

STAND. COM. REP. NO.

1516

Honolulu, Hawaii

MAR 22 2019

RE: H.B. No. 1062
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committees on Technology and Energy, Economic Development, and Tourism, to which was referred H.B. No. 1062, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO BROADBAND,"

beg leave to report as follows:

The purpose and intent of this measure is to establish the broadband service infrastructure grant program for the Department of Business, Economic Development, and Tourism (Department) to award grants to applicants to extend deployment of infrastructure used to provide broadband service to unserved and underserved areas of the State.

Your Committees received testimony in support of this measure from the Hawaiian Electric Companies, Charter Communications, and one individual. Your Committees received comments on this measure from the Department of Commerce and Consumer Affairs' Cable Television Division; Department of Business, Economic Development, and Tourism; and Hawaiian Telcom.

Your Committees support efforts to improve access to broadband services for residents, consumers, and businesses across the State. Access to broadband services in unserved and underserved areas of Hawaii would enhance economic development, education, health care, and emergency services in those areas.



The availability of grants for deployment to unserved and underserved areas, as proposed by this measure, would further those objectives by encouraging new investment in broadband infrastructure.

Your Committees have amended this measure by replacing its contents with a substantively similar measure, which previously passed the Senate, S.B. No. 553, S.D. 2, Regular Session of 2019, and making further amendments. Specifically, your Committees have amended this measure by:

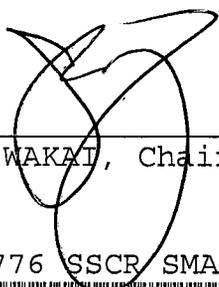
- (1) Amending the definition of "broadband service" to be the same as the definition for "broadband access or broadband service" under section 440J-1, Hawaii Revised Statutes;
- (2) Replacing the term and definition of "broadband service infrastructure" with the term "broadband infrastructure", to have the same meaning as under section 440J-1, Hawaii Revised Statutes;
- (3) Changing the definition of "underserved area" to require minimum speeds in proportion to the minimum broadband service speeds established by the Federal Communications Commission;
- (4) Deleting language that would have prohibited an applicant from using grant funds to upgrade existing broadband infrastructure;
- (5) Deleting language that would have made any applicant who receives funds under another federal or state grant or loan program ineligible for the grant program;
- (6) Deleting language that would have provided that the matching funds shall not be derived from funds received by the applicant through any other federal or state government grant, loan, or subsidy program;
- (7) Requiring an applicant to commit to paying a minimum of fifty percent, rather than twenty percent, of the project costs;



- (8) Requiring applicants to the broadband infrastructure grant program to commit to complying with net neutrality principles;
- (9) Deleting the length of time the applicant has been providing broadband service in the State from the scoring criteria for awarding funding under the grant program;
- (10) Clarifying and reorganizing the scoring criteria for awarding funding under the grant program;
- (11) Deleting language that would have required the Department to not consider certain new or additional regulatory obligations in awarding grants;
- (12) Deleting language that would have required the Department to adopt certain rules;
- (13) Inserting a blank appropriation for the establishment and administration of the broadband infrastructure grant program; and
- (14) 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 Technology and Energy, Economic Development, and Tourism that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1062, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1062, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Technology and
Energy, Economic Development,
and Tourism,



GLENN WAKAI, Chair

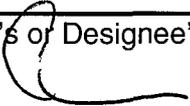


JARBETT KEOHOKALOOLE, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Technology
TEC

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1062 - HD-1	TEC/EET, WAM	3/21/2019		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KEOHOKALOOLE, Jarrett (C)	X			
ENGLISH, J. Kalani (VC)				X
MORIWAKI, Sharon Y.	X			
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
TOTAL	4			1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes

The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Energy, Economic Development, and Tourism
EET

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HB 1062 HD1	EET, WAM	3/21/19		
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The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
WAKAI, Glenn (C)	/			
TANIGUCHI, Brian T. (VC)				/
INOUE, Lorraine R.				/
KEOHOKALOPE, Jarrett	/			
FEVELLA, Kurt	/			
TOTAL	3	0	0	2
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Kurt Fevella				
Distribution:				
Original	Yellow	Pink	Goldenrod	
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