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STATE OF HAWAII DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

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

TESTIMONY
OF
RUSS K. SAITO, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
SENATE COMMITTEE
ON
ECONOMIC DEVELOPMENT AND TECHNOLOGY
ON
March 8, 2010

H.B. 2698, H.D. 2

RELATING TO TECHNOLOGY

Chair Fukunaga and members of the Committee, thank you for the opportunity to testify on H.B. 2698, H.D. 2.

The Department of Accounting and General Services opposes H.B. 2698, H.D. 2 for three reasons.

First, by creating a Broadband Commissioner and office, this bill will require funding which the State has no source of revenue to cover. We have already cut our budget and may need to cut some more if the State's economy does not improve. There is no money to pay for the salaries and expenses of a Broadband Commissioner and staff.

The second reason DAGS opposes this bill is that it would attach the Broadband Commission, the Broadband commissioner and staff to DAGS for administrative purposes. DAGS is not geared up to provide administrative oversight for the Broadband

Commission, Commissioner, and staff. If this bill were to advance, the more logical place to attach the Broadband Commission, Commissioner, and staff would be the Department of Commerce and Consumer affairs.

Finally, although attaching a Broadband commission to the DCCA is more logical than attaching it to DAGS, this can be most effectively done in accordance with H.B. 984, S.D. 1 Proposed C.D. 1. DCCA has testified in support of advancing H.B. 984, S.D. 1 Proposed C.D. 1. DAGS defers to DCCA in this matter.

Thank you for the opportunity to testify on this matter





LATE TESTIMONY

March 8, 2010

Honorable Carol Fukunaga Chair, Senate Committee Economic Development and Technology Hawaii State Capitol Room 016

Re: <u>HB 2698, HD2, Relating to Technology - Support</u> EDT Hearing, Monday, March 8, 2010, 1:15 pm

Aloha Chair Fukunaga, Vice Chair Baker and Committee members:

On behalf of tw telecom ("TWTC"), which has operated in Hawaii since 1994, providing voice, Internet and data networking, and managing nearly 25,000 access lines to state and local governments, military, and businesses in the State, we appreciate the opportunity to offer testimony in support of this bill.

TWTC supports the intent to establish a Telework Promotion and Broadband Assistance Council and work group within the Department of Commerce and Consumer Affairs to bring decision makers together with service providers to create policies and develop best practices to increase opportunity for telework and broadband deployment in the state.

As a service provider to business customers in the state, we respectfully request that you consider including TWTC's participation as this initiative moves forward.

As always, we are thankful for the opportunity to share our views with you.

Sincerely,

/s/

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LATE



March 8, 2010

Honorable Carol Fukunaga Chair, Senate Committee Economic Development & Technology

Re: HB 2698, HD2 - Relating to Technology EDT Hearing, Monday, March 8, 2010, 1:15 p.m., Room 016

Aloha Chair Fukunaga, Vice Chair Baker and Committee members:

I am Nate Smith, President of Oceanic Time Warner Cable ("Oceanic"). On behalf of Oceanic, which provides a diverse selection of entertainment, information, and communication services, and currently employs more than 1,000 highly-trained individuals, we appreciate the opportunity to submit written testimony today. Oceanic supports the intent of HB 2698, HD2.

This bill establishes the Hawaii communications commission and the Hawaii broadband commissioner. Among other responsibilities, the bill requires the commission and commissioner to work towards various goals, including increasing broadband availability in the state, providing increased, flexible, timely and responsible access to public rights of way and public facilities for broadband service providers, and providing a more streamlined permit approval process that reduces the time and cost of broadband infrastructure deployment.

As the largest broadband provider in the state, Oceanic recognizes that advanced broadband services are important for our residents and are essential for the advancement of education, health, public safety, research, innovation, civic participation, and many other areas. Accordingly, Oceanic, in particular, supports the bill's intent to promote broadband availability, provide flexible, timely and responsible access for broadband infrastructure, and to find ways to streamline the permit approval process for broadband deployment.

Finally, as the committee is aware, the FCC is in the midst of developing a national broadband policy, and there will be further discussions among all affected stakeholders on the most efficient and cost-effective ways to accomplish the goals articulated in the bill. Accordingly, detailed regulatory proposals are premature, and Oceanic therefore supports the bill's approach to establish a broadband commission (and commissioner) in order to establish a forum and process to fully and carefully consider various policy and operational issues that will arise in connection with fulfilling the objectives of the bill.

For the foregoing reasons, Oceanic supports the intent of HB 2698, HD2. As always, I appreciate the opportunity to share our views with you.

Sincerely,

Nate Smith President