

Testimony of CWA District One
Economic Development Budget Hearing

Wednesday, February 16, 2022

Submitted by Rebecca Miller, Legislative Director, CWA District One

Good afternoon and thank you for allowing me the opportunity to testify today. My name is Rebecca Miller, I am the Legislative Director for New York State for CWA District 1. District 1 represents more than 65,000 telecommunications workers who deliver high-quality broadband to New Yorkers across the State.

New York State has a once-a-generation opportunity to realize the goal of delivering high-speed internet to every New Yorker, which we know is critical for the prosperity of our State. President Biden's federal infrastructure package has positioned New York to receive nearly \$1.6 Billion in federal infrastructure funding, American Rescue Plan funding, and State match dollars for the purposes of ensuring that all New Yorkers have access to high-speed broadband. This will allow New York to finally connect the many unserved and underserved households and small businesses in urban and rural parts of our state that have suffered due to a lack of high speed connection.

In order to best reach the goals of universal access to high-speed, high-quality broadband and good jobs in the industry, language must be included into the budget that guarantees that all public dollars for broadband deployment support high-quality networks, expeditious deployment, good jobs with high-road employers, and reliable delivery of high-speed broadband to all New Yorkers who lack adequate service today.

We are deeply concerned about the use of low-road subcontractors, which often come from out of state and rush through jobs, and compromise both worker safety and the quality of deployment. Public dollars should be used to fund high quality networks - which require the use of a well-trained workforce. Additionally, this money should support good jobs in the industry, which means employers who have a directly-employed workforce, in-house training, and a track record of robust compliance with State and Federal laws around worker health and safety.

Labor standards ensure that public dollars only go to high-road employers and that broadband providers uphold high standards in the construction of broadband networks. In an effort to cut costs, many providers rely on a multilayered structure of subcontractors that are unaccountable to the public and to their employees. Typically, these contractors are non-union, lack adequate safety training, have very high turnover, and undermine the wages and standards established by union-represented telecom employees through collective bargaining agreements. The result is a disturbing record of accidents that cause damage to utilities, public property, and homes while presenting serious risks to worker and public safety.

Unfortunately, there are instances of broadband providers who have received federal subsidies to deploy broadband, but then outsourced construction and thereby excluded their

directly-employed unionized workforce.¹ When broadband construction goes wrong, there are serious consequences. While there are many examples throughout the country, we have an awful example in our own backyard from West Haverstraw, New York where a subcontractor struck a natural gas main while doing excavation work in preparation to install fiber optic cable conduit. As a result of the explosion, a townhouse was destroyed and four people were seriously injured.² In order to protect the public, ensure the work is done well, and promote good jobs, labor standards must ensure that broadband deployment is done by high-road employers and a directly employed workforce.

Additionally, to mitigate risk of failed projects, the State should require that entities which receive public dollars for broadband, in advance of receiving an award, demonstrate their capacity to deliver the promised deployment and service. Prequalification language, which requires that only qualified and law-abiding companies are eligible to apply for funding, is important to safeguard the public's investment. A prequalification scheme can include factors like previous work on similar projects, past findings of fraud, past findings of legal violations, including of labor and employment laws, or past findings of government contracting malfeasance. The State can and should require submission of information on the entity's existing subscriber revenues, its financial statements, and other evidence of its ability to successfully build, operate, and maintain a viable broadband network.

While the State should encourage innovative approaches to broadband deployment, not all broadband technologies are created equal. Fiber technology remains far superior to fixed wireless. Fiber is able to scale to meet increased network demands and it requires much less maintenance and fewer upgrades. Fiber does not require amplifiers on telephone poles to transmit signal, reducing its energy demand and carbon footprint, and simplifying repairs during electrical outages.³ Nothing matches fiber for overall capability. Fixed wireless may make sense in a very limited set of circumstances, however, projects should prioritize fiber. Any applicant seeking public funding for fixed wireless should provide a detailed explanation and financial analysis for why fixed broadband is not a feasible approach.

Lastly, language authorizing public dollars for broadband deployment should include provisions that protect the government's interest in expeditious and uninterrupted work. Among the various pitfalls that can derail deployment, speedy build can be undermined by labor disputes, particularly in regions where labor unions are prevalent and labor disputes common. Government agencies around the country have adopted Labor Peace Agreement requirements in order to ensure public investment in infrastructure buildout proceeds quickly and without interruption. A Labor Peace Agreement should also be included in language attached to public dollars for broadband infrastructure deployment.

¹ For example, CenturyLink qualified for \$3 billion in Connect America Fund II subsidies in 2016. Subsequently, they outsourced the work to contractors.

² Skriloff, D. 2012, May 24. Justice Served for January Gas Blast in West Haverstraw. <https://www.rocklandtimes.com/2012/05/24/justice-served-for-january-gas-blast-in-west-haverstraw/>; CBS New York. 2012, January 15. Firefighter Injured in West Haverstraw Gas Explosion Released from Hospital <https://newyork.cbslocal.com/2012/01/17/firefighter-injured-in-west-haverstraw-gas-explosion-released-from-hospital/>

New York has an unprecedented opportunity to deliver high-quality, high-speed broadband to all New Yorkers and these critical provisions must be included to ensure the highest quality public investment while safeguarding good jobs for telecom workers. We encourage the legislature to include these provisions in the FY23 budget along with the existing appropriation.

Thank you for your time.