

OFFICE OF THE LIEUTENANT GOVERNOR
Ke Ke'ena O Ka Hope Kia'aina

TO: Chair Mark Nakashima
Vice Chair Jackson Sayama
Members of the House Committee on Consumer Protection & Commerce

FROM: Sylvia Luke, Lieutenant Governor

RE: Testimony for H.B. 963 – Relating to Broadband

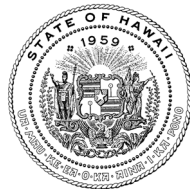
DATE: February 16, 2023

Thank you for the opportunity to provide testimony in **strong support of H.B. 963** which appropriates general funds that are required to match federal funds for broadband programs.

The COVID-19 worldwide pandemic showed us that reliable, high-speed internet access is not only important for remote-learning and remote-work, but critical for tele-health services, commerce, and for Hawaii to stay connected to the world. The Governor has entrusted my office to oversee initiatives that will modernize our state's broadband infrastructure and ensure access to high quality connectivity, particularly in rural areas. Over the next few years, Hawaii is poised to receive millions of dollars in formula and competitive federal grants to support broadband expansion, some of which require matching funds from the state.

Thank you for the opportunity to provide testimony in strong support of H.B. 963.

JOSH GREEN, M.D.
GOVERNOR



LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kālā
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

WRITTEN ONLY

TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE
ON
HOUSE BILL NO. 963, H.D. 1

February 16, 2023
2:00 p.m.
Room 329 and Videoconference

RELATING TO BROADBAND

The Department of Budget and Finance supports this bill.

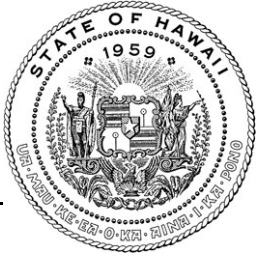
House Bill No. 963, H.D. 1: 1) appropriates general funds needed to provide non-federal matching funds for various federal broadband grant programs, including \$33,000,000 in matching funds for the Broadband Equity, Access, and Deployment (BEAD) Program; 2) appropriates \$95,000,000 in FY 24 out of funds the State of Hawai'i receives from the Infrastructure Investment and Jobs Act; and 3) makes unspecified general fund appropriations in FY 24 and FY 25 to provide additional matching funds for federal broadband-related programs.

Access to high-speed internet is an essential need in the State. There are several federal programs that provide significant amounts of funding to states to improve broadband access. Some of these programs, including the BEAD Program, require matching funds. At this time, the State will need to show a 25% match for the BEAD Program which amounts to matching funds of \$33,000,000. The State is likely to be awarded additional BEAD funding and will need to demonstrate that additional

matching funds are available. The amount of the additional matching funds is not known at this time. This bill includes the known required State match amount (\$33,000,000), \$95,000,000 in federal funds, as well as blank appropriations for FY 24 and FY 25 for additional match requirements that may be required.

In addition, given the possibility that supply chain difficulties may delay the construction of the facilities for the BEAD Program, an extended lapse date of June 30, 2026, for the appropriations made in this bill has been provided.

Thank you for your consideration of our comments.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKĀ'I

JOSH GREEN, M.D.
GOVERNOR

CHRIS J. SADAYASU
DIRECTOR

DANE K. WICKER
DEPUTY DIRECTOR

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Statement of
CHRIS J. SADAYASU
Director
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Thursday, February 16, 2023
2:00 PM
State Capitol, Conference Room 329

In consideration of
HB 963, HD1
RELATING TO BROADBAND.

Chair Nakashima, Vice Chair Sayama and members of the Committee. The Department of Business, Economic Development and Tourism (DBEDT) **supports HB963, HD1** that appropriates general fund moneys that are required to match federal moneys for broadband programs.

In the Notice of Funding Opportunity for the Broadband, Equity, Access, and Deployment issued on May 13, 2022, by the National Telecommunications and Information Administration (NTIA-BEAD-2022) it states each *Eligible Entity shall provide, require its subgrantee to provide, or provide in concert with its subgrantee, matching funds of not less than 25 percent of project costs.* This moneys will help to meet that requirement.

Over the course of the last three years, the COVID-19 pandemic has spotlighted the need for broadband infrastructure and digital equity for all of Hawai'i's residents and community stakeholders. Consequently, the federal government identified the need to fund broadband infrastructure and digital equity programs across the country.

With this once in a generation opportunity, it is important that we meet this requirement to maximize the federal government's investment in Hawai'i.

We support this bill provided that its passage does not replace or adversely impact priorities indicated in our Executive Budget.

Thank you for the opportunity to submit this testimony.



STATE OF HAWAII
STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
1010 RICHARDS STREET, Room 122
HONOLULU, HAWAII 96813
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543
February 16, 2023

The Honorable Representative Mark M. Nakashima, Chair
House Committee on Consumer Protection & Commerce
The Thirty-Second Legislature
State Capitol
State of Hawai'i
Honolulu, Hawai'i 96813

Dear Representative Nakashima and Committee Members:

SUBJECT: HB963 HD1 Relating to Broadband

The Hawaii State Council on Developmental Disabilities **SUPPORTS HB963 HD1**, which appropriates general fund moneys that are required to match federal moneys for broadband programs. Appropriates moneys received by the State from the federal Infrastructure Investment and Jobs Act for the broadband equity, access, and deployment program.

Technology has become vital for our Intellectual/Developmental Disability (I/DD) population to live independently. However, broadband access is key for most new technologies relying on Wi-Fi. Individuals with I/DD who are dependent on others to assist them with their mobility can reach a greater level of independence if they have reliable access to internet services. Internet access allows individuals from their homes to independently access telehealth services, virtual meetings, legislative hearings, and other state programs that require computer access.

Although Hawaii's broadband infrastructure has improved, individuals still face obstacles when utilizing the web due to the digital divide which continues to exist. According to recent studies, people living in urban areas globally have roughly twice the level of internet access in their homes compared with those who live in rural areas. For our I/DD population, this divide is getting wider. We are hopeful that digital equity will come with the passing of this bill.

Thank you for the opportunity to submit testimony in **support of HB963 HD1**.

Sincerely,

Daintry Bartoldus
Executive Administrator



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aarp.org/hi | aarphi@aarp.org | twitter.com/AARPHawaii
facebook.com/AARPHawaii

The State Legislature
The House Committee on Consumer Protection and Commerce
Thursday, February 16, 2023
Conference Room 329, 2:00 p.m.

TO: The Honorable Mark Nakashima, Chair
RE: Support for H.B. 963, HD 1 Relating to Broadband

Aloha Chair Nakashima and Members of the Committees:

My name is Keali'i Lopez and I am the State Director for AARP Hawai'i. AARP is a nonpartisan, social mission organization that advocates for individuals age 50 and older. We have a membership of nearly 38 million nationwide and nearly 140,000 in Hawaii. We advocate at the state and federal level for the issues that matter most to older adults and their families, including telehealth. **AARP supports H.B.963 HD1** which appropriates general fund moneys that are required to match federal moneys for broadband programs.

The Infrastructure Investment and Jobs Act (IIJA) will help states develop and implement comprehensive plans to ensure equal access to the internet for historically underserved communities and populations, including digital inclusion programs for seniors. It is essential that Hawaii takes full advantage of these federal funds appropriated to the states.

Achieving digital equity requires addressing the rural-urban digital divide, the affordability barrier for people in getting high-speed internet access and digital devices, and the need for digital skills development which is essential to obtaining the benefits of high-speed internet access in the home. The federal funding will help Hawaii address the digital disparities in access and adoption especially among the underserved communities and populations. AARP recognizes the value and significant benefits of digital technology that can improve the lives of kupuna. Thank you very much for the opportunity to testify in support of H.B 963, HD1.

Sincerely,


Keali'i S. López
State Director



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the
House Committee on Consumer Protection & Commerce
Thursday, February 16, 2023 at 2:00 p.m.

By

Garret T. Yoshimi, Vice President for Information Technology/Chief Information Officer
University of Hawai'i System

HB 963 HD1 – RELATING TO BROADBAND

Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

The University of Hawai'i, representing the State's broadband interests, supports HB 963 HD1.

The appropriation of \$33,000,000 will ensure that Hawai'i can fully utilize the initial \$100,000,000 in state allocation for the National Telecommunications and Information Administration (NTIA) Broadband Equity, Access, and Deployment (BEAD) program. BEAD is the largest of the federal broadband funding programs supporting states and territories, and requires that states provide matching funds of at least 25% of the total project costs. The program funds a wide range of eligible costs, and places a priority for states to address robust, reliable and affordable broadband access to those residents that are currently unserved by existing telecommunications providers.

Hawai'i is currently in the process of developing the required Five-Year Plan, due to NTIA in July, that will articulate the state's approach to statewide investments to maximize the benefits of federal broadband funds. This effort is funded by BEAD Planning Funds allocated to Hawai'i, and shall include community outreach for the planning effort, and over the course of the project execution funded by state BEAD funds.

Thank you for the opportunity to provide testimony in support on HB 963 HD1.



**Testimony to the House Committee on Consumer Protection and Commerce
Wednesday, February 16, 2023; 2:00 p.m.
State Capitol, Conference Room 329
Via Videoconference**

RE: HOUSE BILL NO. 0963, HOUSE DRAFT 1, RELATING TO BROADBAND

Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA **SUPPORTS** House Bill No. 0963, House Draft 1, RELATING TO BROADBAND.

By way of background, the HPCA represents Hawaii's Federally Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines to over 150,000 patients each year who live in rural and underserved communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of healthcare.

This bill, as received by your Committee, would:

- (1) Appropriate \$33,000,000 in general funds for fiscal year 2023-2024, to provide matching funds for the broadband equity, access, and deployment program (Program), and stipulate that these funds not lapse at the end of the fiscal year, and that all moneys not encumbered as of June 30, 2026 lapse to the general fund;
- (2) Appropriate \$95,000,000 in Infrastructure Investment and Jobs Act Funds for fiscal year 2023-2024, to provide for the Program;
- (3) Appropriate an unspecified amount of general funds for fiscal years 2023-2024 and 2024-2025 to provide additional matching funds required to access federal funds for programs related to broadband, and stipulate that these funds not lapse at the end of the fiscal year, and that all moneys not encumbered as of June 30, 2026 lapse to the general fund; and

(4) Take effect on June 30, 3000.

Hawaii has long been at the forefront of integrating newer technologies into daily life. One example of this is Hawaii's Telehealth Law which has served as a model across the United States. Yet, it was only after COVID struck our islands that this law became fully integrated into daily life.

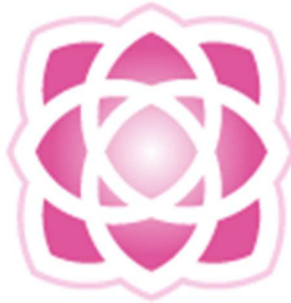
Today, it is common practice to ZOOM or SKYPE with your health practitioner instead of physically going to the provider's office for a visit. When COVID first hit our islands, many health providers had to limit the number of patients that could be serviced in-person because of a scarcity of Personal Protective Equipment, restrictions in the gatherings of groups, and the need for changes to the physical arrangement of examination rooms and other diagnostic facilities.

For people with adequate broadband access, telehealth was a lifeline for the provision of essential primary health care services. Yet, health care facilities in rural areas experienced the same problems when COVID hit. They too had to limit the number of patients they could see. But because these communities lacked adequate broadband access, they were effectively cut off from primary care. Many were forced to bear their maladies until it became necessary to go to the emergency room.

Because of this, the HPCA views the lack of broadband access in rural areas as an issue of social equity. In this day and age, everyone should have equal access to health care. Telehealth was envisioned as the means of leveling the field between urban and rural areas. The lack of broadband ensures that urban and rural communities remain unequal.

For these reasons, the HPCA urges your favorable consideration of this measure.

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact Public Affairs and Policy Director Erik K. Abe at 536-8442, or eabe@hawaiiipca.net.



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

**HEARING BEFORE THE HOUSE COMMITTEE ON
CONSUMER PROTECTION & COMMERCE
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 329
THURSDAY, FEBRUARY 16, 2023 AT 2:00 P.M.**

To The Honorable Mark M. Nakashima, Chair
The Honorable Jackson D. Sayama, Vice Chair
Members of the committee on Consumer Protection & Commerce

SUPPORTING HB963 HD1 RELATING TO BROADBAND

The Maui Chamber of Commerce **strongly supports HB963 HD1** which appropriates general fund moneys that are required to match federal moneys for broadband programs; and appropriates moneys received by the State from the federal Infrastructure Investment and Jobs Act for the broadband equity, access, and deployment program.

The Chamber notes that the COVID-19 pandemic revealed that reliable high-speed internet access is not only important for remote learning and remote work, but also critical for telehealth services and commerce. Several federal programs provide significant amounts of funding to states to improve broadband access. Some of these programs, including the Broadband Equity, Access, and Deployment program, require matching funds.

I am a member of the state Broadband Hui, who has come together to maximize equitable broadband access and opportunities and notes that this measure is necessary to get matching federal funding.

For these reasons, we **support HB963 HD1**.

Sincerely,

A handwritten signature in cursive script that reads "Pamela Tumpap".

Pamela Tumpap
President