STAND. COM. REP. NO. 251 -20 Honolulu, Hawaii FEB 0 7 , 2020 RE: H.B. No. 2596 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2020 State of Hawaii

Sir:

Your Committees on Economic Development & Business and Intrastate Commerce, to which was referred H.B. No. 2596 entitled:

"A BILL FOR AN ACT RELATING TO BROADBAND SERVICE INFRASTRUCTURE,"

beg leave to report as follows:

HB2596 HD1 HSCR EDB-IAC HMS 2020-0747-1

The purpose of this measure is to establish the Broadband Service Infrastructure Grant Program to award grants to applicants to extend deployment of facilities used to provide broadband service to unserved and underserved areas of the State.

Your Committees received testimony in support of this measure from Charter Communications. Your Committees received testimony in opposition to this measure from Keep Your Power; No Kohala CERT, Teens X2 Social, Temple of Healing & Education; We Are One, Inc.; We Are One Ministries; ONACMO Inc.; Moku of Keanae, Maui; Sustainable Action Fund for the Environment Maui; Swami's Healing Arts; and over one hundred individuals. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism; Department of Commerce and Consumer Affairs; Office of Information Practices; and one individual.

STAND. COM. REP. NO. 257-20 Page 2

Your Committees find that increased demand for broadband internet service has created greater disparities between remote and rural communities and densely populated areas of the State. Your Committees further find that public-private partnerships are proving to be critical to closing the digital divide in unserved low-density areas and for creating incentives for broadband providers to spend capital to build a new network in such areas. This measure establishes a grant program to provide applicants of the program with grants to extend deployment of facilities used to provide broadband service in unserved and underserved areas of Hawaii.

Your Committees note that this measure is not connected to the use of 5G wireless technology and the intent is not to have your Committees use this measure to facilitate 5G wireless technology.

Your Committees have amended this measure by:

- (1) Specifying that projects for next-generation wireless technology must obtain an environmental impact statement under chapter 343, Hawaii Revised Statutes, in order to be eligible for the Broadband Service Infrastructure Grant Program; and
- (2) Changing its effective date to July 1, 2112, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Economic Development & Business and Intrastate Commerce that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2596, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2596, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

HB2596 HD1 HSCR EDB-IAC HMS 2020-0747-1

STAND. COM. REP. NO. 257 -20 Page 3

Respectfully submitted on behalf of the members of the Committees on Economic Development & Business and Intrastate Commerce,

ANGUS L.K. MCKELVEY, Chair

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TAKASHI OHNO, Chair



State of Hawaii House of Representatives The THIRTIETH Legislature

HBCR 257-20

Record of Votes of the Committee on Economic Development & Business

Bill/Resolution No.: HB 2596 EDB	ttee Referral: B/IAC , CPC ,	FIN Date	2/5/2	020			
The committee is reconsidering its previous decision on the measure.							
The recommendation is to: Image: Pass, unamended (as is) Image: Pass, with amendments (HD) Image: Hold Image: Pass short form bill with HD to recommit for future public hearing (recommit)							
EDB Members	Ayes	Ayes (WR)	Nays	Excused			
1. McKELVEY, Angus L.K. (C)	✓						
2. KITAGAWA, Lisa (VC)							
3. ELI, Stacelynn K.M.				V			
4. ICHIYAMA, Linda				₽ _₽			
5. JOHANSON, Aaron Ling							
J. JOHNTOON, MICH Ling							
6. QUINLAN, Sean							
7. YAMASHITA, Kyle T.				Para di Sana di			
8. MATSUMOTO, Lauren							
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TOTAL (8)	5	ø	Ø	S			
The recommendation is: Adopted If joint referral, did not support recommendation.							
Vice Chair's or designee's signature:							
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO							

State of Hawaii House of Representatives The THIRTIETH Legislature



Record of Votes of the Committee on Intrastate Commerce

Bill/Resolution No.: HB259b	Committe EDB	Referral: CPC	FIN Date	2/05/2020	0			
□ The committee is reconside	ring its previous decision	n on the measure.			····			
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit) 								
IAC Mem	bers	Ayes	Ayes (WR)	Nays	Excused			
1. OHNO, Takashi (C)								
2. KOBAYASHI, Dale T	. (VC)							
3. GATES, Cedric Asueg	a							
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4. KONG, Sam Satoru								
5. NISHIMOTO, Scott Y	•							
6. TAKAYAMA, Gregg								
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7. McDERMOTT, Bob								
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TOTAL (7)	5			2			
The recommendation is:	ecommendation is: Adopted If joint referral, did not support recommendation.							
Vice Chair's or designee's signature:								
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO								