infrastructure for these industries.

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Although fees and charges presently levied by local governments on 14 15 the telecommunications industry for use of public rights of way, such as franchise fees, permit fees, land use development fees, and other 16 17 fees, often recover more than the administrative costs actually incurred by government in processing such matters and are being treated 18 19 as sources of general revenue, it is the policy of the state that 20 governments will not use franchises, permits, and licenses required for 21 construction, repair, maintenance, use, and operation of facilities for 22 telecommunications as a means of raising general revenue. It is the 23 intent of the legislature and the policy of this state that fees for 24 necessary permits and licenses do not exceed the actual costs incurred 25 in receiving, considering, and issuing the permits and licenses.

NEW SECTION. Sec. 2. Unless the context clearly requires otherwise, the definitions in this section apply throughout chapter 28 . . ., Laws of 1998 (this act).

- (1) "Authorized facilities" means all of the plant, equipment, fixtures, appurtenances, and other facilities necessary to furnish and deliver telecommunications services, including but not limited to poles with crossarms, poles without crossarms, wires, lines, conduits, cables, communication and signal lines and equipment, braces, guys, anchors, vaults, and all attachments, appurtenances, and appliances incidental distribution necessary or to the and use of telecommunications services.
- 37 (2) "Authorized user" means any person providing telecommunications 38 service to the public.

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- 1 (3) "Cable television service" means the one-way broadcast or cable transmission of television or radio signals.
- 3 (4) "Public right of way" means any, every, and all of the roads, 4 streets, avenues, alleys, highways, and other public ways within the 5 state. "Public right of way" includes but is not limited to those public ways within any city, town, or county, as such public rights of 6 7 way may now or hereafter be laid out, platted, dedicated, or improved; 8 including those used for limited-access highways that are part of the state and interstate highway system; and including those public rights 9 10 of way used, occupied, or crossed by railroad lines.
- 11 (5) "Telecommunications service" means the transmission of 12 information by wire, radio, optical cable, electromagnetic, or other 13 similar means for the public and includes cable television service. 14 For the purpose of this subsection, "information" means knowledge or 15 intelligence represented by any form of writing, signs, signals, 16 pictures, sounds, or any other symbols.
- NEW SECTION. Sec. 3. (1) An authorized user may erect, construct, 17 18 support, attach, connect, stretch authorized facilities between, 19 maintain, repair, replace, and operate and use authorized facilities in, upon, over, under, along, across, and through public rights of way. 20 21 These authorized facilities shall be maintained within public rights of 22 way so as not to unreasonably interfere with the free passage of 23 traffic and in accordance with the laws of the state and appropriate 24 codes, regulations, and standards adopted by cities, towns, counties. 25
- 26 (2) Nothing in this section waives the responsibility of the 27 authorized users to obtain permits for the installation of authorized 28 facilities as required by cities, counties, and towns.
- 29 (3) Nothing in this section creates a priority use for authorized 30 facilities over other users of the right of way for utility purposes or 31 other purposes subject to local franchise or permit.
- NEW SECTION. Sec. 4. (1) The state or any county, city, or town may regulate the construction, maintenance, repair, replacement, extension, operation, or use of authorized facilities within the public right of way by means of construction and development of rules and regulations that are uniformly and generally applied to similarly

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situated uses within public rights of way. Cities, towns, and counties are encouraged to specifically adopt such regulations by July 1, 1999.

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- 3 (2) The state or any county, city, or town may adopt or enforce 4 construction or development rules or regulations of general 5 applicability that do not:
- 6 (a) Discriminate or have the effect of discriminating among 7 authorized users or authorized facilities;
- 8 (b) In any way conflict with: (i) Federal and state public service 9 laws; (ii) federal or state laws, rules, and regulations that 10 specifically apply the design, construction, and operation of 11 authorized facilities; or (iii) federal or state worker safety and 12 public safety laws, rules, and regulations;
  - (c) Regulate telecommunications services based upon the content or type of signals that are carried or are capable of being carried over the telecommunications facilities, except where specifically authorized in state or federal law;
  - (d) Require an authorized user to relocate authorized facilities at its own expense except that such a relocation shall be at the expense of the authorized user if: (i) The relocation is caused by an improvement project involving the grading or widening of a highway, street, or road; (ii) the improvement project is on behalf of and for the benefit of the state, county, city, or town and not for the benefit of a private person or the result of a private project; (iii) notice of the project is given to the authorized user a reasonable time prior to commencement of the project so that the user with the collaboration and cooperation of government planners and other regulators may mitigate the impact on its facilities; and (iv) other than in areas annexed or incorporated within four years prior to the notice in (d)(iii) of this subsection, the project is part of a capital facilities plan or transportation element adopted pursuant to chapter 36.70A RCW;
  - (e) Require overhead authorized facilities to be converted to underground facilities or to require new authorized facilities to be installed underground except in accordance with applicable schedules and tariffs on file with the Washington utilities and transportation commission or, in the case of users not subject to the jurisdiction of the commission, as are applied generally and uniformly throughout its service area; or
- 38 (f) Provide for an unreasonably long period, not to exceed one 39 hundred twenty days except with the agreement of the applicant, between

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- 1 filing a complete application for a permit and issuance of the permit,
- 2 or otherwise unreasonably delay work by authorized users on authorized
- 3 facilities in the public right of way except where required by specific
- 4 procedures to assure cooperation of work within the right of way which
- 5 provide reasonable opportunities for scheduling of work and do not
- 6 impose unreasonable barriers to entry.
- 7 (3) Cities, towns, and counties are encouraged to develop
- 8 procedures to provide interim authorizations for the installation of
- 9 authorized facilities and process a complete permit, where the timeline
- 10 to complete such an agreement is expected to exceed one hundred twenty
- 11 days.
- 12 <u>NEW SECTION.</u> **Sec. 5.** Neither the state nor any county, city, or
- 13 town may place a moratorium on the construction, maintenance, repair,
- 14 replacement, extension, operation, or use of any cell tower, wireless
- 15 antennae, or wireless communication facility that is regulated under
- 16 this chapter within three years following the effective date of this
- 17 act. An existing moratorium that expires during this three-year period
- 18 may not be extended, in whole or in part, until three years following
- 19 the effective date of this act.
- 20 <u>NEW SECTION.</u> **Sec. 6.** (1) Except as provided in section 4 of this
- 21 act, neither the state nor any county, city, or town may require an
- 22 authorized user to obtain a franchise or any other form of permit,
- 23 license, or permission to occupy or use public rights of way if
- 24 authorized under section 3 of this act. Neither the state nor any
- 25 county, city, or town may impose, demand, or accept any compensation
- 26 from an authorized user for the use or occupancy of public rights of
- 27 way for authorized facilities, whether by fee, charge, license, rent,
- 28 use of authorized facilities at other than normal charges, provision of
- 29 in-kind services by authorized users without compensation or at
- 30 below-market rates, or any other manner whatsoever.
- 31 (2) Nothing in this section precludes a county, city, or town from
- 32 issuing franchises and imposing franchise fees for cable services as
- 33 allowed by 47 U.S.C. Secs. 541 and 542.
- NEW SECTION. Sec. 7. Neither the state nor any county, city, or
- 35 town may impose, require, demand, or accept any fee, tax, charge, or
- 36 other compensation of any nature or kind whatsoever, including but not

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- 1 limited to the provision of in-kind services by authorized users
- 2 without compensation or at below-market rates, use of authorized
- 3 facilities at other than normal charges, or any other manner
- 4 whatsoever, for any act authorized by section 3 of this act unless the
- 5 same fee, tax, charge, or other compensation is imposed generally and
- 6 uniformly on projects outside public rights of way.
- 7 <u>NEW SECTION.</u> **Sec. 8.** Neither the state nor any county, city, or
- 8 town may impose any fee, tax, charge, or other compensation that
- 9 recovers more than the direct administrative expenses actually incurred
- 10 by the state, county, city, or town in receiving and approving a
- 11 construction or development permit, inspecting plans and construction,
- 12 or preparing a detailed statement pursuant to chapter 43.21C RCW.
- 13 <u>NEW SECTION.</u> **Sec. 9.** A new section is added to chapter 35.21 RCW
- 14 to read as follows:
- 15 Each city or town is subject to the requirements and restrictions
- 16 regarding telecommunications services and public rights of way under
- 17 sections 2 through 8 of this act.
- 18 <u>NEW SECTION.</u> **Sec. 10.** A new section is added to chapter 35A.21
- 19 RCW to read as follows:
- 20 Each code city is subject to the requirements and restrictions
- 21 regarding telecommunications services and public rights of way under
- 22 sections 2 through 8 of this act.
- NEW SECTION. Sec. 11. A new section is added to chapter 36.01 RCW
- 24 to read as follows:
- 25 Each county is subject to the requirements and restrictions
- 26 regarding telecommunications services and public rights of way under
- 27 sections 2 through 8 of this act.
- NEW SECTION. Sec. 12. Sections 2 through 8 of this act are each
- 29 added to chapter 80.36 RCW.

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