SENATE RULES COMMITTEE

Office of Senate Floor Analyses

(916) 651-1520 Fax: (916) 327-4478

UNFINISHED BUSINESS

Bill No: SB 378

Author: Gonzalez (D), et al.

Amended: 6/29/21

Vote: 21

SENATE GOVERNANCE & FIN. COMMITTEE: 5-0, 4/8/21

AYES: McGuire, Nielsen, Durazo, Hertzberg, Wiener

SENATE ENERGY, U. & C. COMMITTEE: 13-0, 4/26/21

AYES: Hueso, Dahle, Becker, Borgeas, Bradford, Dodd, Eggman, Gonzalez,

Grove, Hertzberg, McGuire, Min, Rubio

NO VOTE RECORDED: Stern

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

SENATE FLOOR: 35-0, 5/20/21

AYES: Allen, Archuleta, Bates, Becker, Borgeas, Bradford, Caballero, Dahle, Dodd, Durazo, Eggman, Glazer, Gonzalez, Hertzberg, Hueso, Hurtado, Jones, Kamlager, Laird, Leyva, McGuire, Melendez, Min, Newman, Nielsen, Ochoa Bogh, Pan, Portantino, Roth, Rubio, Skinner, Umberg, Wieckowski, Wiener, Wilk

NO VOTE RECORDED: Atkins, Cortese, Grove, Limón, Stern

ASSEMBLY FLOOR: 72-0, 8/30/21 - See last page for vote

SUBJECT: Local government: broadband infrastructure development project

permit processing: microtrenching permit processing ordinance

SOURCE: Crown Castle

DIGEST: This bill requires local governments to allow fiber installers to use microtrenching as a method for installing fiber unless the local government makes a specified finding that permitting microtrenching would adversely impact public health and safety.

Assembly Amendments revise the provisions of the bill regarding fees for processing microtrenching applications and make other technical changes.

ANALYSIS:

Existing law:

- 1) Allows, under the California Constitution, a city or county to make and enforce within its limits, all local, police, sanitary, and other ordinances and regulations not in conflict with general laws.
- 2) Provides that local governments can exercise reasonable control as to the time, place, and manner in which roads, highways, and waterways are accessed.
- 3) Establishes liability requirements for any individual who damages or destroys telegraph, telephone, electrical, or gas corporation equipment.
- 4) Establishes, under the Dig Safe Act of 2016, safety requirements for excavations around buried utility infrastructure. Specifically, the act:
 - a) Establishes the "Dig Safe Board."
 - b) Establishes requirements for excavations.
 - c) Creates notification requirements prior to the start of excavations.
 - d) Establishes penalties for violating excavation statutes and rules.
 - e) Specifies that no permit issued by a state or local agency for excavations is valid unless the permit applicant has obtained a ticket from a regional notification center.
- 5) Requires any permit fee imposed by a city or county for telecommunications facilities that have obtained all required authorizations to provide telecommunications services cannot exceed the reasonable costs of providing the service for which the fee is charged and cannot be levied for general revenue purposes.

This bill:

1) Requires a local agency to allow microtrenching as a method for installing undergrounded fiber unless the local agency makes a specified finding that

- permitting microtrenching for fiber would have a specific, adverse impact on public health and safety.
- 2) Requires a local agency to adopt or amend policies, ordinances, codes, or construction rules to permit microtrenching under this bill.
- 3) Allows local governments to charge fees for reviewing and processing applications for a microtrenching permit, consistent with existing law for telecommunications facilities. The bill limits the fees to the reasonable costs of processing and issuing the permit and inspecting the installation that is the subject of the permit, including any costs incurred if the applicant elects to expedite processing and review.
- 4) Defines "fiber" as fiber optic cables, and related ancillary equipment such as conduit, ancillary cables, hand holes, vaults and terminals.
- 5) Defines a "microtrench" as a narrow open excavation trench that is four inches or less in width and between 12 and 26 inches in depth created for installing a subsurface pipe or conduit.
- 6) Allows, upon mutual agreement between a local government and an applicant, for a microtrench to be excavated shallower than 12 inches in depth.
- 7) Provides that nothing in the bill supersede, nullify, or otherwise alter the requirements to comply with safety standards, including, but not limited to, the following:
 - a) The Dig Safe Act of 2016.
 - b) Public Utility Commission standards for constructing underground electrical or telecommunications infrastructure, or a successor standard.

Background

Modern broadband service, whether furnished through a wired connection or wirelessly over mobile devices, requires the installation of fiber optic cables to convey data signals across a network. Companies that want to install the fiber optic infrastructure required to serve new areas or expand capacity in existing areas must apply to cities and counties for permits to install fiber in the public right of way.

Traditionally, telecommunications wires have been installed aerially through attachments to utility poles or through the digging of open trenches. As an

alternative to traditional trenching or boring to install fiber underground, some fiber installation companies have turned to "microtrenching." Microtrenching is a process whereby specialized machinery cuts a narrow slice out of the roadway at a depth of approximately 1-2 feet. Conduit containing fiber optic cables is laid in the small trench created, and then material is backfilled over and the trench is sealed. Microtrenching requires significantly less excavation and can be performed more quickly than open trenching, saving costs for installers.

Comments

- 1) Purpose of the bill. According to the author, "SB 378 is measure that is designed to help close the digital divide now and in the future. The COVID-19 pandemic has made it clear that Californians need broadband connection as quickly as possible. Laying fiber is a critical component to support broadband connection and to bring advanced, fast and reliable internet services, whether to the home, community or somewhere in between. Further, the cost of laying fiber is still the most expensive part of bringing broadband to new places. By lowering installation costs and speeding up deployment of fiber hundreds of thousands of Californians will be able to access the internet to complete their school work, access telehealth services, work remotely, and much more. This is a critical measure that can help our communities close the digital divide in a quick and cost effective way."
- 2) Who gets to choose? The California Constitution charges cities and counties with the responsibility and authority to look out for their residents' health, safety, and welfare. In doing so, local officials must often balance competing considerations. In the context of the installation of broadband infrastructure in the public right of way, local agencies weigh the need for affordable, reliable broadband against other concerns that can include: uses of the public right of way by other users, including residents as well as utilities such as electric, gas, and water; whether one type of installation method ensures a longer useful life for infrastructure; and the timing of other improvements to the right of way, such as repaving. Fiber installers, on the other hand, are most concerned with providing only a single service and have a profit motive that encourages them to deploy infrastructure as inexpensively as possible. SB 378 requires local governments to allow microtrenching, even where local officials determine that another method would best serve all of the needs of the community. Supporters argue that empowering providers to use microtrenching will result in faster, cheaper broadband deployment, while critics argue that nothing in SB 378 requires deployment in underserved areas or otherwise improve access to broadband. Does the promise of better broadband service through SB 378 merit

the restrictions on local governments to ensure the welfare of their communities?

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

According to the Assembly Appropriations Committee, "No state costs. This bill places new requirements on local agencies by requiring them to allow microtrenching, but local costs are not reimbursable because the bill provides explicit authority for each local agency to recover permitting costs from reasonable fees."

SUPPORT: (Verified 8/31/21)

Crown Castle (source)

Bay Area Council

California Apartment Association

California Builders Alliance

California Building Industry Association

California Business Properties Association

California Medical Association

California Retailers Association

California School Boards Association

California Wireless Association

Chula Vista Chamber of Commerce

Fiber Broadband Association

Garden Grove Chamber of Commerce

Greater Sacramento Economic Council

Harbor Association of Industry and Commerce

Little Hoover Commission

Los Angeles County Business Federation

Sacramento Regional Builders Exchange

San Francisco Chamber of Commerce

Silicon Valley Leadership Group

South Bay Association of Chambers of Commerce

The Bay Area Council

Unite-La, Inc.

Verizon Communications, Inc. and its Affiliates

Wireless Infrastructure Association

OPPOSITION: (Verified 8/31/21)

City of San Jose
City of Santa Clarita
City of Thousand Oaks
Keep Cell Antennas Away
Safe Technology for Santa Rosa
Santa Barbara Green Sisters
Southern California Contractors Association
Towards an Internet of Living Beings
Wireless Radiation Education & Defense

ASSEMBLY FLOOR: 72-0, 8/30/21

AYES: Aguiar-Curry, Arambula, Bauer-Kahan, Bennett, Berman, Bigelow, Bloom, Boerner Horvath, Bryan, Burke, Calderon, Carrillo, Cervantes, Chau, Chen, Chiu, Choi, Cooley, Cooper, Cunningham, Megan Dahle, Daly, Davies, Flora, Fong, Frazier, Friedman, Gabriel, Gallagher, Cristina Garcia, Eduardo Garcia, Gipson, Gray, Grayson, Holden, Jones-Sawyer, Kalra, Lackey, Lee, Levine, Low, Maienschein, Mayes, McCarty, Medina, Mullin, Muratsuchi, Nazarian, Patterson, Petrie-Norris, Quirk, Quirk-Silva, Ramos, Reyes, Luz Rivas, Robert Rivas, Rodriguez, Blanca Rubio, Salas, Santiago, Smith, Stone, Ting, Valladares, Villapudua, Voepel, Waldron, Ward, Akilah Weber, Wicks, Wood, Rendon

NO VOTE RECORDED: Lorena Gonzalez, Irwin, Kiley, Mathis, Nguyen, O'Donnell, Seyarto

Prepared by: Anton Favorini-Csorba / GOV. & F. / (916) 651-4119 8/31/21 16:39:12

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