



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

DAVID Y. IGE
GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: www.hawaii.gov/dbedt

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
LUIS P. SALAVERIA
Director
Department of Business, Economic Development and Tourism
before the
HOUSE COMMITTEE ON FINANCE
Tuesday, February 28, 2017
1:00 PM
State Capitol, Conference Room 308
in consideration of
HB597, HD1
RELATING TO ECONOMIC DEVELOPMENT.

Chair Luke, Vice Chair Cullen and Members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT) **supports the intent** of HB 597, HD1, which establishes a broadband coordinator position within DBEDT to create the state broadband plan and report to the Legislature prior to the start of the 2018 Session, provided that it does not replace budget requests in the Executive Budget.

However, we are still concerned the plan cannot be completed prior to the 2018 Session, especially since most of that time would be required to establish, recruit and hire the coordinator. DBEDT requests that the plan submittal date be 2019.

DBEDT supports the Legislature's finding that capitalizing on broadband technology will improve Hawaii's outcomes in economic development. Using funds appropriated in Act 243 (15) DBEDT received Governor's approval to create a Broadband Strategy Officer position to procure a financial advisor to assist the State in structuring and procuring a public private partnership to plan, design, construct and operate a four-bore transpacific fiber-optic cable landing site (CLS). Proposals have been received, and a project partner and site will be selected after careful due diligence. This project will be in fulfillment of a Broadband Task Force recommendation.

DBEDT thinks the Economic Development & Business Committee for taking our recommendation that the plan include: 1) a statewide broadband infrastructure gap analysis; 2) Identifying opportunities to encourage private sector deployment of ubiquitous high speed broadband; and 3) an analysis of how government stakeholders can better coordinate efforts.

Thank you for the opportunity to offer these comments.