



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Finance
Monday, April 4, 2022 at 1:30 p.m.

By

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

SB 2076 SD2 HD2 – RELATING TO BROADBAND SERVICE INFRASTRUCTURE

Chair Luke, Vice Chair Yamashita, and members of the committee:

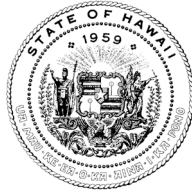
The University of Hawai'i, representing the State's broadband interests, provides the following comments and recommendations on SB 2076 SD2 HD2.

SB 2076 SD2 HD2 creates a state broadband infrastructure authority, and provides for clarification of the role of the state broadband offices within DBEDT to focus on critical elements of digital equity and literacy to maximize benefits of public and private investment in broadband infrastructure and services. Based on a series of conversations and views expressed over the past weeks and months, while the creation of a state broadband infrastructure authority may be necessary at some point in the future, we recommend waiting on the upcoming announcements of Federal program rules and guidelines, as well as determination of any requirements or needs around ownership and governance of any resulting public assets and facilities constructed or acquired with the expected influx of public funds.

Given the interest and importance of this topic, we will convene a working group consisting of state and private experts in related topics, to meet over the next several months to ensure broad inputs into the strategic topic of governance and sustainability of the assets to be acquired over the following years through public investments. As part of our responsibility to help lead the state's broadband infrastructure investments, we will continue our work to help guide the creation of any state broadband infrastructure authority, including requesting assistance by the Legislature.

Thank you for the opportunity to provide comments on SB 2076 SD2 HD2.

DAVID Y. IGE
GOVERNOR



DOUGLAS MURDOCK
CHIEF INFORMATION
OFFICER

OFFICE OF ENTERPRISE TECHNOLOGY SERVICES

P.O. BOX 119, HONOLULU, HI 96810-0119
Ph: (808) 586-6000 | Fax: (808) 586-1922
ETS.HAWAII.GOV

Testimony of
DOUGLAS MURDOCK
Chief Information Officer
Enterprise Technology Services

Before the

HOUSE COMMITTEE ON FINANCE
Monday, April 4, 2022

SENATE BILL 2076 SD2 HD2
RELATING TO BROADBAND SERVICE INFRASTRUCTURE

Dear Chair Luke, Vice Chair Yamashita, and members of the committees,

The Office of the Enterprise Technology Services (ETS) supports this bill which establishes the Hawaii Broadband Infrastructure Authority. We look forward to serving on the Hawaii Broadband Infrastructure Authority Board.

Thank you for this opportunity to provide testimony on this bill.



DISABILITY AND COMMUNICATION ACCESS BOARD

1010 Richards Street, Room 118 • Honolulu, Hawaii 96813
Ph. (808) 586-8121 (V) • Fax (808) 586-8129

April 4, 2022

TESTIMONY TO THE HOUSE COMMITTEE ON FINANCE

Senate Bill 2076, Senate Draft 2, House Draft 2 – Relating to Broadband Service Infrastructure

The Disability and Communication Access Board (DCAB) supports Senate Bill 2076, Senate Draft 2, House Draft 2, Relating to Broadband Service Infrastructure.

Broadband access provides persons with disabilities access to programs and services. Please ensure that this bill will protect the public, including people with disabilities, from unreasonable or increased costs.

Broadband access for all should be affordable, especially for underserved communities to foster their economic development, increase job opportunities, enhance health care, and broaden educational opportunities.

Digital equity will not only ensure that people with disabilities have access to broadband, but it will promote a better quality of life for them as well.

Thank you for the opportunity to provide testimony.

Respectfully submitted,

KIRBY L. SHAW
Executive Director

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

GLORIA CHANG
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
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 (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
SENATE BILL NO. 2076, S.D. 2, H.D. 2

April 4, 2022
1:30 p.m.
Room 308 and Videoconference

RELATING TO BROADBAND SERVICE INFRASTRUCTURE

The Department of Budget and Finance (B&F) offers comments on Parts II and IV of this bill, which creates a new Broadband Authority (BA) administratively attached to the Department of Commerce and Consumer Affairs (DCCA), and appropriates an unspecified amount of federal funds for broadband infrastructure and expansion of broadband access to the University of Hawai'i. B&F defers to the Department of Business, Economic Development and Tourism on Part III, which amends Sections 206S-1 and 206S-3, HRS, which relates to the Hawai'i Broadband and Digital Equity Office.

B&F suggests that it would be premature to establish a new BA and appropriate federal funds to this new Authority at this time. The federal Broadband Equity, Access, and Deployment and State Digital Equity Planning and Capacity Grant programs are still being developed by the National Telecommunications and Information Administration at the U.S. Department of Commerce. As yet, no firm guidance has been issued on what the allowable uses of these federal funds will be.

B&F notes that, with respect to the general fund appropriation in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for the opportunity to provide written comments.



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

DAVID Y. IGE
GOVERNOR

MIKE MCCARTNEY
DIRECTOR

CHUNG I. CHANG
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
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Statement of
MIKE MCCARTNEY
Director

Department of Business, Economic Development, and Tourism
before the

HOUSE COMMITTEE ON FINANCE

Monday, April 4, 2022
1:30 PM

State Capitol, Conference Room 308

In consideration of

SB2076, SD2, HD2

RELATING TO BROADBAND SERVICE INFRASTRUCTURE.

Chair Luke, Vice Chair Yamashita and members of the Committee. The Department of Business, Economic Development and Tourism (DBEDT) provides the following **comments** on **SB2076, SD2, HD2**, which establishes the Hawai'i broadband infrastructure authority and defines broadband equity within the Hawai'i broadband and digital equity office.

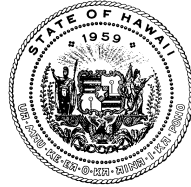
With regard to Part II, the establishment of the Hawai'i broadband infrastructure authority would be premature at this time. Rules for the Federal infrastructure programs are yet to be finalized and how the infrastructure investments using Federal funds will be owned and managed over time need to be determined. In lieu of a broadband authority, we are working together across government and community to ensure we maximize the Federal investment for the benefit of the state. This working group collaboration will inform us of a future governance structure for the ongoing management of these broadband infrastructure assets.

With regard to Part III, it is important that we continue to address broadband access, affordability, adoption and literacy for Hawai'i to achieve digital equity and thrive in the digital economy. The Broadband & Digital Equity Office will continue to provide the focus, coordination and facilitation of programs that enable all Hawai'i residents to seamlessly connect to the Internet and the digital tools needed to be successful in our modern society.

We appreciate the inclusion of an appropriation to support the office in Part V, 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.

DAVID Y. IGE
GOVERNOR OF HAWAII



ELIZABETH A. CHAR, M.D.
DIRECTOR OF HEALTH

STATE OF HAWAII
DEPARTMENT OF HEALTH
STATE COUNCIL ON MENTAL HEALTH
P.O. Box 3378, Room 256
HONOLULU, HAWAII 96801-3378

WRITTEN
TESTIMONY
ONLY

HAWAII STATE COUNCIL ON MENTAL HEALTH
Testimony to the House Committee on Finance
in SUPPORT of S.B. 2076 S.D. 2 H.D. 2
RELATING TO BROADBAND SERVICE INFRASTRUCTURE

Monday, April 4, 2022 at 1:30 p.m.

CHAIRPERSON
Richard I. Ries Psy.D., M.S.Ed.

1st VICE CHAIRPERSON
Tara Reed, BSW

2nd VICE CHAIRPERSON
Katherine Aumer, Ph.D.

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Charlene "Naomi" Crozier

Jon Fujii

Heidi Ilyavi

Christopher Knightsbridge,
MAIR, MACL

Beatrice "Kau'i" Martinez

Kathleen Rhoads Merriam, LCSW,
CSAC

Jennifer Renfro

EX-OFFICIO:

Marian Tsuji,
Deputy Director, Behavioral
Health Administration

Chair Luke, Vice-Chair Yamashita, and Members of the House Finance Committee:

In alignment with §334-10, HRS, the State Council on Mental Health (SCMH) is a 21-member Council responsible for advising, reviewing and monitoring the provision of mental health services statewide. SCMH members from diverse backgrounds serve as volunteers, collectively representing mental health service recipients, students and youth, parents and family members, providers, and state agencies including the Hawaii Department of Health, Department of Human Services, and the Judiciary.

The majority of SCMH members **SUPPORT** S.B. 2076 S.D. 2 H.D. 2 which is intended to help increase digital equity across the State.

Solid broadband infrastructure and digital equity will help increase access to mental health services to a variety of individuals with mental health and co-occurring substance abuse needs.

The mission of the SCMH is to advocate for a Hawaii where all persons affected by mental illness can access treatment and support necessary to live a full life in the community of their choice.

Thank you for the opportunity to testify. Should you want to contact us in the future, please e-mail DOH.SCMHChairperson@doh.hawaii.gov.

DAVID Y. IGE
GOVERNOR OF HAWAII



ELIZABETH A. CHAR, M.D.
DIRECTOR OF HEALTH

STATE OF HAWAII
STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
PRINCESS VICTORIA KAMĀMALU BUILDING
1010 RICHARDS STREET, Room 122
HONOLULU, HAWAII 96813
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543
April 04, 2022

The Honorable Representative Sylvia Luke, Chair
House Committee on Finance
The Thirty-First Legislature
State Capitol
State of Hawai'i
Honolulu, Hawai'i 96813

Dear Representative Luke, and Committee Members:

SUBJECT: SB2076 SD2 HD2 Relating to Broadband Service Infrastructure

The Hawaii State Council on Developmental Disabilities **STRONGLY SUPPORTS SB2076 SD2 HD2** which, establishes the Hawaii broadband infrastructure authority. Defines broadband equity within the Hawaii broadband and digital equity office. Appropriates federal and state funds. Effective 7/1/2050.

For the past two years, COVID-19 pandemic has taught us that there is a digital divide which separates those who can readily access computers and the internet from those who cannot. This gap exists for many different reasons—from socioeconomics to broadband availability—yet even when infrastructure and connectivity issues are resolved, individuals with Intellectual and developmental disabilities (I/DD) will still face obstacles when it comes to utilizing the web due to a digital accessibility chasm between the abled and disabled.

The Council has been a member of the Broadband Hui who have been very supportive of addressing the needs of individuals with Intellectual and developmental disabilities (I/DD) to get connected. We will need to continue a coordinated effort in order to assure individuals with disabilities are able to stay connected by receiving the digital tools they need.

Thank you for the opportunity to submit testimony in **strong support of SB2076 SD2 HD2**.

Sincerely,

A handwritten signature in blue ink that reads "Daintry Bartoldus".

Daintry Bartoldus
Executive Administrator



DAVID Y. IGE
GOVERNOR

JOSH GREEN
LT. GOVERNOR

**STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

335 MERCHANT STREET, ROOM 310
P.O. BOX 541
HONOLULU, HAWAII 96809
Phone Number: 586-2850
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CATHERINE P. AWAKUNI COLÓN
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI
DEPUTY DIRECTOR

Testimony of the Department of Commerce and Consumer Affairs

**Before the
House Committee on Finance
Monday, April 4, 2022
1:30 p.m.
Via Videoconference**

**On the following measure:
S.B. 2076 S.D.2 H.D.2, RELATING TO BROADBAND SERVICE INFRASTRUCTURE**

Chair Luke and Members of the Committee:

My name is Catherine P. Awakuni Colón, and I am the Director of the Department of Commerce and Consumer Affairs (Department). The Department offers comments on this bill.

The purposes of this bill are to: (1) establish the Hawaii broadband infrastructure authority, administratively attached to the Department, (2) define broadband equity within the Hawaii broadband and digital equity office and (3) appropriate federal and state funds.

The Department believes strongly in the importance of a resilient broadband infrastructure throughout the state, to provide critical connectivity for among other things, telehealth, telework, and remote learning. The Department notes, however, that the creation of the Authority may be premature at this time given that the relevant grant programs are still being developed and guidance on what the allowable uses of these funds will be has not yet been issued.

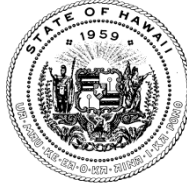
The Department has participated in several discussions about the bill and concurs with the University of Hawaii in its recommendation to wait until the upcoming announcements of Federal program rules and guidelines, as well as determination of any requirements or needs around ownership and governance of any resulting public assets and facilities constructed or acquired with the expected influx of public funds.

The Department also concurs with the recommendation of the University of Hawaii that a working group be convened consisting of state and private experts in related topics, to meet and discuss governance and sustainability of the assets to be acquired over the following years through public investments.

Finally, the bill as drafted will require a significant commitment of personnel and funds, and although the bill provides for a one-time appropriation of federal funds to be received by the State, it is unclear whether the funds will in fact be available, how long the funding will be available, and what the funds may be used for. Although the House Draft 2 provides for the authority to be administratively attached to the Department, federal funds appropriated are to be expended by the University of Hawaii. Also, the bill does not provide for the establishment of positions that would be needed to support the new Authority.

Thank you for the opportunity to testify on this bill.

DAVID Y. IGE
GOVERNOR



TESTIMONY BY:

JADE T. BUTAY
DIRECTOR

Deputy Directors
ROSS M. HIGASH
EDUARDO P. MANGALLAN
PATRICK H. MCCAIN
EDWIN H. SNIFFEN

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

April 4, 2022
1:30 P.M.

State Capitol, Conference Room 308/Teleconference

S.B. 2076, S.D. 2, H.D. 2
RELATING TO BROADBAND SERVICE INFRASTRUCTURE

House Committee on Finance

The Department of Transportation (DOT) provides **comments** on Part II of this measure that establishes the Hawaii Broadband Infrastructure Authority.

The department supports achieving digital equity and a resilient digital economy through the build out of broadband infrastructure across all islands. Effective coordination of state efforts is critically important and will ensure we are efficient, agile, responsive, and successful. While the current version of the measure proposes members on the Hawaii Broadband Infrastructure Authority who have expertise in communications technology infrastructure and investments in infrastructure deployment, we respectfully request your committee's consideration of the inclusion of member with expertise in infrastructure development, construction, and large-scale capital improvement projects.

While the DOT defers to the Department of Commerce and Consumer Affairs on the feasibility of establishing the Hawaii Broadband Infrastructure Authority, we request your consideration of the inclusion of the Director of the DOT as an ex officio member of the board. There is a general expectation that transportation infrastructure should and could be used for the backbone of the broadband infrastructure. To that end, inclusion of the DOT in the authority board will facilitate discussions in the earliest phases for projects involving transportation infrastructure.

Thank you for the opportunity to provide these comments.

Statement Before The
HOUSE COMMITTEE ON FINANCE

Monday, April 4, 2022

1:30 PM

Conference Room 308 & Videoconference

in consideration of
SB 2076, SD2, HD2
RELATING TO BROADBAND SERVICE INFRASTRUCTURE.

Chair LUKE, Vice Chair YAMASHITA, and Members of the House Finance Committee

Common Cause Hawaii supports SB 2076, SD2, HD2, which (1) establishes the Hawaii broadband infrastructure authority, (2) defines broadband equity within the Hawaii broadband and digital equity office, and (3) appropriates federal and state funds.

Common Cause Hawaii is a nonprofit, nonpartisan, grassroots organization dedicated to reforming government and strengthening democracy - one that works for everyone and not just the special interests.

As technology advances, many of our basic democracy values depend on robust connectivity. Broadband enhances civic engagement, participation in the democratic process, and a responsive government. Yet too many in Hawaii lack access to affordable, high-speed broadband and continue to face significant barriers to get online.

Affordability remains the most significant barrier to broadband adoption while those on the wrong side of the digital divide are disproportionately low-income, people of color, seniors, people with disabilities, and other marginalized communities. Without broadband, these communities live in a democracy where their voices go unheard, and their needs are unmet.

Therefore, Common Cause Hawaii supports SB 2076, SD2, HD2, which makes clear that the broadband equity means "affordable, high-speed, and reliable broadband" (at page 16, lines 5-7) for all residents and digital equity means full participation in our society and democracy (at page 16, lines 9-12). Broadband and digital equity are necessary for the good of our representative democracy.

Thank you for the opportunity to testify in support of SB 2076, SD2, HD2. If you have any questions of me, please contact me at sma@commoncause.org.

Very respectfully yours,

Sandy Ma
Executive Director, Common Cause Hawaii

April 1, 2022

House Committee on Finance
Hearing Date: Monday, April 4, 2022, 1:30pm

Honorable Representatives Sylvia Luke, Chair; Kyle Yamashita, Vice Chair; and Members of the House Committee on Finance

**Subject: SB 2076, SD2, HD2 Relating to
Broadband Service
Infrastructure
TESTIMONY IN SUPPORT**

Dear Chair Luke, Vice Chair Yamashita, and Committee Members:

Ocean Networks, Inc. has supported the expansion of Broadband Services in the State of Hawaii for many years. As such we strongly support this bill.

Ocean Networks agrees that one of the State's most pressing challenges is the equitable and robust access to broadband. Hawaii needs to invest in open access, carrier-neutral cable landing infrastructure to attract transpacific fiber optic cable companies and expand its fiber connectivity to the world and throughout the islands. As such we support the definition of broadband equity within the Hawaii broadband and digital equity office and appropriation of federal and state funds in support of broadband development.

We join in the testimony of other stakeholders that have testified that the creation of a broadband authority is premature at this time. However, we believe a body is needed to pursue, acquire, and coordinate the disbursement of federal funds that are and will be available via various grant programs. Perhaps, the legislature can consider the creation of a working committee or group composed of representatives from various State institutions, departments, and agencies that are stakeholders in the development of broadband. This entity can fulfill the aforementioned activities as well as provide guidance in the development and expansion of broadband connectivity.

Thank you for this opportunity to submit testimony. Please feel free to contact me if you have any questions.

Sincerely,



Clifford Miyake
VP, Business Development
Ocean Networks, Inc.



Committee on Finance
Rep. Sylvia Luke, Chair, Rep. Kyle T. Yamashita, Vice Chair

Monday, April 4, 2022, 9:30 a.m. Room 308 and Via Videoconference

SB 2076 SD2 HD2 RELATING TO BROADBAND SERVICE INFRASTRUCTURE

TESTIMONY

Janet Mason, Legislative Committee, League of Women Voters of Hawaii

Chair Luke, Vice Chair Yamashita, and Committee Members:

This measure establishes the Hawaii Broadband Infrastructure Authority and incorporates the existing Office of Digital Equity into this Authority. **The League supports this measure.**

We now have a clear policy statement about the meaning of Hawaii's policy for "digital equity." It is also apparent that the Legislature's intent is to make this new Authority the receiving organization for State and Federal appropriations for broadband infrastructure, and to make the University of Hawaii the expending agency. Just in time!

Though we understand the rationale (and the rush to participate), creating a thirteen-member Board as described in the measure may prove unwieldy. But we reserve judgement on this until after the Authority has had time to work as a cohesive governance team. We are pleased to see that in Part II Section 2, item 9, the House Committee on Consumer Protection and Commerce amended the bill to specify that members of the Authority would be required to file an annual conflict of interest disclosure form with the Executive Director of the Authority.

Though we remain unclear about how the Authority anticipates working with broadband providers and the Public Utilities Commission, so far it looks like their domains are separate but related.

Coupled with forthcoming Federal funding we expect an historic leap in improved adequacy of our broadband infrastructure, particularly for Hawaii's rural areas. As mentioned in our previous testimony on this bill, we remain concerned about the last feet of broadband "infrastructure" required for access by our lower income citizens, that is a smart phone, tablet, or computer to access the public infrastructure. We can only hope that the market responds to lower the cost of such privately-owned but critical hardware; I call attention to students in our public schools.

Thank you for the opportunity to submit testimony.



Written Statement of
Jeannine Souki
Sr. Manager – Government & Regulatory Affairs

HOUSE COMMITTEE ON FINANCE

April 4, 2022, 1:30 PM
State Capitol, Room 308 & Videoconference

COMMENTS FOR:

S.B. NO. 2076, HD2 RELATING TO BROADBAND SERVICE INFRASTRUCTURE

To: Chair Luke, Vice-Chair Yamashita, and Members of the Committee
Re: Testimony providing comments for SB 2076, HD2

Aloha Honorable Chair, Vice-Chair, and Committee Members:

Thank you for the opportunity to provide comments for Senate Bill 2076, HD2. This bill intends to establish a Hawaii Broadband Infrastructure Authority, define broadband equity and amend the definition of digital equity, clarify the role of the Hawaii broadband and digital equity office, and appropriate funds for broadband infrastructure across the state.

Hawaiian Telcom supports the primary intent of this measure to promote digital equity and expand broadband infrastructure. However, we are concerned that adding a state authority will take considerable time and resources and that overly broad language in this bill would give the broadband authority the ability to “coordinate and oversee broadband infrastructure.” This legislation is premature at this time and may have the overall effect of slowing the public and private investments in broadband deployment in the state.

While there is a temporary infusion of federal funds for broadband infrastructure, Hawaii should be leveraging this opportunity for public and private sector investments to address the digital divide, especially in the underserved and underserved areas. The private sector continues to invest hundreds of millions of dollars annually in broadband infrastructure so that consumers have competitive service offerings at affordable prices. The state can best assist by eliminating barriers, partnering with the private sector to pursue federal funds, and helping residents access and qualify for programs like the Affordable Connectivity Program (ACP), which provides subsidies to offset monthly subscription costs for services.

Public-private partnerships need to be encouraged to deploy broadband to unserved and underserved areas where there is no economic business case to justify an extension of service. In contrast, creating a broadband authority will take considerable time and resources and slow private investment. Slowing deployment is also not in sync with the state's efforts to close the digital divide, especially for students and households that do not have access to broadband service.

Hawaiian Telcom is committed to enabling Hawaii's unserved and underserved communities with integrated communications, including high-speed broadband, data, video, and local and long-distance voice services that keep us connected to the world. With the support of the Federal Communications Commission's Connect America Fund, we have provided connectivity to more than 12,000 rural and neighbor island communities throughout Hawai'i with fiber broadband since 2011.

As rules and guidance are promulgated for the new federal broadband grant programs over the next few months, we respectfully request the Committee considers a task force to explore the best means of leveraging future federal funding with private investment to address the current digital divide and accelerate broadband deployment and adoption in currently unserved and underserved areas.

In closing, Hawaiian Telcom supports fair market competition, choices for broadband consumers, and policies that help meet the digital equity needs of all residents and promote the expansion of broadband infrastructure and services, especially in unserved and underserved areas in the state.

Thank you for the opportunity to provide comments for Senate Bill 2076, HD2.





MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

HEARING BEFORE THE HOUSE COMMITTEE ON
FINANCE
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 308
MONDAY, APRIL 4, 2022 AT 1:30 P.M.

To The Honorable Sylvia Luke, Chair
The Honorable Kyle T. Yamashita, Vice Chair
Members of the committee on Finance

SUPPORT SB2076 SD2 HD2 RELATING TO BROADBAND SERVICE INFRASTRUCTURE

The Maui Chamber of Commerce is writing in **support of SB2076 SD2 HD2** relating to broadband service infrastructure. Broadband has been a longstanding issue in Hawaii and was exacerbated during this pandemic where students are doing distance learning and more people are working remotely. Broadband is a critical need in unserved areas and is important to state and county economic development. We are pleased to participate with the Broadband Hui and support many initiatives for digital equity. Many exciting projects are emerging from this broad alliance that fosters ideas and collaboration on creating programs that benefit the statewide community, with an emphasis on assisting groups that need it the most. This funding is essential at this time as we look at improving the statewide connectivity and roll out 5G infrastructure.

The Chamber strongly supports the bill's Parts III and V concerning the Hawaii broadband and digital equity office in DBEDT and the assigned duties. A well-staffed office will greatly facilitate extending broadband to all the peoples of Hawaii. We would respectfully suggest that funding and staffing of the office at about the level proposed in SD 1 is appropriate.

Mahalo for the opportunity to provide testimony in **support of SB2076 SD2 HD2**.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

SB-2076-HD-2

Submitted on: 4/1/2022 3:43:33 PM

Testimony for FIN on 4/4/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
L Basha	Individual	Support	Written Testimony Only

Comments:

This will be a good addition to our regulatory services.

RYAN KAWAILANI OZAWA

P.O. Box 892727

Mililani, HI 96789-8332

Main: (808) 707-3027

Fax: (808) 427-9227



@hawaii 

Email: hawaii@hey.com

April 1, 2022

Aloha, Rep. Sylvia Luke, Chair Rep. Kyle T. Yamashita, Vice Chair; and members of the Committee on Finance:

I have submitted comments throughout the session on this measure. And I continue to agree that equitable and robust access to broadband should remain a priority for our State. I acknowledge the substantial windfall Hawaii is receiving as the Federal government is making significant investments in broadband across the country.

Unfortunately, I must now register my position as **oppose if not amended**, on HB2076, SD2, HD1 related to broadband.

Firstly, while this bill says that the state "must act quickly to take advantage of various federal and private funds available," it then builds out yet another layer of bureaucracy as the solution.

Secondly, this bill further blurs the lines between the practical considerations related to broadband, and the more fundamental concept of "digital equity," which I believe falls outside the scope for which the broadband office was created.

Once again, I believe it would be helpful to review feedback from other stakeholders submitted to date.

From the DCCA, the office expected to house this authority:

"The creation of the Authority may be premature at this time given that the relevant grant programs are still being developed and guidance on what the allowable uses of these funds will be has not yet been issued."

From the state Department of Budget and Finance:

"B&F respectfully suggests that the amendments proposed in this bill are premature. The federal Broadband Equity, Access, and Deployment and State Digital Equity Planning and Capacity Grant programs are still being

developed by the National Telecommunications and Information Administration at the U.S. Department of Commerce, which has not yet issued firm guidance to states."

From the University of Hawaii, which has also been tasked with overseeing significant components of the state's broadband strategy:

"While the creation of a state broadband infrastructure authority may be necessary at some point in the future, it might be prudent to wait for clarity around the expected Federal program announcements and rules [and] assets and facilities constructed or acquired with the anticipated influx of public funds. There is also the concern expressed over imposing potentially conflicting or overlapping regulation in the generally competitive broadband markets currently under the oversight of the FCC."

From Charter, the largest broadband provider in the state:

"As the federal government is still finalizing the rules associated with the significant funding for broadband infrastructure, access, and adoption, Hawaii may want to consider waiting for additional clarity and guidance from the National Telecommunications and Information Administration before establishing a governing body on broadband.

Further, a Broadband Infrastructure Authority is best located within an economic development agency, such as the Department of Business, Economic Development, and Tourism (DBEDT), rather than a regulatory agency."

From Hawaiian Telcom:

"Hawaiian Telcom has concerns regarding the establishment of a new authority, including the cost and time it will require to stand up a new authority to be attached to the Department of Commerce and Consumer Affairs... The creation of an authority will take considerable time and resources, and may result in slowing private investment in broadband infrastructure, which is counter to State's efforts."

The speed with which this measure has advanced through the Legislature does illustrate the state's acknowledgement of the importance of broadband. However, it is imperative that Hawaii take steps at the right time, in the right direction. I strongly believe this bill can be significantly improved to serve all stakeholders.

Should this bill continue to advance, I respectfully suggest that that the **current definition of "digital equity" be left alone**. Broadband interests are already represented in the preceding clause.

Ultimately, the term "digital equity" encompasses much more than this bill and the existing broadband-focused office directly addresses. For simplicity, the overall program office could be renamed to the **Hawaii State Broadband Office** (achieving mission clarity similar to that of the Energy Office).

In the longer term, the State should assign equity-related issues to an existing or new statewide office focused on broader diversity and equity issues.

Mahalo for your consideration.



Ryan Kawailani Ozawa

SB-2076-HD-2

Submitted on: 4/3/2022 12:10:15 PM

Testimony for FIN on 4/4/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Sandie Wong	Individual	Comments	Remotely Via Zoom

Comments:

I echo the comments submitted in the Testimony of Ocean Networks, Inc. and will be available for questions at the hearing. Thank you.