

Honolulu, Hawaii

FEB 12 2010

RE: S.B. No. 2543  
S.D. 1

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

Madam:

Your Committee on Economic Development and Technology, to which was referred S.B. No. 2543 entitled:

"A BILL FOR AN ACT RELATING TO TECHNOLOGY,"

begs leave to report as follows:

The purpose of this measure is to support the expanded use of technology by:

- (1) Establishing an Office of Telework Promotion and Broadband Assistance and a Broadband Advisory Council;
- (2) Establishing a work group to develop procedures for streamlined permitting functions applicable to development of broadband services or technology; and
- (3) Requiring all state agencies to report annually to the Legislature on expenditures of federal moneys for broadband facilities, services, equipment, or contracts.

Testimony in support of this measure was submitted by AT&T Services, Inc.; Hawaiian Telcom; Oceanic Time Warner Cable; and Comtel. Comments for this measure were submitted by the Department of Commerce and Consumer Affairs and the High Technology Development Corporation.

Written testimony presented to the Committee may be reviewed on the Legislature's website.



Your Committee finds that on January 14, 2010, the Department of Commerce and Consumer Affairs renewed Time Warner Entertainment Company, L.P.'s non-exclusive cable franchise for cable television services on the island of Oahu. The order allows Time Warner to continue utilizing public rights of way to provide cable service to consumers, and in exchange, the order requires that Time Warner utilize the latest technology to provide a wide diversity of information sources and services to the public. In addition, Time Warner will more than double the number of cable channels available for local uses in the State, increasing the channels from six to fourteen. The order also provides continued funding to 'Olelo for PEG access services, and the Hawaii Public Television Foundation - PBS Hawai'i. In addition, free high-speed broadband service (Roadrunner) will be provided to all two hundred eighty-eight Department of Education schools, including charter schools, statewide to facilitate online student testing. Time Warner will provide additional free interconnections to the State's INET for government or educational use, including twenty new interconnections during the first five years and additional interconnections thereafter.

Your Committee finds that the terms of this twenty-year renewal offer unprecedented opportunities to advance Hawaii's broadband capabilities and use.

In addition to the level of increased services required in the order, the Department of Commerce and Consumer Affairs is in receipt of a \$1,900,000 grant to fund broadband mapping and planning activities in Hawaii (\$1,400,000 for broadband data collection and mapping activities over a two-year period and \$500,000 for broadband planning activities over a five-year period). The Department has teamed with the University of Hawaii Pacific Disaster Center, which is taking the lead on completing the mapping activity.

Your Committee also notes that, given the extreme fiscal constraints facing state agencies, the original goals of the Hawaii Broadband Task Force can best be met during 2010-2012 with a more focused, in-house effort to maximize federal broadband funding with the State's commitment to deliver more services and programs through digital cable networks.

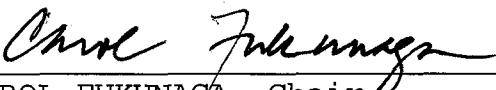
Your Committee has amended this measure accordingly, by:



- (1) Deleting the establishment of an Office of Telework Promotion and Broadband Assistance, refocusing the duties on expanded digital cable programming and services, and assigning these duties to the Director of Commerce and Consumer Affairs;
- (2) Amending the name of the Advisory Council to the Telework Promotion and Broadband Assistance Advisory Council and deleting the requirement for an annual report;
- (3) Requiring the Department of Commerce and Consumer Affairs to submit the report on American Recovery and Reinvestment Act of 2009 expenditures for broadband projects;
- (4) Making the Act effective upon approval; and
- (5) 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 Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2543, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2543, S.D. 1, and be referred to the Committee on Ways and Means.

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

  
CAROL FUKUNAGA, Chair



The Senate  
Twenty-Fifth Legislature  
State of Hawaii

**Record of Votes**  
**Committee on Economic Development and Technology**  
**EDT**

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SB 2543</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">EDT, WAM</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">2-10-2010</div>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312         </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311         </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310         </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313         </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
FUKUNAGA, Carol (C)	✓			
BAKER, Rosalyn H. (VC)	✓			
HEE, Clayton				✓
IGE, David Y.	✓			
SLOM, Sam	✓			
<b>TOTAL</b>	4	—	—	1
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <input checked="" type="checkbox"/> Adopted         <input type="checkbox"/> Not Adopted         </div>				
Chair's or Designee's Signature: <div style="font-size: 1.2em; font-family: cursive; margin-top: 10px;">Rosalyn H Baker</div>				
<b>Distribution:</b> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="text-align: center;">Original File with Committee Report</div> <div style="text-align: center;">Yellow Clerk's Office</div> <div style="text-align: center;">Pink Drafting Agency</div> <div style="text-align: center;">Goldenrod Committee File Copy</div> </div>				

\*Only one measure per Record of Votes