

SB 891

Measure Title: RELATING TO BROADBAND.

Report Title: Broadband; Public-private Partnership; Cable Landing Sites; Appropriation (\$)

Description: Appropriates funds to the department of business, economic development, and tourism to establish broadband cable landing sites and island-specific environmental impact studies.

Companion:

Package: None

Current Referral: EDT/ENE, WAM

Introducer(s): ENGLISH, BAKER, CHUN OAKLAND, GALUTERIA, INOUYE, Nishihara, Ruderman



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

DAVID Y. IGE
GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: www.hawaii.gov/dbedt

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
LUIS P. SALAVERIA
Director
Department of Business, Economic Development and Tourism
before the
**SENATE COMMITTEES ON ENERGY AND ENVIRONMENT AND
ECONOMIC DEVELOPMENT AND TECHNOLOGY**

Monday, February 9, 2015
2:45 PM
State Capitol, Conference Room 016

in consideration of
SB 891
RELATING TO BROADBAND.

Chairs Gabbard and Wakai, Vice Chairs Green and Slom, and Members of the Committees.

The Department of Business, Economic Development and Tourism (DBEDT) supports the intent of SB 891 provided that its passage does not replace or adversely impact priorities in our Executive Budget. This bill appropriates funding to establish seven secure broadband cable landing sites across the islands, including the necessary environmental impact studies.

DBEDT agrees that increased broadband capacity is critical to businesses and the growth of Hawaii's economy. The Broadband Task Force recommended that the State establish carrier-neutral, open-access fiber-optic cable landing stations to make it less costly and time-consuming for privately-financed transpacific cables to land in Hawaii.

DBEDT contracted for a specifications study in 2012 and transmitted the final report to the Ways and Means Committee in 2014. The study determined the preferred system specifications for military and business, and preliminary estimates of cost for plan, design and construction. Acquisition is another option. The State could partner with the private sector for operation of the landing sites.

Thank you for the opportunity to offer these comments.

Written Statement of
ROBBIE MELTON
Executive Director & CEO
High Technology Development Corporation
before the
SENATE COMMITTEES ON
ECONOMIC DEVELOPMENT & TECHNOLOGY
AND
ENERGY AND ENVIRONMENT

Monday, February 9, 2015
2:45 a.m.
State Capitol, Conference Room 016
In consideration of

SB891 RELATING TO BROADBAND.

Chairs Wakai and Gabbard, Vice Chairs Slom and Green, and Members of the Committees on Economic Development & Technology and Energy and Environment.

The High Technology Development Corporation (HTDC)) **supports the intent of SB891** relating to Broadband.

As part of HTDC's vision to create 80,000 new innovation jobs in Hawaii earning \$80,000 or more by 2030, HTDC supports initiatives aimed at improving Hawaii's reputation as a place for innovation and a place to do business, improving Hawaii's high speed broadband infrastructure, and promoting innovation on all islands of the state. HTDC supports the intent of increasing broadband capacity as a driver for economic development and integrating it with public private partnerships to provide financial leverage and sustained operations. HTDC also supports the intent of connections to the neighbor islands.

HTDC defers to the appropriate departments regarding the cost and administration.

Thank you for the opportunity to offer these comments.



NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY

An Authority of the State of Hawaii attached to the Department of Business, Economic Development & Tourism

Statement of
Gregory P. Barbour
Executive Director
Natural Energy Laboratory of Hawaii Authority
before the
COMMITTEE ON ENERGY AND ENVIRONMENT
and
COMMITTEE ON ECONOMIC DEVELOPMENT AND TECHNOLOGY
Monday, February 9, 2015
2:45 pm
State Capitol, Conference Room 016

in consideration of
SB 891
RELATING TO BROADBAND.

The Natural Energy Laboratory of Hawaii Authority (NELHA) is pleased to comment on S.B. 891, which would fund the establishment of a broadband Cable Landing Site (CLS) and island-specific environmental impact studies. This measure would assist in establishing a CLS at our Hawaii Ocean Science and Technology Park (HOST Park) in Kailua-Kona.

NELHA worked closely over the past several years in a statewide review of potential new CLS conducted by the UH Applied Research Laboratory. It is our understanding that HOST Park ranked No. 1 in terms of highest performance; lowest cost; and, shortest schedule in establishing a new CLS in the State. This is due to the existing infrastructure already in place at HOST Park which would allow this project to be fast-tracked. It is our understanding that efforts have already been initiated to develop more detailed landing specifications.

We support this bill provided that its passage does not replace or adversely impact priorities indicated in our Executive Budget.

Thank you for the opportunity to offer these comments.

SENT VIA EMAIL

February 6, 2015

Senator Mike Gabbard
Chair, Committee on Energy and Environment
Senator Glenn Wakai
Chair, Committee on Economic Development and Technology
Hearing on Senate Bill 891
Relating to Broadband
State Capitol, Conference Room 016

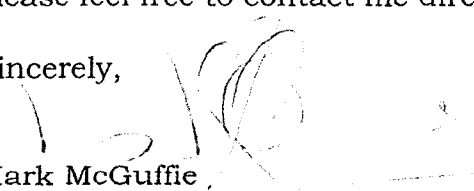
Aloha Chairs Gabbard and Wakai!

Enterprise Honolulu stands in strong support of Senate Bill 891 and its intent to provide the necessary advanced broadband infrastructure to support our growing innovation economy.

The proposed landing sites are integral to the future connectivity, health and wellbeing of all island communities and ask for both committees support to approve this measure.

Please feel free to contact me directly should you have any questions.

Sincerely,



Mark McGuffie
Managing Director
Enterprise Honolulu, Oahu Economic Development Board



ENTERPRISE
HONOLULU

THE BUSINESS CLIMATE OF PARADISE

735 Bishop Street, Suite 424, Honolulu, Hawaii 96813 • 808-521-3611
Fax: 808-536-2281 • www.enterprisehonolulu.com

SB 891

RELATING TO BROADBAND

**KEN HIRAKI
VICE PRESIDENT – GOVERNMENT & COMMUNITY AFFAIRS
HAWAIIAN TELCOM**

February 9, 2015

Chairs Wakai, Gabbard and members of the Committees:

I am Ken Hiraki, testifying on behalf of Hawaiian Telcom on SB 891 - Relating to Broadband.

Hawaiian Telcom supports SB 891 as a necessary step for further deployment of advanced broadband services, optical fiber infrastructure and greater opportunities for high technology jobs in the State. As the late Senator Daniel K. Inouye proclaimed at a hearing on the importance of increasing Hawaii's broadband capabilities:

“Broadband matters because broadband communications have become the great economic engine of our time. Broadband deployment drives opportunities for business, education, and healthcare...Add to this hundreds of millions of dollars in savings through e-government and telemedicine initiatives and untold riches we can reap by tapping the genius of web-based entrepreneurs in every corner of this country. The case for better broadband is clear.”

Supporting measures such as SB 891 are important if Hawaii is ever to reach its broadband goal of providing users throughout the state advanced broadband services second to none. We recommend the measure be amended to include two cable landing sites for Maui so isolated communities such as Hana may also be included in the environmental studies.

Based on the aforementioned, Hawaiian Telcom respectfully requests that this measure be adopted. Thank you for the opportunity to testify.

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 09, 2015 6:51 AM
To: EDT Testimony
Cc: stevechanksg@gmail.com
Subject: Submitted testimony for SB891 on Feb 9, 2015 14:45PM
Attachments: Dr Steve Chan Broadband Testimony_submit.pdf

SB891

Submitted on: 2/9/2015

Testimony for EDT/ENE on Feb 9, 2015 14:45PM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing
Steve Chan	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

Support for a bill that provides robust broadband capacity throughout the Hawaiian Islands is vital for the future vitality of the state. Broadband or high speed internet access can provide Hawaii an increased level of access to a wide range of resources, services, and products that can enhance the everyday life of citizens throughout the state in a variety of ways, such as:

- **Public Safety and Homeland Security:** Broadband enables interoperable broadband public safety networks, which connect first responders in an emergency, and allow emergency workers to communicate across disparate networks, between jurisdictions, and across different agencies – critical capabilities at the scene of an emergency. Police, fire, and emergency medical personnel can react to crises quickly, fostering cooperation among numerous public safety agencies. High speed Internet improves victim to responder communications by enabling instantaneous digital transmissions to and from members of a connected community.
- **Economic Development/E-Commerce:** Businesses need broadband to compete on a global level and seek out high-speed broadband access when choosing to grow their business. When it comes to finding jobs, or applying for jobs, broadband Internet access is essential. The FCC recently estimated that 80% of Fortune 500 companies only advertised for positions online. High-speed access accelerates business development, and provides new opportunities for innovation, expansion, and e-commerce. Communities that connect their residents create wealth and attract business investments.
- **Education:** Broadband Internet access levels the playing field when it comes to educational resources. Children in inner city neighborhood, affluent homes, and farm communities can all access the same resources. Textbook materials can be complemented with online resources, and children can access all of these materials from school and home.
- **Healthcare:** Telehealth & Telemedicine have become an important element of efficient healthcare delivery, which promotes better patient care, and even saves lives. With medical costs rising, and the availability of insurance limited, the costs saving benefits of telemedicine are also important. Broadband facilitates efficiency in healthcare delivery and creates opportunities for doctors and healthcare specialists to work together as a virtual team – with specialists located in any part of the world. A family practitioner in a small rural town can send medical images of a patient, to a specialist in any part of the world for an instant expert consultation. Test results from a hospital emergency room or laboratory can be sent to radiologist or doctor in seconds, making rapid diagnosis a reality, and doctors are also now sending prescriptions directly from their offices to pharmacies, greatly reducing errors, with automatic checking for interactions.
- **Communications:** Being digitally connected means communications can improve people's lives on the job, in their personal lives, and unite people with disabilities. Broadband empowers people with disabilities and removes barriers that keep them from participating in everyday activities. In addition to general communications social media also keeps people connected, and can facilitate meetings and communications, where face-to-face interaction was previously required. Broadband enables people to work from

home, saving time and expenses, and the environment. Employers have been encouraging this concept to save overhead expenses and improve employee satisfaction. Smart Grid technology will also enable homeowners to monitor energy usage in real time, and adjust usage patterns to save energy costs and aid in conservation efforts. Energy conservation measures can be started, with real-time savings calculated.

Policy makers are now frequently defining broadband as a necessity, in the same category as electricity, water and phone service. Broadband is no longer a perk or special benefit. For communities, it is a critical piece of infrastructure for attracting new capital investment. As with electric service, the reliability of broadband service is heavily scrutinized to ensure the operation will not be placed offline (especially for information-intensive projects like data centers) or that the risk of being offline is minimal. The competitiveness of the service is also important. Locations with numerous providers have an advantage because competitiveness will drive up speeds and drive down cost.

Locations with inadequate connectivity are quickly passed over for projects requiring broadband. Communities lacking broadband infrastructure make the process of elimination easier for investment decision-makers and influencers. That said, merely having broadband likely places a location on a level playing field with other communities and having a robust plan for how broadband is integrated gives your community a competitive advantage. In today's landscape wherein "being connected" is central to becoming a critical node within the global supply chain, and particularly for the case whereby Hawaii desires to enhance its economic posture, the discussed broadband element of critical infrastructure is, perhaps, the key ingredient for all of Hawaii's future endeavors ranging from smart grid to becoming a cyber leader.

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 05, 2015 4:45 PM
To: EDT Testimony
Cc: rich@richarddberry.com
Subject: Submitted testimony for SB891 on Feb 9, 2015 14:45PM

SB891

Submitted on: 2/5/2015

Testimony for EDT/ENE on Feb 9, 2015 14:45PM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing
Richard Berry	Individual	Support	Yes

Comments: Currently, Hawaii's broadband infrastructure is inadequate and places our State at a competitive disadvantage. As more data are created from consumers and businesses, data must transmit faster, in real-time and in unprecedented volumes, all while being analyzed, verified, and made secure. This bandwidth need and the associated security requirements for this infrastructure requires a new transpacific cable and multiple cable landing sites throughout the State to provide more overall capacity. The exponential increase in technological devices, like GPS, smartphones, sensors, and advanced education tools that depend more and more on video means broadband capacity will only be further stressed in the near future. Broadband contributes to fiscal growth by improving productivity and streamlining business processes. It also provides the means for delivering new and innovative services and provides our public, private and civil sectors worldwide access to talent, information, and consumers. Broadband can drive sustainable, economic growth and attract new industries such as the commercial UAV market, remote sensing, oceanographic and seismic early warning systems.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov