STAND. COM. REP. NO. 2944

Honolulu, Hawaii

MAR 2 3 2012

RE: H.B. No. 2526

H.D. 2 S.D. 1

Honorable Shan S. Tsutsui President of the Senate Twenty-Sixth State Legislature Regular Session of 2012 State of Hawaii

Sir:

Your Committees on Economic Development and Technology and Commerce and Consumer Protection, to which was referred H.B. No. 2526, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO REPORTING REQUIREMENTS FOR TELECOMMUNICATIONS AND CABLE TELEVISION PROVIDERS,"

beg leave to report as follows:

The purpose and intent of this measure is to require reporting by telecommunications and cable television providers to the Department of Commerce and Consumer Affairs and to provide confidentiality for certain information and reports submitted.

Your Committees received testimony in support of this measure from the Office of the Governor; Department of Business, Economic Development, and Tourism; and Department of Commerce and Consumer Affairs. Your Committees received testimony in opposition to this measure from AT&T Services, Inc., and CTIA-The Wireless Association. Your Committees received comments on this measure from Hawaiian Telcom, TW Telecom of Hawaii, and Sandwich Isles Communications, Inc.

Your Committees find that the development of 21st century communications infrastructure and statewide access to advanced information services is critical to the State's residents and their economic future. To meet this challenge, the State requires data to adapt its policies to address a swiftly changing communications industry. Your Committees further find that under

2012-1652 SSCR SMA.doc

the Department of Commerce and Consumer Affairs' broadband development grant awarded pursuant to the American Recovery and Reinvestment Act of 2009, Act 199, Session Laws of Hawaii 2010, and the Broadband Initiative, the Department of Commerce and Consumer Affairs has been charged with tasks to encourage and expedite broadband infrastructure development.

The Department of Commerce and Consumer Affairs has stated that access to accurate and current information on the State's communications infrastructure and broadband service availability is key to effective policies and programs to advance broadband access, lobbying for federal funds for broadband infrastructure, and identifying the best strategies to leverage government resources and future projects to foster infrastructure deployment, especially in unserved and underserved areas of the State.

While your Committees are supportive of the need for information, particularly with regards to meeting the federal grant requirements, your Committees agree with many of the concerns expressed by the providers that would be most affected by this measure. In particular, it was noted that no other state mandates companies to provide information at the level proposed in this measure, and in some states the broadband mapping is undertaken on an entirely voluntary level.

Your Committees find merit in both arguments, and have looked for common elements to provide a workable framework from which the Department of Commerce and Consumer Affairs can begin its broadband mapping initiatives, while ensuring greater protection of the information submitted by providers.

Your Committees have amended this measure by:

- (1) Amending the definition of "broadband speed threshold" to mean the highest speed threshold defined or established by the Federal Communications Commission in its broadband progress report applicable for the time period for which an informational report is filed pursuant to this measure;
- (2) Changing the starting date of the informational reports from July 31, 2012, to January 31, 2013, and every January 31 thereafter;

- (3) Clarifying that for the informational reports, commercial mobile radio service providers shall file with the department data and information that is the same as and not inconsistent with information filed with the Federal Communications Commission;
- (4) Clarifying that the information gathered will focus on tax map key parcels that cannot be served in a censusblock at the broadband speed threshold, with the focus on rural areas;
- (5) Deleting the authorization for the Department of Commerce and Consumer Affairs to request additional information from providers;
- (6) Clarifying that confidential information will be kept confidential;
- (7) Deleting the Department of Commerce and Consumer
 Affairs' authority to share information and data with
 the Attorney General, the Consumer Advocate, and the
 Director of Business, Economic Development, and Tourism
 for the performance of these agencies' duties;
- (8) Clarifying that the Department of Commerce and Consumer Affairs may disclose aggregated mapping information and data in the Director's discretion to prevent identification of a provider with the specific data furnished by that provider;
- (9) Requiring the Department of Commerce and Consumer Affairs to ensure the security and confidentiality of the information, protect against any anticipated threats or hazards to the security or integrity of the information; and protect against unauthorized access to or use of the information that could result in personal or competitive harm to individuals or providers;
- (10) Inserting an effective date of July 1, 2012; and
- (11) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development and Technology and Commerce and

Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2526, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2526, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Economic Development and Technology and Commerce and Consumer Protection,

ROSALYN H. BAKER, Chair

CAROL FUKUNAGA, Chair

The Senate Twenty-Sixth Legislature State of Hawai'i

Record of Votes Committee on Economic Development and Technology EDT

Bill / Resolution No.:* Committee Referral: Date: HBZ526 HD2 EPT/CPN, WAN 3/19/17							
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			
FUKUNAGA, Carol (C)	//						
WAKAI, Glenn (VC)	V	Maria Tanggar Maria					
BAKER, Rosalyn H.							
SOLOMON, Malama							
SLOM, Sam			_				
		4 : 		41			
		ay sa					
			<u> </u>				
- A side and a side of the second state of the		<u> </u>					
2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2							
	18 1 12 12 12 12 12 12 12 12 12 12 12 12 1						
				Page 1			
	1	(f)	1				
TOTAL		9	4				
Recommendation: 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

The Senate Twenty-Sixth Legislature State of Hawai'i

Record of Votes Committee on Commerce and Consumer Protection CPN

Bill / Resolution No.:*	Committee Referral: Date:						
HB2526 HDZ EDT/CPN,WAM 3-19-12							
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		
BAKER, Rosalyn H. (C)							
TANIGUCHI, Brian T. (VC)		V/					
GALUTERIA, Brickwood					,		
GREEN, M.D., Josh					V ,		
NISHIHARA, Clarence K.							
SOLOMON, Malama							
SLOM, Sam					<u> </u>		
					·		

		· .	i yar	<u></u>			
		 		\$4.25 m m Z			
		<u> </u>	<u>. History</u>	<u> </u>			
TOTAL		4	٥	0	\mathcal{C}		
Recommendation:							
Adopted Not Adopted							
Chair's or Designee's Signature:							
Distribution:OriginalYellowPinkGoldenrodFile with Committee ReportClerk's OfficeDrafting AgencyCommittee File Copy							

*Only one measure per Record of Votes