

JAN 25 2023

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# A BILL FOR AN ACT

RELATING TO BROADBAND.

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

1           SECTION 1. The legislature finds that equitable access to  
2 high-speed broadband internet is a pressing challenge for the  
3 State. The legislature also finds that there is a significant  
4 amount of federal funds available to support state broadband  
5 initiatives and that some of these programs require matching  
6 funds from the State or other non-federal partners.

7           The purpose of this Act is to provide the matching funds  
8 required in order to receive federal funds for state broadband  
9 initiatives.

10          SECTION 2. There is appropriated out of the general  
11 revenues of the State of Hawaii the sum of \$33,000,000 or so  
12 much thereof as may be necessary for fiscal year 2023-2024 to  
13 provide required matching funds for the Broadband Equity,  
14 Access, and Deployment Program and such moneys shall not lapse  
15 at the end of the fiscal year for which the appropriation is  
16 made; provided that all moneys from the appropriation that are  
17 unencumbered as of June 30, 2026, shall lapse as of that date.

S.B. NO. 1317

1           There is appropriated out of the funds received by the  
2 State of Hawaii from the Infrastructure Investment and Jobs Act  
3 (IIJA), the sum of \$95,000,000, or so much thereof as may be  
4 necessary for fiscal year 2023-2024 for the Broadband Equity,  
5 Access, and Deployment Program.

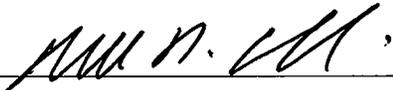
6           The sum appropriated shall be expended by the department of  
7 budget and finance for the purposes of this Act.

8           SECTION 3. There is appropriated out of the general  
9 revenues of the State of Hawaii the sum of \$\_\_\_\_\_ or so much  
10 thereof as may be necessary for fiscal year 2023-2024 and  
11 \$\_\_\_\_\_ or so much thereof as may be necessary for fiscal  
12 year 2024-2025 for additional matching fund requirements for  
13 federal fund programs related to broadband and such moneys shall  
14 not lapse at the end of the fiscal year for which the fiscal  
15 year 2023-2024 and fiscal year 2024-2025 appropriations are  
16 made; provided that all moneys from the appropriations that are  
17 unencumbered as of June 30, 2026, shall lapse as of that date.

18           The sums appropriated shall be expended by the department  
19 of budget and finance for the purposes of this Act.

S.B. NO. 1317

1 SECTION 4. This Act, upon its approval, shall take effect  
2 on July 1, 2023.

3 INTRODUCED BY: 

4 BY REQUEST

S.B. NO. 1317

**Report Title:**

Broadband Funds; Appropriations

**Description:**

Appropriates general funds for federal broadband programs matching fund requirements.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

JUSTIFICATION SHEET

**SB. NO. 1317**

DEPARTMENT: Budget and Finance

TITLE: A BILL FOR AN ACT RELATING TO BROADBAND.

PURPOSE: To appropriate general fund revenues for matching state funds and federal funds to support state broadband initiatives, including the Broadband Equity, Access, and Deployment (BEAD) Program.

MEANS: General fund and federal fund appropriation to the Department of Budget and Finance.

JUSTIFICATION: 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 percent 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. Therefore, this bill includes the known required state match amount (\$33,000,000), \$95,000,000 in federal funds, as well as blank appropriations for fiscal year 2023-2024 and 2024-2025 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.

# SB. NO. 1317

Impact on the public: This bill enables the State to receive additional federal funds to help improve broadband access and equity throughout the State. This will have a positive impact on the public as many individuals and communities benefit from broadband.

Impact on the department and other agencies: This bill will benefit the departments that are sub-awarded funds through broadband federal programs impacted by this bill.

GENERAL FUND: \$33,000,000 in fiscal year 2023-2024; and unspecified amounts for fiscal years 2023-2024 and 2024-2025 to provide flexibility for additional matching funds.

OTHER FUNDS: \$95,000,000 in fiscal year 2023-2024 in federal funds.

PPBS PROGRAM  
DESIGNATION: BUF 101.

OTHER AFFECTED  
AGENCIES: University of Hawaii and Department of Business, Economic Development, and Tourism, and any other agencies that may be sub-awarded funds from broadband federal fund programs affected by this bill.

EFFECTIVE DATE: July 1, 2023.