

Honolulu, Hawaii

MAR 18 2025

RE: H.B. No. 934
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Economic Development and Tourism, to which was referred H.B. No. 934, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII BROADBAND AND DIGITAL EQUITY OFFICE,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Transfer the Hawaii 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;
- (2) Establish the Broadband and Digital Equity Special Fund; and
- (3) Appropriate funds.

Your Committee received testimony in support of this measure from the Office of the Lieutenant Governor, Department of Commerce and Consumer Affairs, University of Hawai'i System, Hawai'i State Council on Developmental Disabilities, Kapolei Chamber of Commerce, Waianae Coast Comprehensive Health Center, Charter Communications, and four individuals.



Your Committee received comments on this measure from the Office of Enterprise Technology Services; Department of Business, Economic Development, and Tourism; and Hawaiian Telcom.

Your Committee finds that given the increasingly vital role of broadband technology in daily life, providing reliable and affordable access to high speed internet is essential to create equitable educational, economic, and social opportunities throughout the State. Your Committee further finds that the federal government and the State have committed to modernize 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, the 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.

Your Committee notes the concerns raised in the testimony of the Waianae Coast Comprehensive Health Center regarding the exclusion of broadband infrastructure for retail services under the State's digital equity goals to support local community-led broadband solutions.

Your Committee further finds that this measure is intended to provide the opportunity to review and centralize broadband responsibilities currently dispersed across the state government. Your Committee acknowledges the suggested amendments provided by the Office of the Lieutenant Governor regarding methods to most effectively use funding and anticipated generated revenue while consolidating statewide broadband infrastructure.

Accordingly, your Committee has amended this measure by:

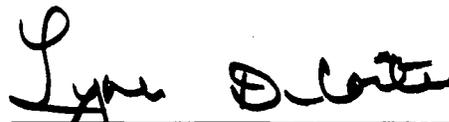
- (1) Changing the name of the "Hawaii Broadband and Digital Equity Office" to "Broadband Office";
- (2) Deleting language that would have included "remote work" within the duties and responsibilities of the broadband office;



- (3) Changing the "Broadband and Digital Equity Special Fund" to the "Broadband Revolving Fund";
- (4) Repealing language in existing law that assigned duties to the Director of Commerce and Consumer Affairs relating to broadband services;
- (5) Repealing language that established the Broadband Assistance Advisory Council;
- (6) Changing the appropriation from an unspecified amount, to \$200,000 to be expended by the Broadband Office for the reimbursement of contracts executed by the Broadband Office;
- (7) Inserting a blank appropriation amount to establish a blank number of digital navigator positions; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development and Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 934, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 934, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development and Tourism,



LYNN DECOITE, Chair



