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Honolulu, Hawaii

APR - 1 2010

RE: H.B. No. 2698

H.D. 2 S.D. 2

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 2698, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TECHNOLOGY,"

begs leave to report as follows:

The purpose of this measure is to promote telework and the expansion of broadband services in the State.

More specifically, this measure:

- (1) Requires the Director of Commerce and Consumer Affairs, in conjunction with expanded digital cable programming and services, to promote telework and affordable and accessible broadband services in the State;
- (2) Establishes the telework promotion and broadband assistance advisory council to promote telework alternatives and broadband development in the State;
- (3) Requires the Director of Commerce and Consumer Affairs to establish a working group to develop procedures for streamlined permitting functions for the purpose of developing broadband services; and
- (4) Requires the Department of Commerce and Consumer Affairs to annually report to the Legislature on the receipt and expenditure of federal appropriations for the purpose of

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purchasing broadband facilities, services, or equipment or for entering into contracts for any broadband related projects.

The Department of Commerce and Consumer Affairs and the High Technology Development Corporation submitted comments on the measure. The written comments may be reviewed on the Legislature's website.

Your Committee finds that broadband technology is vital to making Hawaii a global technology leader. The expansion of broadband services not only provides high-speed internet access, but also makes it possible to link global financial institutions, transfer large amounts of data, encourage the use of telework and telemedicine, and promote new communication tools and services.

Your Committee further finds that telework will create efficiency in the workforce by reducing travel and commuting times, reducing the need for physical office space, and allowing flexible schedules for employees in the public and private sectors. Your Committee believes that this measure will promote the expansion of broadband and telework opportunities in the State.

Your Committee has amended this measure by:

- (1) Amending the title of the new section being added to Chapter 440G, Hawaii Revised Statutes, to include the term "broadband";
- (2) Authorizing the Director of Commerce and Consumer
 Affairs to appoint staff exempt from civil service for
 the purpose of carrying out the Director's telework and
 broadband requirements prescribed under the measure;
- (3) Changing the composition of the Telework Promotion and Broadband Assistance Advisory Council to include the Administrator of the Cable Television Division, with the Administrator serving as chairperson of the council;
- (4) Requiring the Administrator of the Cable Television Division, instead of the Director of Commerce and Consumer Affairs, to convene and serve on the work group that will develop procedures for streamlining government

permitting functions for the development of broadband services; and

(5) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2698, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2698, H.D. 2, S.D. 2.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

DONNA MERCADO KIM, Chair

The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:	Da	ite:	
AB 2698 ADZ SDI	EDT, WALL		3/31/10	
The committee is reconsidering its previous decision on this measure.				
If so, then the previous decision was to:				
The Recommendation is:				
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313				
Members	Aye	Aye (WR)	Nay	Excused
KIM, Donna Mercado (C)				
TSUTSUI, Shan S. (VC)				
CHUN OAKLAND, Suzanne				
ENGLISH, J. Kalani	7			
FUKUNAGA, Carol				
GALUTERIA, Brickwood				
HEE, Clayton	1			
HOOSER, Gary L.				
KIDANI, Michelle N.				
KOKUBUN, Russell S.				
TOKUDA, Jill N.		. B 1.1		2015/2011
HEMMINGS, Fred				
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TOTAL	P \		0	ر
Recommendation:		<u>l</u> .		
Adopted Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

^{*}Only one measure per Record of Votes