

**NCSL Standing Committee on Communications, Financial Services, and Interstate Commerce**

**Policy Directives and Resolutions**

**2016 NCSL Legislative Summit  
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**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**

1 **COMMITTEE: COMMUNICATIONS, FINANCIAL SERVICES &**  
2 **INTERSTATE COMMERCE**

3 **POLICY: BANKING AND FINANCIAL REGULATIONS OF**  
4 **MARIJUANA**

5 **TYPE: RESOLUTION**

6 **WHEREAS**, twenty-five states and Washington, D.C., have legalized certain forms of  
7 cannabis usage; and

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

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

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

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

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

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

23 **WHEREAS**, providing banking services to cannabis related businesses entails  
24 additional risk to banks and credit unions arising from the fact that cannabis is a

25 Schedule I drug under the Controlled Substances Act, substantially increasing risk of  
26 civil or criminal liability; and

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

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

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

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

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

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

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

48 **WHEREAS**, states do not have any control over the enforcement of federal laws and  
49 cannot enact legislation that provides banks and credit unions with protections  
50 necessary to overcome federal law; and

51 **NOW, THEREFORE, BE IT RESOLVED**, that the National Conference of State  
52 Legislatures believes that the Controlled Substances Act should be amended to remove  
53 cannabis from scheduling and explicitly allow states to set their own cannabis policies  
54 without federal interference; and

55 **BE IT FURTHER RESOLVED**, that the National Conference of State Legislatures  
56 acknowledges that each of its members will have differing and sometimes conflicting  
57 views of cannabis and how to regulate it, but in allowing each state to craft its own  
58 regulations we may increase transparency, public safety, and economic development  
59 where it is wanted.

1 **COMMITTEE: COMMUNICATIONS, FINANCIAL SERVICES &**  
2 **INTERSTATE COMMERCE**

3 **POLICY: CORPORATE FORMATIONS**

4 **TYPE: DIRECTIVE**

5 A corporation is defined as a legal entity or structure created under the authority of a  
6 state's laws, consisting of a person or group of persons who become shareholders. The  
7 entity's existence is considered separate and distinct from that of its members. A  
8 corporation can enter into contracts, sue and be sued, pay taxes separately from its  
9 owners, and do the other things necessary to conduct business.

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

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

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

26 In 2006, the General Accounting Office (GAO) and the Money Laundering Threat  
27 Assessment Working Group of the U.S. Treasury Department released studies

28 regarding what they considered the lax corporate formation requirements by states.  
29 Almost every state was cited by the GAO report for inadequate corporate formation  
30 information requirements.

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

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

47 Therefore, the National Conference of State Legislatures will oppose any unwarranted  
48 effort at the federal level to preempt state incorporation laws without proper justification  
49 that such laws have led to criminal or terror activities.

1 **COMMITTEES: COMMUNICATIONS, FINANCIAL SERVICES &**  
2 **INTERSTATE COMMERCE**

3 **BUDGETS AND REVENUE**

4 **TASK FORCE ON STATE AND LOCAL TAXATION**

5 **POLICY: NCSL SUPPORTS AND URGES ENACTMENT OF THE**  
6 **REMOTE TRANSACTIONS PARITY ACT**

7 **TYPE: RESOLUTION**

8 **WHEREAS**, the 1967 *Bellas Hess* and the 1992 *Quill* Supreme Court decisions denied  
9 states the authority to require the collection of sales and use taxes by out-of-state  
10 sellers that have no physical presence in the taxing state; and

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

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

18 **WHEREAS**, the Remote Transactions Parity Act is bi-partisan legislation that was  
19 introduced in the United States House of Representatives which authorizes each  
20 member state under the Streamlined Sales and Use Tax Agreement to require all  
21 sellers not qualifying for a small-seller exception to collect and remit sales and use  
22 taxes with respect to remote sales, and allows a state that is not a member state under  
23 the Agreement to require sellers to collect and remit sales and use taxes with respect to  
24 remote sales sourced to such state if the state adopts and implements certain minimum  
25 simplification requirements; and

26 **WHEREAS**, unlike federal proposals, such as the Online Sales Simplification Act  
27 (OSSA), which would determine a product’s taxability based on the location of the  
28 seller, the Remote Transactions Parity Act does not preempt or impose new  
29 requirements on states that choose not to comply with the legislation’s requirements  
30 and simplifications; and

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

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

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

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

50 **BE IT FURTHER RESOLVED THAT**, a copy of this resolution be sent to the President  
51 of the United States and to all of the members of the 114<sup>th</sup> Congress.

1 **COMMITTEE: COMMUNICATIONS, FINANCIAL SERVICES AND**  
2 **INTERSTATE COMMERCE**

3 **BUDGETS AND REVENUE**

4 **EXECUTIVE COMMITTEE TASK FORCE ON STATE**  
5 **AND LOCAL TAXATION**

6 **POLICY: NCSL SUPPORTS PASSAGE OF THE FEDERAL**  
7 **DIGITAL GOODS & SERVICES TAX FAIRNESS ACT**

8 **TYPE: RESOLUTION**

9 **WHEREAS**, digital goods and services are online purchases that are downloaded  
10 directly by, or services that are provided electronically to, consumers that can transcend  
11 numerous state and local boundaries across the United States; and

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

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

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

23 **WHEREAS**, due to the complex nature of the way digital commerce is transacted,  
24 current state and local tax laws governing the taxation of sales transactions are  
25 outdated and ill equipped to address many of the issues that surface in taxing today's  
26 "borderless" digital economy; and

27 **WHEREAS**, as state and local governments continue to seek to modernize their tax  
28 base to include various forms of digital commerce, doing so without establishing a  
29 national framework could potentially subject consumers to multiple states claiming the  
30 right to tax the same transaction or subject such transactions to discriminatory taxation  
31 at rates higher than the rates imposed on the in-state sales of similar goods or services;  
32 and

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

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

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

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

48 **NOW, THEREFORE BE IT RESOLVED THAT**, The National Conference of State  
49 Legislatures urges Congress to pass the Digital Goods and Services Tax Fairness Act,  
50 in conjunction with or after consideration of the Remote Transactions Parity Act, to  
51 establish a national framework providing certainty and uniformity for state and local  
52 governments in the taxation of digital goods and services, while protecting consumers  
53 from multiple and discriminatory taxation and supporting the continued growth of the  
54 digital economy.

1 **COMMITTEE: COMMUNICATIONS, FINANCIAL SERVICES &**  
2 **INTERSTATE COMMERCE**

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

10 **TYPE: RESOLUTION**

11 **WHEREAS**, from 1933-1999, the Federal Banking Act of 1933, known as 16 the Glass-  
12 Steagall Act, protected the public interest in matters dealing with the regulation of  
13 commercial and investment banking; and

14 **WHEREAS**, the Glass-Steagall Act was repealed in 1999, contributing to the greatest  
15 speculative bubble and worldwide economic distress since the Great Depression of  
16 1933; and

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

24 **WHEREAS**, the Federal Reserve Board has maintained a policy of Quantitative Easing  
25 and near-Zero Percent Interest Rates since the 2008 crisis, and this has resulted in the  
26 generation of new financial bubbles in the stock markets, commodity markets, auto  
27 loans and elsewhere. According to the most recent report of the Comptroller of the  
28 Currency, the U.S. banking system has nearly \$250 trillion in derivative obligations on  
29 the books (taxpayer liability), with most of that concentrated in the top six Too Big To

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[BACK TO THE TABLE OF CONTENTS](#)

30 Fail Banks, which are now 30% larger than in 2008. Most financial credit is being  
31 directed into the creation and maintenance of the bubbles and away from urgently  
32 needed infrastructure projects, e.g. roads, power, water projects, bridges, etc. ; and,

33 **WHEREAS**, state resolutions urging the U.S. Congress to re-enact the Glass-Steagall  
34 banking law have been introduced in 15 states this year, and nearly 40 states over the  
35 past three years, and four states have passed the resolutions. 162 organizations  
36 representing millions of Americans sent letters to the U.S. Senate urging adoption of the  
37 21st Century Glass-Steagall Act (S. 1709); and many national organizations, news  
38 media, and economists, of all political persuasions have been calling for the restoration  
39 of Glass Steagall over the past year; and

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

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

52 **BE IT FURTHER RESOLVED**, that a copy of this resolution be sent to the President of  
53 the United States, to presiding officers of each house of Congress, and to each member  
54 of Congress.

1 **COMMITTEE: COMMUNICATIONS, FINANCIAL SERVICES &**  
2 **INTERSTATE COMMERCE**

3 **POLICY: REMOTE COMMERCE**

4 **TYPE: DIRECTIVE**

5 The 1967 *Bellas Hess* and the 1992 *Quill* Supreme Court decisions denied states the  
6 authority to collect sales and use taxes by out-of-state sellers that have no physical  
7 presence or nexus in the taxing states, holding that legislation by Congress is required  
8 to create such authority. One recent report has estimated that states will lose over \$23  
9 Billion in uncollected sales tax revenues in 2012, of which \$11.4 billion is from electronic  
10 commerce, and that annual losses will continue to grow as more commerce is  
11 conducted online. This disconnect with remote commerce threatens to erode the  
12 viability of the sales tax as a revenue source for state and local governments. States  
13 have requested Congressional action, but Congress has failed to close this large  
14 loophole in the states' sales and use tax system.

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

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

22 NCSL calls on Congress to pass legislation overturning the *Bellas*  
23 *Hess* and *Quill* decisions, affirming the states' sovereign right to enter into such  
24 agreements, and granting states the authority denied to them by the Court's decisions.

25

1 **COMMITTEE: COMMUNICATIONS, FINANCIAL SERVICES &**  
2 **INTERSTATE COMMERCE**

3 **POLICY: RESOLUTION SUPPORTING INTELLECTUAL**  
4 **PROPERTY (IP) RIGHTS AND PROTECTIONS TO**  
5 **PROMOTE PRODUCTIVITY, COMPETITIVENESS,**  
6 **JOBS, AND PUBLIC HEALTH**

7 **TYPE: RESOLUTION**

8 **WHEREAS**, Intellectual property (IP) rights and innovation are primary drivers of job  
9 creation and America’s economic growth; and

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

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

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

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

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

23 **WHEREAS**, protecting and enforcing the IP rights of businesses are critical to  
24 advancing global economic recovery, driving competitiveness and export growth, and  
25 creating high-quality jobs; and

26 **WHEREAS**, the National Conference of State Legislatures believes that widespread  
27 efforts to promote innovation and intellectual property protection are critical to improving  
28 the nation’s long-term competitiveness in a global market, and to achieving certain  
29 socioeconomic improvements in the quality of American life; and

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

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

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

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

44 **BE IT FURTHER RESOLVED THAT**, a copy of this resolution be sent to the President  
45 of the United States and all members of the 114th Congress.

1 **COMMITTEE: COMMUNICATIONS, FINANCIAL SERVICES &**  
2 **INTERSTATE COMMERCE**

3 **POLICY: SMALL CELL DEPLOYMENT**

4 **TYPE: RESOLUTION**

5 **WHEREAS**, wireless communication is a critical part of our everyday lives; and

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

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

12 **WHEREAS**, the U.S. wireless ecosystem continues to be the recognized global leader  
13 in the deployment and adoption of 4<sup>th</sup> Generation (4G) technology; and

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

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

20 **WHEREAS**, U.S. cities are looking to use wireless technology to introduce “Smart City”  
21 solutions by employing information and communications technology to improve the  
22 efficiency of government services, including transportation and traffic management,  
23 public safety, lighting and energy usage, and water and waste management; and

24 **WHEREAS**, U.S. wireless carriers continuously strive to buildout their networks to keep  
25 pace with the ever-increasing demand for mobile broadband services, including capex  
26 spending of over \$32 billion in 2015; and

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

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

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

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

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

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

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

49 **NOW, THEREFORE BE IT RESOLVED THAT**, in order to avoid federal preemption,  
50 NCSL encourages states to provide regulatory certainty for the deployment of wireless

51 facilities, including micro-cell infrastructure, by streamlining local jurisdiction application  
52 processes, allowing access to public rights-of-ways, and adopting a fair fee structure;  
53 and

54 **BE IT FURTHER RESOLVED THAT**, NCSL encourages wireless carriers to work  
55 cooperatively with all levels of government to modernize laws and regulations in order to  
56 facilitate the deployment and timely placement of wireless facilities while maintaining  
57 proper local authority over the siting of such facilities.

1 **COMMITTEE: COMMUNICATIONS, FINANCIAL SERVICES &**  
2 **INTERSTATE COMMERCE**

3 **POLICY: STATE SOVEREIGNTY FOR GAMING**

4 **TYPE: DIRECTIVE**

5 The National Conference of State Legislatures (NCSL) believes that the federal  
6 government must respect the sovereignty of states to allow or prohibit games of chance  
7 and skill within their borders.

### 8 **Internet Gambling**

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

12 The 2011 ruling by the United States Justice Department on the Federal Wire Act of  
13 1961, 18 U.S.C. §1084, clarifies that intra-state online gambling is lawful. Any effort by  
14 Congress or the administration to reverse this ruling is preemptive and diminishes the  
15 flexibility of state legislatures to be innovative and responsive to the unique needs of the  
16 residents of each state.

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

24

## 25 **Sports Gambling**

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

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

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

## 41 **Daily Fantasy Sports**

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

45 The Unlawful Internet Gambling Enforcement Act of 2006 specifically excludes a  
46 fantasy or simulation sports game that “has an outcome that reflects the relative  
47 knowledge of the participants, or their skill at physical reaction or physical manipulation  
48 (but not chance), and, in the case of a fantasy or simulation sports game, has an  
49 outcome that is determined predominantly by accumulated statistical results of sporting  
50 events”. Therefore, NCSL will oppose any effort by Congress or the administration to  
51 diminish the flexibility of state legislatures to be innovative and responsive to the unique  
52 laws and regulations of each state.

53 NCSL strongly opposes any effort by the federal government that would overrule state  
54 authority by regulating daily fantasy sports at the federal level. NCSL believes the  
55 federal government must recognize the sovereignty of states to regulate and tax daily  
56 fantasy sports. NCSL also requests that federal lawmakers be respectful of state  
57 legislatures that prohibit daily fantasy sports within their state.

1 **COMMITTEE: COMMUNICATIONS, FINANCIAL SERVICES &**  
2 **INTERSTATE COMMERCE**

3 **POLICY: SUPPORTING THE DEVELOPMENT OF A BALANCED**  
4 **NATIONAL SPECTRUM POLICY THAT INCLUDES**  
5 **UNLICENSED ACCESS IN THE 5GHZ BAND TO MEET**  
6 **THE DEMAND FOR WIRELESS TECHNOLOGIES**

7 **TYPE: RESOLUTION**

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

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

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

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

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

26 **WHEREAS**, while according to a 2013 Pew survey more Americans are gaining access  
27 to broadband in their homes, adoption rates for African Americans and Latinos still lag

28 those of whites by 10 to 20 percentage points respectively and when accounting for  
29 income only 54 percent of those with a household income under \$30,000 had high  
30 speed broadband or a computer at home increasing the importance of Wi-Fi for these  
31 communities; and

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

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

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

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

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

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