

STAND. COM. REP. NO.

992

Honolulu, Hawaii

MAR 01 2019

RE: S.B. No. 253  
S.D. 2

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

Sir:

Your Committee on Commerce, Consumer Protection, and Health,  
to which was referred S.B. No. 253, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Codify the substantive provisions of Executive Order No. 18-02, which requires all state agencies to contract internet-related services only with internet service providers that demonstrate and contractually agree to support and practice net neutrality principles;
- (2) Add contract language and provisions regarding net neutrality principles to state procurement requirements that suppliers of telecommunications, internet, broadband, and data communication services must abide by; and
- (3) Define "net neutrality principles".

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and one individual. Your Committee received testimony in opposition to this measure from the State



Procurement Office and CTIA. Your Committee received comments on this measure from Charter Communications.

Your Committee finds that Governor Ige's Executive Order No. 18-02 requires state government agencies to contract internet-related services only with internet service providers who demonstrate and contractually agree to support and practice net neutrality principles. Net neutrality creates an equal playing field for access to information, promotes a free and open Internet, and preserves the First Amendment right to free speech.

The Federal Communications Commission recently decided to end net neutrality protections and has indicated that violations of net neutrality principles are best viewed through federal and state trade and business practices laws, which can be enforced by state governments. This measure promotes the basic principles of the free and open exchange of information and a free and open Internet without interference by internet service providers. Your Committee additionally finds that it is important for the Legislature adopt and codify net neutrality principles to maintain equal internet access for all in the event a successor governor repeals Executive Order No. 18-02.

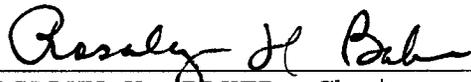
Your Committee has amended this measure by:

- (1) Requiring the Director of Commerce and Consumer Affairs to monitor net neutrality, including broadband and its products and services and internet access services of general application throughout the State;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 253, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 253, S.D. 2.



Respectfully submitted on  
behalf of the members of the  
Committee on Commerce, Consumer  
Protection, and Health,

  
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ROSALYN H. BAKER, Chair



