

SYLVIA LUKE LIEUTENANT GOVERNOR Ke Ke'ena O Ka Hope Kia'āina

The 33rd Legislature, State of Hawaii Senate Committee on Economic Development and Tourism March 11, 2025

Testimony on H.B. 934 - RELATING TO THE HAWAII BROADBAND AND DIGITAL EQUITY OFFICE

Chair DeCoite, Vice Chair Wakai, and Members of the Committee:

Thank you for the opportunity to provide testimony in **support of H.B. 934, H.D. 1** which transfers the Hawaii Broadband Office from the Department of Business, Economic Development, and Tourism (DBEDT) to the Office of Enterprise Technology Services (ETS) in the Department of Accounting and General Services, establishes a special fund, and appropriates additional funding. In addition, we offer proposed amendments for the Committee's consideration.

Reliable, affordable high speed internet access is essential for ensuring greater educational, economic, and social opportunities for all. The federal and state governments have committed over \$400 million to modernize our subsea and terrestrial infrastructure and equip residents with the tools and knowledge to safely navigate the internet. With the construction of new subsea broadband infrastructure, our state anticipates generating revenue from negotiated lease agreements and the creation of a separate fund will ensure these funds are used to reduce the cost of internet services, provide technical assistance to communities, and support broadband projects. Given the increasingly vital role of broadband in our daily lives, the transfer of the Broadband Office from DBEDT to ETS provides an opportunity to review and centralize broadband responsibilities currently dispersed across state government.

To make the best use of federal funding and anticipate revenue while consolidating statewide broadband responsibilities, we propose the following amendments to H.B. 934, H.D. 1 for the Committee's consideration:

- simplify and streamline the name of the office from "Hawaii Broadband and Digital Equity Office" to "Broadband Office"

- repeal the broadband duties assigned to the Director of the Department of Commerce and Consumer Affairs, outlined in Chapter 440G-11.5, Hawaii Revised Statutes
- disband the Hawaii Broadband Assistance Advisory Council which was established by Act 199, Session Laws of Hawaii, 2010, and further amended in 2011 and 2016
- add a federal fund appropriation for digital navigator positions
- change the name and type of fund being created from the "Broadband and Digital Equity Special Fund" to the "Broadband Revolving Fund," and add the necessary language to support the creation of a revolving fund
- re-insert a one-time appropriation of \$200,000 into the newly created broadband revolving fund and specify that the appropriation is for the reimbursement of contracts executed by the Broadband Office, enabling timely reimbursement to non-profit organizations while the Broadband Office draws down on federal funding. The intent is to return the full amount back to the General Fund in 5 years.

Thank you for the opportunity to provide testimony in support with proposed amendments to H.B. 934, H.D. 1.



KEITH A. REGAN COMPTROLLER KA LUNA HOʻOMALU HANA LAULĀ

CHRISTINE M. SAKUDA
CHIEF INFORMATION OFFICER
LUNA 'ENEHANA

STATE OF HAWAI'I | KA MOKU'ĀINA O HAWAI'I DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES | KA 'OIHANA LOIHELU A LAWELAWE LAULĀ

OFFICE OF ENTERPRISE TECHNOLOGY SERVICES | KE'ENA HO'OLANA 'ENEHANA

P.O. BOX 119, HONOLULU, HAWAII 96810-0119

Testimony of
CHRISTINE M. SAKUDA
Chief Information Officer
Office of Enterprise Technology Services

Before the

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM Tuesday, March 11, 2025

HOUSE BILL NO. 934 HD1
RELATING TO THE HAWAI'I BROADBAND AND DIGITAL EQUITY OFFICE

Dear Chair DeCoite, Vice Chair Wakai, and members of the committee:

The Office of Enterprise Technology Services (ETS) humbly offers **comments** on this bill that transfers the Hawai'i Broadband and Digital Equity Office (HBDEO) from the Department of Business, Economic Development, and Tourism to the Office of Enterprise Technology Services in the Department of Accounting and General Services (DAGS), establishes the Hawai'i Broadband and Digital Equity Special Fund, and appropriates funds.

ETS strongly supports Connect Kākou, led by Governor Josh Green and Lieutenant Governor Sylvia Luke, to ensure that every resident of Hawai'i has access to broadband Internet – plus the skills and devices they need to use the Internet for economic, social, and community prosperity.

Taking over the responsibility of running and managing the Hawai'i Broadband and Digital Equity Office will be a huge endeavor for ETS. Current ETS resources are focused internally to government to include enterprise IT governance, cybersecurity, data governance, and support of the state's major modernization initiatives. We are unable to divert any resources to new endeavors so in order for the transfer to be successful, we would ask to be funded appropriately from both state and federal sources.

According to the HBDEO's Form A request (not approved for inclusion in the Governor's executive budget) for Fiscal Year 25-27: "With the current budget of \$360,000 to fund four staff and operating expenses, HBDEO has been operating with essentially no operating expenses for the past two fiscal years. Proper funding will enable the office to meet its objectives, especially in community outreach to rural, non-Oahu areas of the state."

The HBDEO had asked for \$777,090 for FY 26 with \$452,302 for personal services, and \$324,788 for other expenses.

ETS believes that these figures provide for a sound budget, and we ask that this funding be included in the bill. We believe that, without proper funding for both salaries and operations to manage the work the HBDEO is being tasked to do, moving the HBDEO to DAGS-ETS would not improve the functioning of the HBDEO but would in fact negatively impact critical services delivered through our existing program.

Pursuant to <u>Section 27-43</u>, <u>Hawaii Revised Statutes</u>, ETS provides governance and strategic planning for executive branch IT projects and we believe managing the infrastructure operations of broadband fall within the purview of this office. Our statutory responsibilities are focused on the State's enterprise IT infrastructure which has supported departments directly. We have concerns that a lack of adequate resources will dilute this internal focus by diverting resources needed for this public outreach.

Thank you for the opportunity to provide testimony on this measure.



SYLVIA LUKE

JAMES KUNANE TOKIOKA

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DEPARTMENT OF BUSINESS, **ECONOMIC DEVELOPMENT & TOURISM**

KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI A HOʻOMĀKAʻIKAʻI

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: dbedt.hawaii.gov

Statement of JAMES KUNANE TOKIOKA Director

Department of Business, Economic Development, and Tourism before the

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM

Tuesday, March 11, 2025 Time 1:00PM State Capitol, Conference Room #229

In consideration of HB934 HD1 RELATING TO THE HAWAII BROADBAND AND DIGITAL EQUITY OFFICE.

Chair DeCoite, Vice Chair Wakai and members of the Committee. The Department of Business, Economic Development and Tourism (DBEDT) provides the following comments on HB934 HD1 that transfers the Hawaii Broadband and Digital Equity Office (HBDEO) to the Office of Enterprise Technology Services in the Department of Accounting and General Services.

HBDEO has provided steady leadership in state broadband and digital equity. I am confident that regardless of where the Office resides in state government, the Office will continue to provide the necessary leadership and accountability in carrying out its statutory responsibilities and in deployment and management of federal funds. DBEDT will continue to collaborate with the Office as it is an important piece to the future of digital workforce and economic development.

Thank you for the opportunity to testify.



JOSH GREEN, M.D. GOVERNOR | KE KIA'ĀINA

SYLVIA LUKELIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA

STATE OF HAWAII | KA MOKUʻĀINA 'O HAWAI'I OFFICE OF THE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS KA 'OIHANA PILI KĀLEPA

NADINE Y. ANDO DIRECTOR | KA LUNA HO'OKELE

DEAN I. HAZAMADEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

335 MERCHANT STREET, ROOM 310 P.O. BOX 541 HONOLULU, HAWAII 96809 Phone Number: (808) 586-2850 Fax Number: (808) 586-2856 cca.hawaii.gov

Testimony of the Department of Commerce and Consumer Affairs

Before the Senate Committee on Economic Development and Tourism

Tuesday, March 11, 2025 1:00 p.m. Conference Room 229 & Via Videoconference

On the following measure: H.B. 934, RELATING TO THE HAWAII BROADBAND AND DIGITAL EQUITY OFFICE

Chair DeCoite, Vice Chair Wakai, and Members of the Committee:

My name is Randy Leong, and I am the Cable Television Administrator of the Department of Commerce and Consumer Affairs' ("Department") Cable Television Division. The Department supports this bill and requests two amendments.

The purpose of this bill is to transfer the Hawai'i Broadband and Digital Equity Office ("HBDEO") from the Department of Business, Economic Development, and Tourism to the Office of Enterprise Technology Services Department of Accounting and General Services; establish the Broadband and Digital Equity Special Fund; and appropriate funds.

The Department respectfully requests amending this bill by: (1) incorporating the language of S.B.1045, which deletes obsolete functions and consolidates the state's broadband functions into the HBDEO through the repeal of HRS Section 440G-11.5 and Act 199, Section 3, as amended; and (2) consolidating the duty of collecting and posting

broadband infrastructure notices pursuant to Section 2 of Act 151 (Session Laws of Hawaii 2011), as amended by Act 264 (Session Laws of Hawaii 2013) and Act 193 (Session Laws of Hawaii 2016) from the Department to the HBDEO (see attachment, pg.3, line 21). This little-used provision requires the Department to collect and post online notices of certain actions relating to broadband infrastructure on existing utility poles and conduits which use existing infrastructure and facilities. The online notices are for expedited projects which are exempt from county and state permitting and approval requirements, so long as 30-days' notice is provided in advance.

The Department finds it prudent and beneficial to conserve taxpayer resources by consolidating broadband and related duties under one state agency. This would also reduce confusion by having one state office in which the public can be referred to and contact for broadband issues and matters. The transfer of broadband duties from the Department will not negatively impact services to the public due to significant overlaps in the Department's broadband functions which are already undertaken by other government agencies. The requested amendments simply provide for the transfer of the enumerated tasks in HRS Section 440G-11.5 to the HBDEO which would eliminate this overlap in duties.

Due to changes in broadband infrastructure funding and public policy in recent years, the Department has occupied a secondary role to other state agencies who are leading broadband infrastructure development and digital equity initiatives. As such, the Department supports this measure and our requested amendments which are the repeal of HRS Section 440G-11.5 and Act 199, as amended; along with the transfer of duties pursuant to Section 2 of Act 151, as amended, from the Department to HBDEO. The Department defers to the other agencies regarding the other sections of this bill which affect those agencies.

Thank you for the opportunity to testify on this bill.

ATTACHMENT TO DCCA TESTIMONY - EDT HEARING

(Act 151 Session Laws of Hawaii 2011)

BE IT .ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1	SECTION 1. Act 199, Session Laws of Hawaii 2010,			
2	established a broadband work group to develop procedures for			
3	streamlining permitting functions applicable to the development			
4	of broadband services and broadband technology. The legislature			
5	finds that the broadband work group has recommended the creation			
6	of an exemption from various permitting requirements for the			
7	installation of new or upgraded broadband infrastructure along			
8	existing poles and conduits that are already used for			
9	telecommunications. Another discussion item of the broadband			
10	work group is the streamlining of the processing of pole,			
11	conduit, and duct applications.			
12	The purpose of this Act is to facilitate the deployment of			
13	high-speed broadband infrastructure in Hawaii by exempting the			
14	installation, improvement, construction, or development of			
15	infrastructure relating to broadband service or broadband			
16	technology from state and county permitting requirements, under			
17	certain conditions, and reducing the time and costs associated			
18	with requests for access to utility poles and conduits. This			

- ${f 1}$ Act also makes the director of commerce and consumer affairs a
- 2- member and chairperson of the broadband assistance advisory
- 3 council and a member and convenor of the broadband work group
- 4 established under Act 199, Session Laws of Hawaii 2010, and
- 5 removes the cable television administrator from the broadband
- 6 assistance advisory council and the broadband work group.
- 7 SECTION 2. From January 1, 2012, to January 1, 2017,
- 8 actions relating to the installation, improvement, construction,
- 9 or development of infrastructure relating to broadband service
- 10 or broadband technology, including the interconnection of
- 11 telecommunications cables, shall be exempt from county
- 12 permitting requirements, state permitting and approval
- 13 requirements, which includes the requirements of chapters 171,
- 14. 205A, and 343, Hawaii Revised Statutes, and public utilities
- 15 commission rules under Hawaii Administrative Rules, chapter 6-
- 16 73, that require existing installations to comply with new pole
- 17 replacement standards at the time of any construction or
- 18 alteration to the equipment or installation, except to the
- 19 extent that such permitting or approval is required by federal
- 20 law or is necessary to protect eligibility for federal funding,
- 21 services, or other assistance; provided that the installation,

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2	shall:	
3	(1)	Be directly related to the improvement of existing
4		telecommunications cables or the installation of new
5		telecommunications cables:
6		(A) On existing or replacement utility poles and
7		conduits; and
8		(B) Using existing infrastructure and facilities;
9	(2)	Take place within existing rights-of-way or public
10		utility easements or use existing telecommunications
11		infrastructure; and
12	(3)	Make no significant changes to the existing public
13		rights-of-way, public utility easements, or
14		telecommunications infrastructure.

improvement, construction, or development of infrastructure

A person or entity shall use reasonable best efforts to

16 comply with all applicable safety and engineering requirements

17 relating to the installation, improvement, construction, or

18 development of infrastructure relating to broadband service.

19 A person or entity taking any action under this section

provide notice to the [director of commerce and consumer affairs]
Hawaii broadband digital equity office

shall, at least thirty calendar days before the action is taken,

- 1 by electronic posting in the form and on the site designated by
- 2 the director for such posting on the designated central State of
- 3 Hawaii Internet website; provided that notice need not be given
- 4 by a public utility or government entity for an action relating
- 5 to the installation, improvement, construction, or development
- 6 of infrastructure relating to broadband service or broadband
- 7 technology where the action taken is to provide access as the
- 8 owner of the existing rights-of-way, utility easements, or
- 9 telecommunications infrastructure.

[remaining text omitted]

Testimony Presented Before the Senate Committee on Economic Development and Tourism Tuesday, March 11, 2025 at 1:00 p.m.

Βv

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

HB 934 HD1 – RELATING TO THE HAWAI'I BROADBAND AND DIGITAL EQUITY OFFICE

Chair DeCoite, Vice Chair Wakai, and Members of the Committee:

The University of Hawai'i, representing the interests of the State in the implementation of federally funded broadband investments, supports HB 934 HD1 which transfers the Hawai'i Broadband and Digital Equity Office (HBDEO) from the Department of Business, Economic Development, and Tourism (DBEDT) to the Office of Enterprise Technology Services (ETS) in the Department of Accounting and General Services, and establishes the Hawai'i Broadband and Digital Equity Special Fund. Transfer of the HBDEO under ETS, would place it within the management and oversight of the State Chief Information Officer, and will properly align the functions of the HBDEO together with other statewide technology infrastructure oversight, management and operations. The measure additionally provides for appropriate governance under the statutorily established Information Technology Steering Committee.

Establishment of the Hawai'i Broadband and Digital Equity Special Fund provides for the ability to collect and expend funds received as a beneficial outcome of the public investment in broadband infrastructure assets; and to ensure the funds are used to support long term sustainability of the state's broadband infrastructure assets and the ability of our community to benefit from those infrastructure assets. Placing the ownership of the assets resulting from the federal broadband investments under the State Chief Information Officer, together with the assistance of the Information Technology Steering Committee, will help to ensure the public's interest is protected and the benefits to Hawai'i maximized over the lifetime of these assets. To help provide clarity over the intent of the use of the funds, we suggest the fund be titled the Hawai'i Broadband Special Fund.

Thank you for the opportunity to provide testimony in support of HB 934 HD1.



STATE OF HAWAI'I KA MOKU'ĀINA O HAWAI'I STATE COUNCIL ON DEVELOPMENTAL DISABILITIES 'A'UNIKE MOKU'ĀPUNI NO KA NĀ KĀWAI KULA

PRINCESS VICTORIA KAMĀMALU BUILDING 1010 RICHARDS STREET, Room 122 HONOLULU, HAWAI'I 96813 TELEPHONE: (808) 586-8100 FAX: (808) 586-7543

March 11, 2025

The Honorable Senator Lynn DeCoite, Chair Senate Committee on Economic Development and Tourism The Thirty-Third Legislature State Capitol State of Hawai'i Honolulu, Hawai'i 96813

Dear Senator DeCoite, and Committee Members:

SUBJECT: HB934 HD1 Relating to the Hawai'i Broadband and Digital Equity Office

The Hawai'i State Council on Developmental Disabilities **SUPPORTS HB934 HD1**, which transfers the Hawai'i Broadband and Digital Equity Office from the Department of Business, Economic Development, and Tourism to the Office of Enterprise Technology Services in the Department of Accounting and General Services. Establishes the Broadband and Digital Equity Special Fund. Appropriates funds. Effective 7/1/3000. (HD1)

Access to broadband and digital technology is critical for individuals with intellectual and developmental disabilities (I/DD) to fully participate in society. Reliable internet connectivity and digital literacy are essential for accessing telehealth services, engaging in educational opportunities, securing employment, and participating in community life. HB934 HD1 strengthens the State's infrastructure to ensure digital equity, especially for underserved and vulnerable populations.

The proposed restructuring and the establishment of the special fund will enhance the State's ability to develop and implement strategies to improve broadband access and affordability. The emphasis on supporting broadband projects, and funding positions for technical assistance aligns with the needs of the I/DD community, which often faces significant barriers to digital inclusion.

Thank you for the opportunity to submit testimony in **support of HB934 HD1**.

Sincerely,

Daintry Bartoldus
Executive Administrator

KAPOLEI CHAMBER OF COMMERCE

Senate Committee on Economic Development & Tourism Senator Lynn DeCoite, Chair Senator Glenn Wakai, Vice Chair

Working together for Kapolei

Tuesday March 11, 2025, 1:00 p.m. Conference Rm. 229 and via videoconference

Dear Chair DeCoite , Vice Chair Wakai , and members of the committee:

RE: HB 935 HD1 Relating to the Hawai'i Broadband and Digital Equity Office

My name is Kiran Polk, and I am the Executive Director & CEO of the Kapolei Chamber of Commerce. The Kapolei Chamber of Commerce is an advocate for businesses in the Kapolei region including Waipahu, Kapolei, 'Ewa Beach, Nānakūli, Wai'anae and Mākaha. The Chamber works on behalf of its members and the business community to improve the regional and State economic climate and help West O'ahu businesses thrive. We are a member- driven, member-supported organization representing the interests of all types of business: small, medium or large, for profit or non-profit businesses or sole proprietorship.

The Kapolei Chamber appreciates the intent behind HB 935 HD1, which proposes transferring the Hawai'i Broadband and Digital Equity Office from the Department of Business, Economic Development, and Tourism (DBEDT) to the Office of Enterprise Technology Services under the Department of Accounting and General Services. Additionally, the bill establishes the Broadband and Digital Equity Special Fund.

While we support the overall goal of this measure, <u>we have concerns regarding the language added in</u> <u>HB 935 HD1</u>, specifically in Section 27E, under the Broadband and Digital Equity Fund, item (b)(1), which states:

"excluding the deployment of broadband infrastructure for the provision of retail service."

As written, this language could lead into unintended consequences in the future and further restrict funding opportunities such as those for critical, community-led broadband initiatives.

We respectfully request restoring the original wording to simply state:

"Supporting broadband projects."

Since the core purpose and the <u>intent</u> of this measure is to transition the Hawai'i Broadband and Digital Equity Office to a new department, <u>the restrictive language introduced in HB 935 HD1 does not align with that intent.</u>

If there are specific concerns regarding the disbursement of funding from the newly established Broadband and Digital Equity Special Fund, those concerns should be addressed through the State's procurement process but should not be included in this measure since it does not align with the intent.

We respectfully urge you to support the removal of this restrictive clause to ensure that community-driven broadband solutions can access the necessary funding to expand service to underserved and rural areas in the future.

Thank you for your time and consideration.

Respectfully,

Kiran Polk Executive Director & CEO



March 10, 2025 at XX:00 XM State Capitol, Conference Room 229 & Videoconference

COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM

To: Chair Senator Lynn DeCoite Vice Chair Glenn Wakai

From: Rich P. Bettini, MPH President and CEO

Waianae Coast Comprehensive Health Center (WCCHC)

RE: TESTIMONY IN SUPPORT OF HOUSE BILL 934 HD1 - RELATING TO THE HAWAII

BROADBAND AND DIGITAL EQUITY OFFICE

Aloha Chair DeCoite Vice Chair Wakai, and Members of the Senate Committee on Economic Development and Tourism,

The Waianae Coast Comprehensive Health Center (WCCHC) **supports, with amendments HB934 HD1**, which intends to transition the Hawaii Broadband and Digital Equity Office to the Department of Technology and Innovation. However, we are concerned with the language added in HB934 HD1, specifically in **Section 27E Broadband and Digital Equity Fund item b1**, which reads:

"Supporting broadband projects, excluding the deployment of broadband infrastructure for the provision of retail service;"

We respectfully **request the removal of the added language** "excluding the deployment of broadband infrastructure for the provision of retail service;" to restore the bill's original intent, specifically to state:

(1) Supporting broadband projects

This change will make the bill more inclusive in supporting local community-led broadband solutions to drive innovation, clearly aligning with our **state's digital equity goals**.

The Waianae Coast Comprehensive Health Center (WCCHC) is a Federally Qualified Health Center (FQHC) dedicated to improving the health and well-being of the West Oʻahu community through accessible and affordable medical and traditional healing services, including outreach to people experiencing homelessness—a crucial aspect of our community's well-being. With 52 years of service, WCCHC is committed to providing comprehensive healthcare by addressing social determinants of health, including expanding access to broadband and digital resources that support education, economic opportunities, and healthcare access.

The amendment raises questions about the necessity of imposing such restrictions, especially as it threatens to block funding for community-driven broadband solutions, such as affordable community wireless networks. The term "retail service" remains undefined, creating potential



for unintended consequences, including the exclusion of small, innovative projects in marginalized communities, where these solutions are most needed.

We appreciate Charter's willingness to engage on this issue, and we remain open to continuing the dialogue on how we can collaborate to address the critical gaps in access for unsheltered populations and those living at or below the poverty level, which make up over 70% of WCCHC's patient population. However, it is clear that the current amendment does not align with the intent of HB934 HD1, which is to expand broadband access in a way that truly serves the needs of our local communities.

It is also important to note that while funding for broadband infrastructure is already allocated through the BEAD program, it specifically excludes community wireless networks. The current language in HB934 HD1 would further limit funding for these essential community-driven solutions, which are critical for achieving digital equity and providing affordable broadband to marginalized communities.

Additionally, the Hawaii Broadband and Digital Equity Office already has clear oversight authority for allocating these funds, as stipulated in the bill. Expenditures from the broadband and digital equity special fund are subject to oversight and prior approval by the Information Technology Steering Committee, ensuring that funding decisions are made with careful consideration and accountability. Given this existing framework, we question the need to impose upfront restrictions that could limit the state's ability to allocate public funds in the best interests of our communities.

Much like our concerns last year with HB2359, where we requested a veto due to similar language, the bill in its current form has a high potential to limit broadband deployment to the benefit of private interests over public interests, ultimately disadvantaging local communities.

We recommend that the Committee on Economic Development and Tourism pass **HB934 HD1** with amendments, specifically **removing the restrictive language "excluding the deployment of broadband infrastructure for the provision of retail service."** This change will restore the bill's original intent and ensure that all individuals and communities, particularly those in socioeconomically disadvantaged areas, have access to the technology needed to fully participate in society, democracy, the economy, and, most importantly, health equity, including equitable access to telehealth and healthcare services.

Mahalo nui loa,

Rich P. Bettini, MPH
President and CEO
Waianae Coast Comprehensive Health Center (WCCHC)



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

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT & TOURISM

March 11, 2025, 1:00 PM State Capitol, Conference Room 229, Videoconference

COMMENTS FOR: H.B. 934, H.D. 1 – RELATING TO BROADBAND AND DIGITAL EQUITY OFFICE

To: Chair DeCoite, Vice-Chair Waiki, and Members of the Committee

Re: Testimony Providing Comments for HB 934, HD1

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

Thank you for this opportunity to provide comments on House Bill 934, HD1, to transfer the Hawai'i Broadband and Digital Equity Office ("HBDEO") from the Department of Business, Economic Development, and Tourism ("DBEDT") to the Office of Enterprise Technology Services ("ETS") in the Department of Accounting and General Services ("DAGS") establishes the Hawai'i Broadband and Digital Equity Special Fund and appropriates additional funds.

Hawaiian Telcom supports the intent of this bill, which consolidates broadband planning, coordination, and operations duties currently disbursed across multiple agencies under one umbrella to leverage resources and promote efficiency and efficacy.

As the State and broadband service providers navigate the evolving landscape of broadband infrastructure and funding with the new federal administration, we must consider strategic approaches that maximize efficiency and align with federal initiatives. The Broadband Equity, Access, and Deployment ("BEAD") Program, which allocates \$42.45 billion to expand high-speed internet access, presents a unique opportunity for our state to enhance its broadband capabilities. The state's share of BEAD funding is \$149.5M plus \$46M in state matching funds to increase broadband infrastructure and promote digital literacy services. Additionally, as a broadband service provider, Hawaiian Telcom continues to invest hundreds of millions of dollars annually to expand broadband infrastructure across the State to deliver high-speed internet services to rural and urban areas. Hawaiian Telcom's historic \$1.7B investment aims to meet the rapidly evolving technology needs of families and businesses across the state, ensuring Hawai'i remains at the forefront of broadband innovation and provides a once-in-ageneration opportunity to ensure that access to broadband services is available to all households.

In closing, Hawaiian Telcom supports the intent of this bill and the appropriation of general funds to match federal funds for broadband programs and services funded through BEAD programs. We appreciate the opportunity to offer comments on HB 934, HD1.



Charter Communications Testimony of Rebecca Lieberman, Director of Government Affairs

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT & TOURISM

Hawaii State Capitol Tuesday, March 11, 2025

COMMENTS ON H.B. 934, H.D. 1 – RELATING TO THE HAWAII BROADBAND AND DIGITAL EQUITY OFFICE

Chair DeCoite, Vice Chair Wakai, and Members of the Committee.

Thank you for the opportunity to testify in support of H.B. 934, H.D. 1, a bill that would transfer the Hawaii Broadband and Digital Equity Office to the Office of Enterprise Technology Services and establishes the Hawaii Broadband and Digital Equity Special Fund.

As the largest broadband provider in the state, Charter supports efforts to promote digital equity and broadband access. A key aspect of reducing the digital divide is by investing in broadband infrastructure, digital navigators and literacy tools, affordability programs, and access to hardware.

Charter believes that every Hawaii resident should have reliable access to the Internet. We will continue to help bring the benefits of broadband and access to the internet to those who need it most. Hawaii is slated to receive over \$200 million in federal grants for broadband infrastructure in the immediate future (via the Broadband, Equity, Access, and Deployment Program), in addition to private investments already being made by the industry. The Broadband and Digital Equity Special Fund should prioritize funding projects related to broadband adoption and affordability programs, rather than retail infrastructure projects, which are separately supported by federal funding.

We are grateful to Chair Ilagan for incorporating our previously requested amendment into the bill. Charter spoke with the Broadband and Digital Equity Office, and we believe that this bill is in line with the state's desire for the program, which is to support community anchor institutions, digital navigators and literacy tools, affordability programs, and access to hardware. Charter is not opposed to additional competition from new ISPs entering the market. However, the intent of the amendment was to ensure that new competition enters the market on a fair and equal playing field. Additionally, the BEAD Program dedicated hundreds of millions of dollars to ensure that all households in Hawaii will soon have high-speed broadband available. Infrastructure availability and digital equity are both important, but they are different problems requiring different, independent solutions.

In 2023, Charter extended its network to reach an additional 9,000 homes and small businesses in Hawaii, investing \$96 million across the state. Charter participated in the FCC's Emergency Broadband Benefit Program (EBB) and Affordable Connectivity Program (ACP), which helped connect over 59,000 eligible households in Hawaii with high-speed broadband. Broadband internet access is more important than ever, and Charter offers a variety of affordable high-speed internet packages to meet all the connectivity and budget needs of our customers. With Spectrum Internet Assist, qualifying low-income families and seniors can receive high-speed internet for as little as \$15 per month.

Mahalo for the opportunity to provide proposed amendments to H.B. 934, H.D. 1.



Testimony of Sean Taketa McLaughlin Hawaii' Senate Committee on Economic Development & Tourism Tuesday March 11, 2025 at 1:00 pm

Supporting HB934 - "Relating to the Hawaii Broadband Digital Equity Office"

Thank you for this opportunity to share testimony supporting HB934 with amendments.

Reorganizing State efforts to address our digital divide, you have the opportunity to make a timely difference. Currently, critical planning and implementation functions are scattered across State departments, creating a lack of transparency and accountability to meet the State's vision for Digital Equity.

Local information needs for public health & safety, education, community based economic development, culture, arts, and civic engagement are not being met by the private corporations who profit immensely from our broadband communication networks. Independent State action is needed to coordinate State investments of public resources with the State's necessary regulation of the communication utilities we rely upon for broadband service..

Thoughtful reform of State digital equity efforts is overdue. Lt. Governor's testimony at the first two hearings on HB934 promised an inventory of State broadband functions that will be helpful and necessary to inform public policy going forward.

Unfortunately, at the request of Charter Communications, HB934 was amended for anti-competitive purposes. Looking at the Committee review, Charter merely pointed out that "retail service" is being "separately supported by federal funding," as reason enough to restrict and hinder State investments to meet local needs. In this case, undue deference was given to a special private interest at the expense of consumers and public interests.

The language in HB934 HD1 that Charter proposed is undefined and potentially includes any service that is sold to a consumer. It sounds like a duopolist's dream - use federal funding without local obligations to build essential networks, then restrict state funding to programmatic involvement to fund the network owners. The anticompetitive benefit to incumbents, including the State's largest providers, is clear. The effect is anti-consumer and inequity is the result.

Why prohibit digital equity projects from building community networks or other public assets that provide "retail service?" Who benefits by restricting State investments in digital equity?

Please replace the CD1 language with the original language. Thanks for your thoughtful consideration of this testimony and please feel free to contact me if you would like more information or perspective on this issue.

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March 10, 2025

Committee on Economic Development and Tourism The Senate Capitol Honolulu, Hawaii

Aloha Committee Members:

I write in strong support of HB934 HD1 and the funding level you deem appropriate taking into account the requests of the Office of Enterprise Technology Services.

However, I strongly recommend one amendment. On page Page 6, Line 9, please restore the original bill's language, specifically to say:

(1) Supporting broadband projects;

The change in HD1, prohibiting the provision of retail service, was made at the request of Charter Communications. Possible interpretations of Charter's language could prevent even small, innovative projects, such as hybrid fiber-satellite – in remote, unserved or underserved communities. Giant corporation Charter would not be significantly harmed by a modest group of homes not being available to them. Ironically, the language could also prohibit a project that delivers customers to Charter.

The change in this year's bill does not rise to the level of the Charter-requested change to last year's related, administration-requested HBDEO bill that we successfully encouraged the Governor to veto. That is not an endorsement of the Charter change but a reflection that the good in HB934 outweighs the bad.

Please pass HB934 with the recommended restored language as described above.

Sincerely,

Daniel C. Smith, PhD

Daniel C. Smith

HB-934-HD-1

Submitted on: 3/10/2025 10:04:31 AM

Testimony for EDT on 3/11/2025 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kaili Swan	Individual	Support	Remotely Via Zoom

Comments:

I am in strong support of this measure beacuse people with disabilities need affordable broadband from them to access by using their personal electronic devices like cellphone tablets or e readers

HB-934-HD-1

Submitted on: 3/11/2025 8:03:30 AM

Testimony for EDT on 3/11/2025 1:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Faith Tuipulotu	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am in support of HB 934.

Mahalo, Faith Tuipulotu