# Table of Contents

- **BANKING AND FINANCIAL REGULATIONS OF MARIJUANA** ................................................................. 1
- **CORPORATE FORMATIONS** ........................................................................................................... 4
- **NCSL SUPPORTS AND URGES ENACTMENT OF THE REMOTE TRANSACTIONS PARITY ACT** .................................................................................................................. 6
- **NCSL SUPPORTS PASSAGE OF THE FEDERAL DIGITAL GOODS & SERVICES TAX FAIRNESS ACT** .......................................................................................................................... 8
- **NCSL URGES THE CONGRESS AND THE PRESIDENT OF THE UNITED STATES TO ENACT LEGISLATION CURRENTLY BEFORE THE CONGRESS, THAT WOULD REINSTATE THE SEPARATION OF COMMERCIAL AND INVESTMENT BANKING FUNCTIONS PREVIOUSLY IN EFFECT UNDER THE GLASS-STEAGALL ACT** .................................................. 10
- **REMOTE COMMERCE** .................................................................................................................. 12
- **RESOLUTION SUPPORTING INTELLECTUAL PROPERTY (IP) RIGHTS AND PROTECTIONS TO PROMOTE PRODUCTIVITY, COMPETITIVENESS, JOBS, AND PUBLIC HEALTH** .......................................................................................................................... 13
- **SMALL CELL DEPLOYMENT** .......................................................................................................... 15
- **STATE SOVEREIGNTY FOR GAMING** ............................................................................................ 18
- **SUPPORTING THE DEVELOPMENT OF A BALANCED NATIONAL SPECTRUM POLICY THAT INCLUDES UNLICENSED ACCESS IN THE 5GHZ BAND TO MEET THE DEMAND FOR WIRELESS TECHNOLOGIES** .................................................................................................. 21
WHEREAS, twenty-five states and Washington, D.C., have legalized certain forms of cannabis usage; and

WHEREAS, a number of states are poised to legalize certain forms of cannabis this upcoming general election; and

WHEREAS, Alaska, Colorado, Oregon, and Washington are creating substantial regulatory regimes with respect to the cannabis industry to ensure compliance with laws related to the growth, sale and usage of cannabis; and

WHEREAS, these new regulatory schemes relating to cannabis have created a significant expansion of the cannabis industry authorized under state law; and

WHEREAS, business enterprises need access to financial institutions that provide capital, security, efficiency, and record keeping; and

WHEREAS, cannabis remains illegal at the federal level as a Schedule I drug under the federal Controlled Substances Act; and

WHEREAS, the federal Bank Secrecy Act and its implementing regulations impose substantial administrative and operational burdens, compliance risk and regulatory risk that serve as a barrier to banks and credit unions providing banking services to businesses and individuals involved in the cannabis industry; and

WHEREAS, providing banking services to cannabis related businesses entails additional risk to banks and credit unions arising from the fact that cannabis is a
Schedule I drug under the Controlled Substances Act, substantially increasing risk of civil or criminal liability; and

WHEREAS, the majority of financial institutions have determined that there has been insufficient federal guidance for providing banking services to cannabis related businesses; and

WHEREAS, federal guidance for the banking industry in working with cannabis related businesses is inadequate to create a regulatory environment as it does not change applicable federal laws, imposes significant compliance burdens and is subject to change at any time; and

WHEREAS, without banking options, cannabis related businesses are forced to operate exclusively in cash; and

WHEREAS, a large and growing cash-only industry attracts criminal activity and creates substantial public safety risks; and

WHEREAS, a cash-only industry reduces transparency in accounting and makes it difficult for the state to implement an effective regulatory regime that ensures compliance; and

WHEREAS, the inability of cannabis related businesses to pay taxes in a form other than cash, which may only be remitted in person, creates a large burden on state to develop new infrastructure to handle the influx of cash, and on the business owners who may have to travel long distances with large sums of cash; and

WHEREAS, states have been forced to take expensive security measures to mitigate public safety risks to taxpayers utilizing the system, state employees and the public at large; and

WHEREAS, states do not have any control over the enforcement of federal laws and cannot enact legislation that provides banks and credit unions with protections necessary to overcome federal law; and
NOW, THEREFORE, BE IT RESOLVED, that the National Conference of State Legislatures believes that the Controlled Substances Act should be amended to remove cannabis from scheduling and explicitly allow states to set their own cannabis policies without federal interference; and

BE IT FURTHER RESOLVED, that the National Conference of State Legislatures acknowledges that each of its members will have differing and sometimes conflicting views of cannabis and how to regulate it, but in allowing each state to craft its own regulations we may increase transparency, public safety, and economic development where it is wanted.
A corporation is defined as a legal entity or structure created under the authority of a state's laws, consisting of a person or group of persons who become shareholders. The entity's existence is considered separate and distinct from that of its members. A corporation can enter into contracts, sue and be sued, pay taxes separately from its owners, and do the other things necessary to conduct business.

The ability to regulate and set standards for incorporation law had long resided within the individual states. Many states rely on the revenue generated by incorporation fees, corporate taxes and other fees as a way to fund many of their public needs. States determine what the articles of incorporation need to involve and have the ability to both tighten and lift barriers for corporate formation.

One of the key reasons for forming a corporation is the limited liability protection provided to its owners. Because a corporation is considered a separate legal entity, the shareholders have limited liability for the corporation's debts. The personal assets of shareholders are not at risk for satisfying corporate debts or liabilities.

In 2001, after the terrorist attack on the United States, the U.S. Treasury Department was tasked with tracking the funding of terrorists cells and groups. One of the findings of these early studies was the concern that state corporate formation statutes may have allowed terrorists and other criminals in laundering money and hiding assets. In 2002, a number of states were identified by the Treasury Department as having insufficient requirements for the identification of members, managers or the beneficial owners of the corporation or other limited liability entities.

In 2006, the General Accounting Office (GAO) and the Money Laundering Threat Assessment Working Group of the U.S. Treasury Department released studies
regarding what they considered the lax corporate formation requirements by states. Almost every state was cited by the GAO report for inadequate corporate formation information requirements.

In late 2006, the Permanent Subcommittee on Investigations of the United States Senate Homeland Security and Governmental Affairs held a hearing on the reports and what the Subcommittee claimed was the states failure to respond. In February 2007, some in Congress served noticed that if the states failed to address the findings of the studies, then Congress would set a national standard for corporate formation and registration. In doing so, Congress would preempt most states’ corporate formation statutes and seriously impact the revenues of many states.

A special Task Force was established by the Executive Committee of the National Conference of State Legislatures to study the federal reports, and the congressional hearing and to determine if the concerns were valid. After a year of meetings and hearings, the NCSL Task Force has found that while some state statutes may lack some of the transparency demanded by the federal agencies, the wholesale preemption of state corporate formation statutes is unwarranted and unnecessary. However, NCSL is committed to working with the National Association of Secretaries of State, American Bar Association, and the National Conference of Commissioners of Uniform State Laws to enhance the transparency of current state corporate formation laws.

Therefore, the National Conference of State Legislatures will oppose any unwarranted effort at the federal level to preempt state incorporation laws without proper justification that such laws have led to criminal or terror activities.
WHEREAS, the 1967 *Bellas Hess* and the 1992 *Quill* Supreme Court decisions denied states the authority to require the collection of sales and use taxes by out-of-state sellers that have no physical presence in the taxing state; and

WHEREAS, the combined weight of the inability to collect sales and use taxes due on remote sales through traditional carriers and the tax erosion from electronic commerce threatens the future viability of the sales tax as a stable revenue source for state and local governments; and

WHEREAS, a report from the National Taxpayers Union has estimated that from 2015 to 2025 states will be unable to collect $340 billion in sales taxes that are owed from out-of-state purchases; and

WHEREAS, the Remote Transactions Parity Act is bi-partisan legislation that was introduced in the United States House of Representatives which authorizes each member state under the Streamlined Sales and Use Tax Agreement to require all sellers not qualifying for a small-seller exception to collect and remit sales and use taxes with respect to remote sales, and allows a state that is not a member state under the Agreement to require sellers to collect and remit sales and use taxes with respect to remote sales sourced to such state if the state adopts and implements certain minimum simplification requirements; and
WHEREAS, unlike federal proposals, such as the Online Sales Simplification Act (OSSA), which would determine a product’s taxability based on the location of the seller, the Remote Transactions Parity Act does not preempt or impose new requirements on states that choose not to comply with the legislation’s requirements and simplifications; and

WHEREAS, unlike federal proposals, such as the Online Sales Simplification Act (OSSA), which would determine a product’s taxability based on the location of the seller, the Remote Transactions Parity Act does not: impose new taxes on consumers, fundamentally change how states raise revenue, establish tax havens, or jeopardize the viability of consumption taxes as a revenue source for states; and

WHEREAS, it has been over three years since the United States Senate overwhelming passed similar legislation, the Marketplace Fairness Act, yet the Remote Transactions Parity Act has not even received a hearing, despite the fact that it has 65 cosponsors and enjoys broad support in the committee of jurisdiction and congress; and

NOW, THEREFORE BE IT RESOLVED THAT, the National Conference of State Legislatures (NCSL) appreciates the leadership of U. S. Senators Richard Durbin (Ill.), Mike Enzi (Wyo.), Lamar Alexander (Tenn.) and Heidi Heitkamp (N.D.) for championing this issue in the Senate; and

BE IT FURTHER RESOLVED THAT, the National Conference of State Legislatures appreciates the leadership of Congressman Chaffetz and his colleagues in drafting the Remote Transactions Parity Act and urges Congress to pass the legislation, co-sponsored in the House by Congressman Steve Womack (Ark.), Congressman John Conyers (Mich.), Congresswoman Kristi Noem (S.D.), Congresswoman Jackie Speier (CA.), Congressman Peter Welch (Vt.), and dozens of their colleagues; and

BE IT FURTHER RESOLVED THAT, a copy of this resolution be sent to the President of the United States and to all of the members of the 114th Congress.
WHEREAS, digital goods and services are online purchases that are downloaded directly by, or services that are provided electronically to, consumers that can transcend numerous state and local boundaries across the United States; and

WHEREAS, the exponential growth of digital commerce has demonstrated the importance of digital products to the American economy. In 2009, consumers downloaded 2.5 Billion apps. In 2017, that number is expected to exceed 278 Billion. The revenue from digital commerce was approximately $18 Billion in 2012 and is expected to grow to $46 Billion by 2016; and

WHEREAS, state policymakers recognize that the continued deployment of broadband infrastructure and adoption of broadband services is vital to economic growth and participation in the global economy; and

WHEREAS, digital goods and services are a major driver of the rapidly growing 21st Century digital economy and as such, fair and rational tax policies are needed that will not impede the continued growth of this segment of the economy; and

WHEREAS, due to the complex nature of the way digital commerce is transacted, current state and local tax laws governing the taxation of sales transactions are outdated and ill equipped to address many of the issues that surface in taxing today’s “borderless” digital economy; and
WHEREAS, as state and local governments continue to seek to modernize their tax base to include various forms of digital commerce, doing so without establishing a national framework could potentially subject consumers to multiple states claiming the right to tax the same transaction or subject such transactions to discriminatory taxation at rates higher than the rates imposed on the in-state sales of similar goods or services; and

WHEREAS, establishing a national framework would clearly identify which state and local jurisdiction can tax a digital transaction, providing much needed certainty to consumers, providers required to collect such taxes and state and local governments seeking to tax such goods and services in a fair, uniform and rational manner; and

WHEREAS, establishing a national framework as set forth in the Digital Goods and Services Tax Fairness Act preserves state sovereignty as the decision to tax digital commerce or not remains solely with the states; and

WHEREAS, the Mobile Telecommunications Sourcing Act (P.L. 106-252) established uniformity in sourcing mobile telecommunications services for state and local tax purposes using similar concepts to those contained in the Digital Goods and Services Tax Fairness Act; and

WHEREAS, NCSL has worked with other state and local organizations as well as members of the Download Fairness Coalition to develop the principles contained in the legislation and is poised to assist states as needed in complying with the federal legislation; and

NOW, THEREFORE BE IT RESOLVED THAT, The National Conference of State Legislatures urges Congress to pass the Digital Goods and Services Tax Fairness Act, in conjunction with or after consideration of the Remote Transactions Parity Act, to establish a national framework providing certainty and uniformity for state and local governments in the taxation of digital goods and services, while protecting consumers from multiple and discriminatory taxation and supporting the continued growth of the digital economy.
COMMITTEE: COMMUNICATIONS, FINANCIAL SERVICES & INTERSTATE COMMERCE

POLICY: NCSL URGES THE CONGRESS AND THE PRESIDENT OF THE UNITED STATES TO ENACT LEGISLATION CURRENTLY BEFORE THE CONGRESS, THAT WOULD REINSTATE THE SEPARATION OF COMMERCIAL AND INVESTMENT BANKING FUNCTIONS PREVIOUSLY IN EFFECT UNDER THE GLASS-STEAGALL ACT

TYPE: RESOLUTION

WHEREAS, from 1933-1999, the Federal Banking Act of 1933, known as the Glass-Steagall Act, protected the public interest in matters dealing with the regulation of commercial and investment banking; and

WHEREAS, the Glass-Steagall Act was repealed in 1999, contributing to the greatest speculative bubble and worldwide economic distress since the Great Depression of 1933; and

WHEREAS, the impact on the states has been intense and growing, as the loss of revenue due to unemployment and underemployment and U.S. Federal Government cuts and sequester provisions, and increased demands on state budgets for compensatory payments, have put severe financial strains on states, counties, and cities; according to “MultiState Insider” at least sixteen states are facing deficits in FY2016 and FY2017, with Alaska, Illinois, Pennsylvania and Louisiana facing deficits into the billions of dollars; and,

WHEREAS, the Federal Reserve Board has maintained a policy of Quantitative Easing and near-Zero Percent Interest Rates since the 2008 crisis, and this has resulted in the generation of new financial bubbles in the stock markets, commodity markets, auto loans and elsewhere. According to the most recent report of the Comptroller of the Currency, the U.S. banking system has nearly $250 trillion in derivative obligations on the books (taxpayer liability), with most of that concentrated in the top six Too Big To
Fail Banks, which are now 30% larger than in 2008. Most financial credit is being directed into the creation and maintenance of the bubbles and away from urgently needed infrastructure projects, e.g. roads, power, water projects, bridges, etc.; and,

WHEREAS, state resolutions urging the U.S. Congress to re-enact the Glass-Steagall banking law have been introduced in 15 states this year, and nearly 40 states over the past three years, and four states have passed the resolutions. 162 organizations representing millions of Americans sent letters to the U.S. Senate urging adoption of the 21st Century Glass-Steagall Act (S. 1709); and many national organizations, news media, and economists, of all political persuasions have been calling for the restoration of Glass Steagall over the past year; and

WHEREAS, a bill to restore the Glass-Steagall framework, H.R. 381, has been introduced into the U.S. House of Representatives by Congresswoman Marcy Kaptur and Rep. Walter Jones, and currently has 71 bipartisan co-sponsors; and a similar bipartisan bill, the 21st Century Glass-Steagall Act, has been introduced into the Senate, S. 1709, by Sens. Warren, McCain, King and Cantwell with four other co-sponsors; and

NOW, THEREFORE BE IT RESOLVED, that the National Conference of State Legislatures urges Congress to enact the Glass Steagall legislation currently before the Congress, that reinstates the separation of commercial and investment banking functions, prohibiting commercial banks and bank holding companies from investing in stocks, underwriting securities or investing in or acting as guarantors to derivatives transactions; and

BE IT FURTHER RESOLVED, that a copy of this resolution be sent to the President of the United States, to presiding officers of each house of Congress, and to each member of Congress.
The 1967 *Bellas Hess* and the 1992 *Quill* Supreme Court decisions denied states the authority to collect sales and use taxes by out-of-state sellers that have no physical presence or nexus in the taxing states, holding that legislation by Congress is required to create such authority. One recent report has estimated that states will lose over $23 Billion in uncollected sales tax revenues in 2012, of which $11.4 billion is from electronic commerce, and that annual losses will continue to grow as more commerce is conducted online. This disconnect with remote commerce threatens to erode the viability of the sales tax as a revenue source for state and local governments. States have requested Congressional action, but Congress has failed to close this large loophole in the states’ sales and use tax system.

NCSL calls on Congress to require all sellers, regardless of location, to collect sales taxes and remit them to the state to which they are due. Further, NCSL supports a small business exception.

Acknowledging that the complexity of multiple tax rates places a significant burden on out-of-state sellers, twenty-four states joined the Streamlined Sales Tax and Use Agreement and passed laws to simplify sales and use tax systems, remove burdens to interstate sellers, and collaborate on the collection of taxes due to them.

NCSL calls on Congress to pass legislation overturning the *Bellas Hess* and *Quill* decisions, affirming the states’ sovereign right to enter into such agreements, and granting states the authority denied to them by the Court’s decisions.
WHEREAS, Intellectual property (IP) rights and innovation are primary drivers of job creation and America’s economic growth; and

WHEREAS, over 55 million jobs are directly and indirectly supported by IP-intensive industries as a significant driver of GDP, exports, and wages in every state of the Union; and

WHEREAS, IP-intensive industries are responsible for $5.8 trillion in private sector output (GDP); and

WHEREAS, in a 2012 economic study by the U.S. Department of Commerce that ties employment and value-added numbers to IP-intensive industries, IP-intensive industries pay workers 42% higher wages than those of non IP-intensive industries; and

WHEREAS, IP-intensive industries drive American exports accounting for approximately $1 trillion (74% of total U.S. exports in 2011); and

WHEREAS, given the important role that IP plays in sustaining a long-term economic growth, policymakers should give high priority to fostering innovation and protecting intellectual property; and

WHEREAS, protecting and enforcing the IP rights of businesses are critical to advancing global economic recovery, driving competitiveness and export growth, and creating high-quality jobs; and
WHEREAS, the National Conference of State Legislatures believes that widespread efforts to promote innovation and intellectual property protection are critical to improving the nation’s long-term competitiveness in a global market, and to achieving certain socioeconomic improvements in the quality of American life; and

NOW, THEREFORE LET IT BE RESOLVED, that the National Conference of State Legislatures calls upon all levels of governments to work cooperatively with the private sector, nonprofits, and academia to create, develop and implement robust pro-IP awareness and enforcement; and

BE IT FURTHER RESOLVED, the National Conference of State Legislatures supports efforts to ensure the IPEC has sufficient staff, budget, and authority to fulfill the obligations and achieve the goals outlined in the PRO-IP Act and the National IP Strategy; and

BE IT FURTHER RESOLVED, the National Conference of State Legislatures support robust IP protection and enforcement provisions in trade agreements and their implementation; and

BE IT FURTHER RESOLVED THAT, the National Conference of State Legislatures supports existing efforts to shut down the top illegal rogue websites globally that are willfully selling counterfeit goods and facilitating digital theft; and

BE IT FURTHER RESOLVED THAT, a copy of this resolution be sent to the President of the United States and all members of the 114th Congress.
WHEREAS, wireless communication is a critical part of our everyday lives; and

WHEREAS, there were 378 million U.S. wireless subscriber connections in 2015 representing a wireless penetration rate of 115 percent nationally; and

WHEREAS, demand for wireless service and bandwidth continues to soar as U.S. consumer data usage more than doubled in 2015 with over 9.6 trillion megabytes (MBs) of data used, 2 trillion text messages exchanged, and 2.9 trillion voice minutes used; and

WHEREAS, the U.S. wireless ecosystem continues to be the recognized global leader in the deployment and adoption of 4th Generation (4G) technology; and

WHEREAS, the U.S. wireless industry is preparing for the deployment of 5G technology that will unleash further innovation in the agricultural, education, energy, finance, health care, public safety, and transportation sectors; and

WHEREAS, Ericsson forecasts nearly 28 billion new wireless Internet of Things (IoT) connected devices by 2028, which will ultimately necessitate wireless carrier network upgrades; and

WHEREAS, U.S. cities are looking to use wireless technology to introduce “Smart City” solutions by employing information and communications technology to improve the efficiency of government services, including transportation and traffic management, public safety, lighting and energy usage, and water and waste management; and
WHEREAS, U.S. wireless carriers continuously strive to buildout their networks to keep pace with the ever-increasing demand for mobile broadband services, including capex spending of over $32 billion in 2015; and

WHEREAS, the wireless industry’s deployment of network facilities is evolving to meet the demands of the future and therefore includes the use of more small cell or micro-cell equipment; and

WHEREAS, the deployment of wireless infrastructure using both micro cell and macro cell wireless facilities is contingent upon approval by local governments; and

WHEREAS, the streamlining of the permitting process for all wireless facilities would greatly enhance the deployment of such facilities; and

WHEREAS, access to public rights-of-ways for the placement of wireless facilities will enhance broadband deployment and provide additional resources to both state and local governments for a variety of services; and

WHEREAS, in 2009, the Federal Communications Commission promulgated regulations, subsequently upheld by the U.S. Supreme Court, that defined timeframes for state and local action on wireless facilities siting requests, while preserving the authority of states and localities to make the ultimate determination on local zoning and land use policies; and

WHEREAS, in 2012, the President of the United States signed the “Middle Class Tax Relief and Job Creation Act,” which prohibits state and local governments from denying eligible wireless facilities' requests to modify existing wireless towers or base stations if the modification does not substantially change the dimensions of the facility; and

WHEREAS, more than 13 states have recently enacted legislation to assist in expediting the placement of wireless facilities including the enforcement of the Federal Communications Commission’s application processing timelines;

NOW, THEREFORE BE IT RESOLVED THAT, in order to avoid federal preemption, NCSL encourages states to provide regulatory certainty for the deployment of wireless
facilities, including micro-cell infrastructure, by streamlining local jurisdiction application processes, allowing access to public rights-of-ways, and adopting a fair fee structure; and

BE IT FURTHER RESOLVED THAT, NCSL encourages wireless carriers to work cooperatively with all levels of government to modernize laws and regulations in order to facilitate the deployment and timely placement of wireless facilities while maintaining proper local authority over the siting of such facilities.
The National Conference of State Legislatures (NCSL) believes that the federal government must respect the sovereignty of states to allow or prohibit games of chance and skill within their borders.

Internet Gambling

The National Conference of State Legislatures (NCSL) believes the federal government must respect the sovereignty of states to allow or to prohibit Internet gambling by its residents.

The 2011 ruling by the United States Justice Department on the Federal Wire Act of 1961, 18 U.S.C. §1084, clarifies that intra-state online gambling is lawful. Any effort by Congress or the administration to reverse this ruling is preemptive and diminishes the flexibility of state legislatures to be innovative and responsive to the unique needs of the residents of each state.

NCSL requests Congress to consider the perspective of the states as it examines this issue and asks that it involve state legislators in any federal efforts that seek to reform the regulation of online gaming. NCSL strongly opposes any effort by the federal government to overturn the Justice Department’s ruling or consideration of legislation overruling state authority by legalizing or regulating gambling at the federal level. NCSL also requests that federal lawmakers be respectful of state legislatures that prohibit online gaming or other forms of gaming within their state.
Sports Gambling

The National Conference of State Legislatures (NCSL) believes the federal government must recognize the sovereignty of states to allow or to prohibit sports gambling by its residents.

The “Professional and Amateur Sports Protection Act,” 28 U.S.C. §§ 3701-3704 (PASPA), currently prohibits states from “sponsoring, operating, advertising, or promoting sports gambling,” except for a handful of states grandfathered under the law. The federal ban instituted under the PASPA has not prevented the conduct of illegal sports gambling, but has in effect restricted the ability of all but a few states to regulate and collect revenue from sport gambling wagers estimated to be in the billions of dollars each year, to the detriment of state economies.

NCSL requests Congress recognize the sovereignty of states to regulate and tax sports gambling, and repeal the federal ban on sports gambling by enacting legislation that would allow state legislatures to authorize sports gambling by statute. NCSL also requests that federal lawmakers be respectful of state legislatures that prohibit sports gaming or other forms of gaming within their state.

Daily Fantasy Sports

The National Conference of State Legislatures (NCSL) believes the federal government must respect the sovereignty of states to allow or to prohibit daily fantasy sports by its residents.

The Unlawful Internet Gambling Enforcement Act of 2006 specifically excludes a fantasy or simulation sports game that “has an outcome that reflects the relative knowledge of the participants, or their skill at physical reaction or physical manipulation (but not chance), and, in the case of a fantasy or simulation sports game, has an outcome that is determined predominantly by accumulated statistical results of sporting events”. Therefore, NCSL will oppose any effort by Congress or the administration to diminish the flexibility of state legislatures to be innovative and responsive to the unique laws and regulations of each state.
NCSL strongly opposes any effort by the federal government that would overrule state authority by regulating daily fantasy sports at the federal level. NCSL believes the federal government must recognize the sovereignty of states to regulate and tax daily fantasy sports. NCSL also requests that federal lawmakers be respectful of state legislatures that prohibit daily fantasy sports within their state.
COMMITTEE: COMMUNICATIONS, FINANCIAL SERVICES & INTERSTATE COMMERCE

POLICY: SUPPORTING THE DEVELOPMENT OF A BALANCED NATIONAL SPECTRUM POLICY THAT INCLUDES UNLICENSED ACCESS IN THE 5GHz BAND TO MEET THE DEMAND FOR WIRELESS TECHNOLOGIES

TYPE: RESOLUTION

WHEREAS, we must have policies that preserve and encourage continued private investment to deploy broadband technologies, support small and minority businesses and entrepreneurs participation in the digital economy, and equip minority communities with the skills and education to take advantage of these technologies; and

WHEREAS, Wi-Fi spectrum in the 2.4 GHz band has become highly congested, especially in densely populated urban areas making it difficult for Wi-Fi providers to deliver the kinds and quality of service that consumers have come to expect and will only accelerate as the number of wireless devices continues to grow; and

WHEREAS, the 5 GHz band has enormous potential to support continued growth in unlicensed wireless services, including the next generation of Wi-Fi which will create a platform for technological innovation, investment, and economic growth; and

WHEREAS, the Federal Communications Commission (FCC) acknowledges the critical role that next generation Wi-Fi technologies can have on consumers and has agreed to take a first step in the 5 GHz band by adding over 100 MHz of spectrum for Wi-Fi, making it available for indoor and outdoor use; and

WHEREAS, the internet economy will reach $4.2 trillion in the G-20 economies and boast 3 billion users globally by 2016 and Wi-Fi is essential to unleashing the enormous economic potential of the internet in communities where broadband adoption lags; and

WHEREAS, while according to a 2013 Pew survey more Americans are gaining access to broadband in their homes, adoption rates for African Americans and Latinos still lag
those of whites by 10 to 20 percentage points respectively and when accounting for income only 54 percent of those with a household income under $30,000 had high speed broadband or a computer at home increasing the importance of Wi-Fi for these communities; and

WHEREAS, broadband access through Wi-Fi is critical to empowering minority and minority women entrepreneurs to develop, grow and improve productivity of their businesses as well as strengthening U.S. competitiveness nationally and worldwide; and

WHEREAS, unlicensed Wi-Fi is a critical issue that, if left unresolved, will hinder the broadband industry’s ability to grow, innovate and compete and limiting access to this important resource will jeopardize consumers ability to access Wi-Fi; and

WHEREAS, NCSL agrees that the proliferation of smartphones, tablets and other mobile devices with Internet access has grown significantly, placing a greater demand on both licensed and unlicensed spectrum, and adding additional capacity is essential to support continued innovation and achieve the potential to transform many different areas of the American economy by providing a platform for innovation and is likely to have a substantial impact on jobs, growth and investment; and

WHEREAS, NCSL strongly believes that ensuring the long-term success of unlicensed services in the 5 GHz band for Wi-Fi will enable the broadband industry to provide reliable and affordable services to broadband customers, particularly given communities of colors’ high usage of mobile broadband technology as a primary means of connecting to the Internet with the majority of these connection now being Wi-Fi connections; and

NOW, THEREFORE BE IT RESOLVED, that NCSL supports the Federal Communications Commission’s move to allocate additional 5 GHz band spectrum for unlicensed use in order to meet increased demand for wireless technologies; and

BE IT FINALLY RESOLVED, that NCSL send a copy of this resolution to the President of the United States, Members of Congress, the Federal Communications Commission, State Legislatures and Governors.