

SB 1000

Measure Title: RELATING TO TECHNOLOGY.

Report Title: Proposed SD1: Requires a cable operator to disclose the minimum bandwidth that shall be provided and maximum bandwidth available for cable communication services.



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ECONOMIC DEVELOPMENT, ENVIRONMENT, AND TECHNOLOGY
AND
COMMERCE, CONSUMER PROTECTION, AND HEALTH

TWENTY-EIGHTH LEGISLATURE
Regular Session of 2016

Date: Monday, February 29, 2016
Time: 2:15 p.m.

TESTIMONY ON S.B. NO. 1000, PROPOSED S.D. 1 – RELATING TO TECHNOLOGY.

TO THE HONORABLE GLENN WAKAI AND ROSALYN H. BAKER, CHAIRS, AND
MEMBERS OF THE COMMITTEES:

My name is Ji Sook “Lisa” Kim, and I am the Cable Television Administrator at the Department of Commerce and Consumer Affairs (the “Department”). While the Department **supports the intent** of the measure to provide consumers with additional information, the Department does not support the proposed statutory amendment in S.B. No. 1000, Proposed S.D. 1, which seeks to add a disclosure requirement related to “cable communication services” through amendment of Section 440G-8.1(a), Hawaii Revised Statutes (“HRS”), and respectfully provides the following **comments** for consideration by the Committees.

This bill would add to the general service standard set under HRS § 440G-8.1(a) for each cable operator in the State a specific requirement that cable operators disclose to customers and prospective customers the minimum bandwidth to be provided and the maximum bandwidth available **“for cable communication services.”** The Department does not support the proposed amendment described above for the reason set forth below.

If the intent of this bill is to provide customers and prospective customers with bandwidth data related to the provision of **cable Internet services**, the Department notes that regulation of those services falls under the jurisdiction of the Federal Communications Commission ("FCC"). See FCC Open Internet Order (issued March 12, 2015) (reaffirming that Internet access service is jurisdictionally federal for regulatory purposes and expressly preempting any state regulation imposing obligations on such service in conflict with, or that would otherwise frustrate, the FCC's order and other federal rules and policies). As such, the Department does not believe that the proposed requirements should be included in HRS Chapter 440G, because that chapter covers cable television service and not cable Internet service for which DCCA does not have regulatory authority.

Thank you for the opportunity to provide testimony.

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The Honorable Glenn Wakai, Chair
Senate Committee on Economic Development, Environment and Technology

The Honorable Rosalyn Baker, Chair
Senate Committee on Commerce, Consumer Protection & Health

RE: SB 1000 Proposed SD1 – Relating to Technology – In Opposition
Monday, February 29, 2016 – 2:15 PM, Room 414

Aloha Chairs Wakai and Baker, Vice Chairs Slom and Kidani and members of the Committees,

Oceanic Time Warner Cable (“Oceanic”) appreciates the opportunity to express concerns regarding SB 1000 Proposed SD1, which requires a cable operator to disclose the minimum average bandwidth that shall be provided and maximum bandwidth available.

Speed through the Internet is dependent on many factors, some we can control and others we cannot. Oceanic can control the design of our network from the modem to the Internet backbone. Speed factors that we cannot control and are under the customer’s control are customer provided equipment such as wireless routers and the end device being used (cellphone, tablet, laptop). Speeds vary depending on the time of day, day of the week and events that may impact the load on the networks. The destination to be connected is also a factor of the speed (the connection and load on the destination server) and it is dependent on all networks/connections provided by other Internet carriers.

Specifically, the Internet by design is a collection of many networks connected together which allow any person to connect to destinations all over the world. The networks that comprise the Internet are diverse in bandwidth and capability, which means there is no uniformity of bandwidth available between any two locations on the Internet. This results in service through the network which is normally called a best-effort service. Oceanic's network that provides Internet connections to homes and businesses is under its control, which allows Oceanic to design for the speed through the Oceanic part of the Internet. However, information requested by users must almost always traverse other multiple networks, which are controlled by other companies or organizations to reach their desired destination. Since Oceanic is not in control of these other networks, Oceanic cannot provide an accurate minimum bandwidth for a customer. This is true for all wireline and wireless Internet Service Providers as well because of the nature of the Internet and the Internet Protocol (IP) which is the underlying technology used.

Therefore, it would be nearly impossible to calculate an average minimum bandwidth speed.

It is possible to determine the maximum bandwidth available for wired connections because Oceanic can control the limiting factor, which is the cable modem. Depending on the Internet tier that a customer subscribes to, there is an “up to speed”. For example, Oceanic’s Extreme Internet is up to 50 mbps. That speed is controlled by a setting in the cable modem. Accordingly, for wired connections, Oceanic can and does disclose the broadband speed that is “up to” the speed tier subscribed to by each customer.

Oceanic values our customers and strive for optimum customer service. We offer a 30-day trial period. Within 30 days of installation date, service may be cancelled and a full refund is given.

As we are unable to comply with the bill as written, we ask that the committees defer this measure.

Sincerely,

Gregg Fujimoto
President

SB 1000 SD1 (Proposed)

RELATING TO TECHNOLOGY

**KEN HIRAKI
VICE PRESIDENT-GOVERNMENT & COMMUNITY AFFAIRS
HAWAIIAN TELCOM
February 29, 2016**

Chairs Wakai, Baker and members of the Committees:

I am Ken Hiraki, testifying on behalf of Hawaiian Telcom on SB 1000 SD1 (proposed).

Hawaiian Telcom opposes SB 1000 SD1 which requires a cable operator to disclose the minimum and maximum bandwidth available for broadband services.

Identifying a specific minimum bandwidth speed is particularly difficult to measure because there are a number of different factors which can affect service performance. For example, factors affecting service speed include the distance from the home to the local exchange, congestion caused by heavy use during peak times, age of the computer, condition of the line, content demands such as video streaming etc.

These examples help to illustrate how intervening factors affecting broadband service can differ on a household-by-household basis and are often beyond our control. As a result of these variances, Hawaiian Telcom does disclose to customers that it cannot guarantee a particular broadband speed, bandwidth or data throughput rate.

The various factors affecting broadband service means no two household should be assumed to be alike and as a result minimum broadband speeds must be measured on a household-by-household basis in order to obtain the data required to be disclosed under this measure. We believe the enormous financial resources required to comply with SB 1000 SD1 will take away from our current efforts to improve our statewide broadband network and facilities to accommodate Hawaii's growing demand for internet services.

Hawaiian Telcom respectfully requests SB 1000 SD1 be held.

Thank you for the opportunity to testify.

wakai1 - Lilinoe

From: mailinglist@capitol.hawaii.gov
Sent: Friday, February 26, 2016 3:47 PM
To: EET Testimony
Cc: oluolu@maui.net
Subject: *Submitted testimony for SB1000 on Feb 29, 2016 14:15PM*

SB1000

Submitted on: 2/26/2016

Testimony for EET/CPH on Feb 29, 2016 14:15PM in Conference Room 414

Submitted By	Organization	Testifier Position	Present at Hearing
Helen Nielsen	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.

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wakai1 - Lilinoe

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 24, 2016 3:09 PM
To: EET Testimony
Cc: kalepa@maui.net
Subject: Submitted testimony for SB1000 on Feb 29, 2016 14:15PM

SB1000

Submitted on: 2/24/2016

Testimony for EET/CPH on Feb 29, 2016 14:15PM in Conference Room 414

Submitted By	Organization	Testifier Position	Present at Hearing
Jonathan Starr	Individual	Support	No

Comments: I wish to offer strong support for SB1000. Bandwidth availability and speeds throughout Hawaii, and particularly in Maui's Capitol Town of Wailuku, is pitiful and insufficient. Please support SB1000 to help alleviate some of the current problems in this regard. Best Aloha, Jonathan Starr

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