A BILL FOR AN ACT

RELATING TO BROADBAND SERVICE INFRASTRUCTURE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1	PART I
2	SECTION 1. The legislature finds that the provision of
3	equitable and robust access to broadband continues to be among
4	the State's most pressing challenges. Hawaii needs to invest in
5	open access, carrier-neutral cable landing infrastructure to
6	attract transpacific fiber optic cable companies and expand its
7	fiber connectivity to the world and throughout the islands,
8	particularly in rural, underserved, and unserved communities, to
9	achieve the digital equity necessary to build a resilient
10	digital economy. Attracting partners with the necessary
11	technical expertise and resources can develop Hawaii into a
12	strategic communications and knowledge hub in the Pacific. This
13	hub would incorporate a robust global communications network and
14	provide cloud platforms to establish next generation
15	applications, such as artificial intelligence and smart
16	communities, in Hawaii.

The legislature further finds that to build a robust 2 broadband infrastructure, the State must act quickly to take 3 advantage of various federal and private funds available this 4 year. For example, the 2021 federal Consolidated Appropriations Act earmarks: 5 6 (1)At least \$30,000,000 for the department of Hawaiian 7 home lands: 8 (2) \$3,200,000,000 nationally in an emergency broadband 9 benefit for low-income Americans to become connected 10 or remain connected to broadband; 11 (3) \$250,000,000 nationally for a new telehealth pilot 12 program; 13 (4)\$300,000,000 for a national grant program to fund 14 broadband in rural areas; and \$65,000,000 for the improvement of the nation's 15 (5) 16 broadband maps. 17 The legislature notes that the first phase of deployment of 18 these federal funds, in part, supports the South American 19 Pacific Link, a transpacific fiber cable project that would 20 connect Hawaii to South America, Central America, and the east coast of the continental United States. Additionally, over 21

- 1 \$100,000,000 is available from the United States Department of
- 2 Transportation Federal Highway Administration to address the
- 3 broadband capacity to support telecommuting through pilot
- 4 projects focused on building broadband infrastructure.
- 5 Accordingly, the purpose of this Act is to ensure that the
- 6 State takes full advantage of available funds to build the
- 7 broadband infrastructure necessary to sustain interconnectivity
- 8 throughout islands by:
- 9 (1) Establishing a Hawaii broadband infrastructure
- 10 authority to oversee broadband infrastructure in the
- 11 State;
- 12 (2) Strengthening and clarifying the Hawaii broadband and
- digital equity office's role in the broadband access
- and digital equity;
- 15 (3) Ensuring that the Hawaii broadband infrastructure
- 16 authority captures all the available federal funding
- 17 to the State and ensures that funding efforts among
- all state agencies are coordinated;
- 19 (4) Appropriating funds for the establishment of the
- authority and for broadband infrastructure across the
- 21 State; and

ı	(5) Appropriating funds to the Hawaii broadband and
2	digital equity office.
3	PART II
4	SECTION 2. The Hawaii Revised Statutes is amended by
5	adding a new chapter to be appropriately designated and to read
6	as follows:
7	"CHAPTER
8	HAWAII BROADBAND INFRASTRUCTURE AUTHORITY
9	§ -1 Short title. This chapter may be cited as the
10	Hawaii Broadband Infrastructure Authority Act.
11	§ -2 Definitions. As used in this chapter:
12	"Advanced communications technology infrastructure" means
13	any communications technology infrastructure or infrastructure
14	improvement that expands the deployment of, or improves the
15	quality of, broadband availability and wireless service
16	coverage.
17	"Authority" means the Hawaii broadband infrastructure
18	authority.
19	"Board" means the Hawaii broadband infrastructure authorit

board.

I	"Bro	adband service" shall have the same meaning as
2	"broadban	d access or broadband service" in section 440J-1.
3	"Pro	ject" means real property, personal property,
4	equipment	, fixtures, materials, wires, cables, labor and other
5	improveme	nts necessary and proper for the provision of advanced
6	communica	tions technology infrastructure.
7	\$	-3 State connectivity goals. The goals of the State
8	related t	o connectivity are that:
9	(1)	High-speed connectivity be universally available in
10		the State to all residents, businesses, and community
11		anchor institutions;
12	(2)	There be secure, affordable, reliable, competitive,
13		and sustainable forward-looking advanced
14		communications technology infrastructure that meets
15		current and future needs;
16	(3)	All residents, businesses, and institutions in the
17		State are able to take full advantage of the economic,
18		health, educational, and other opportunities available
19		through connectivity services; and
20	(4)	Existing public and private infrastructure be used

effectively and efficiently in the public interest to

1	provide advanced communications technology
2	infrastructure in all areas of the State.
3	§ -4 Hawaii broadband infrastructure authority;
4	establishment; board; membership. (a) The Hawaii broadband
5	infrastructure authority is established as a body corporate and
6	politic and a public instrumentality of the State, to oversee
7	and manage public advanced technology infrastructure. The
8	exercise of the powers conferred by this chapter to the
9	authority is deemed and held to be the performance of essential
10	governmental functions. The authority shall be administratively
11	attached to the department of commerce and consumer affairs.
12	(b) The authority shall consist of a board composed of the
13	following members:
14	(1) The following seven members appointed by the governor
15	as provided in section 26-34:
16	(A) Three members who possess expertise in advanced
17	communications technology infrastructure or
18	communications service, including expertise in
19	network design, network operations, and middle
20	mile infrastructure;

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1		(B)	One member representing rural communities in the
2			State;
3		(C)	One member who possesses expertise in banking or
4			financial lending, including expertise in the
5			provision of loans or other capital investments
6			for infrastructure deployment in the State;
7		(D)	One member who possesses expertise in education
8			system needs; and
9		(E)	One member who possesses expertise in telehealth
10			delivery and telehealth system needs; and
11	(2)	Six	ex officio voting members, or their designees, as
12		foll	ows:
13		(A)	The director of commerce and consumer affairs;
14		(B)	The director of business, economic development,
15			and tourism;
16		(C)	The president of the University of Hawaii;
17		(D)	The director of finance;
18		(E)	The chief information officer; and
19		(F)	The director of the Hawaii broadband and digital
			equity office.

1 -5 Terms; reappointments; vacancies; chair. 2 appointed members shall serve three-year staggered terms to be 3 determined by the governor; provided that the initial 4 appointments shall be as follows: 5 Two members shall serve a one-year term; (1)(2) Two members shall serve a two-year term; and 7 (3) Three members shall serve a three-year term. Members appointed by the governor shall be eligible for 8 9 reappointment. If a member appointed by the governor fails to 10 serve until the expiration of the member's term, the governor may appoint a replacement member for the remainder of that 11 12 member's term. The board shall select one member to serve as 13 chair of the authority. 14 § -6 Executive director. Upon the recommendation of the board of the authority, the governor shall appoint an executive 15 16 director of the authority as provided in section 26-34. executive director shall serve a four-year term and be eligible 17 for reappointment. The executive director shall manage the 18

authority's programs, services, and staff and shall perform

other duties the authority considers appropriate. The executive

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- 1 director shall report to the board on matters and form and at
- 2 times as defined in the authority's bylaws and rules.
- 3 § -7 Officers; quorum. The authority may elect a
- 4 secretary and a treasurer. Six members of the board shall
- 5 constitute a quorum, and the affirmative vote of six members
- 6 shall be necessary for any action of the authority.
- 7 § -8 Indemnification. A member of the authority, while
- 8 acting within the scope of this chapter, shall not be subject to
- 9 any personal liability resulting from the exercise or carrying
- 10 out of any of the authority's purposes or powers. Each member
- 11 of the authority shall be indemnified by the authority against
- 12 expenses actually and necessarily incurred by the member in
- 13 connection with the defense of any action or proceeding in which
- 14 the member is made a party by reason of being or having been a
- 15 member of the authority and against any final judgment rendered
- 16 against the member in that action or proceeding.
- 17 § -9 Conflicts. A member of the authority shall not
- 18 participate in any decision on any contract entered into by the
- 19 authority under this chapter if that member has any interest,
- 20 direct or indirect, in any firm, partnership, corporation, or
- 21 association that is party to the contract. The interest shall

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- ${f 1}$ be disclosed to the authority in writing and shall be set forth
- 2 in the minutes of the authority. Members shall file an annual
- 3 conflict of intertest disclosure report in a form to be
- 4 determined in its rules.
- 6 authority may:
- 7 (1) Sue and be sued;
- **8** (2) Have a seal and alter the same at pleasure;
- 9 (3) Make and execute contracts and other instruments
- necessary or convenient to the exercise of its powers;
- 11 (4) Adopt bylaws and rules in accordance with chapter 91
- for its organization, internal management, and to
- carry into effect its purposes, powers, and programs;
- 14 (5) Notwithstanding any law to the contrary, establish and
- 15 collect fees for the use of any project, equipment, or
- services and for administrative expenses incurred by
- the authority;
- 18 (6) Acquire real or personal property including rights of
- way or easements, on either a temporary or long-term
- 20 basis by gift, purchase, transfer, foreclosure, lease
- or otherwise; improve, hold, sell with or without

1		public bidding, assign, lease, rent, encumber,
2		mortgage or otherwise dispose of any real or personal
3		property, any interest in real or personal property or
4		mortgage interests owned or in its control, custody or
5		possession; and release or relinquish any right, title
6		claim, lien, interest, easement or demand, however
7		acquired, including upon threat of foreclosure;
8	(7)	Prepare, plan, improve, equip, maintain, reconstruct,
9		and operate projects, attendant facilities, and
10		infrastructure, including promoting the landing of
11		trans-Pacific submarine cable with the development of
12		a shared access cable station and associated
13		terrestrial connectivity to reduce barriers to fiber
14		landing in Hawaii;
15	(8)	Incur debts;
16	(9)	Accept federal funds or other assistance and
17		coordinate the use of federal funding available to all
18		agencies;
19	(10)	Fix and collect fees;
20	(11)	Enter into agreements with and to accept loans, aid,
21		contributions, grants and the cooperation or

1		assistance of the United States, or any agency of the
2		United States, or of the State or any agency or
3		governmental subdivision in furtherance of the
4		purposes of this chapter, including the development
5		and financing of a project, and to do all things
6		necessary in order to avail the authority of those
7		agreements, loans, aid, contributions, grants, and
8		cooperation;
9	(12)	Regulate and oversee broadband infrastructure,
10		including the reduction of barriers to fiber landing
11		in Hawaii;
12	(13)	Manage or operate real or personal property;
13	(14)	Appear on the authority's own behalf before boards,
14		commissions, departments or agencies of a municipality,
15		the State, or the United States;
16	(15)	Lease or rent facilities or equipment used to transmit
17		voice, data, or video signals;
18	(16)	Invest any funds not needed for immediate use,
19		including any funds held in reserve, in property or in
20		securities in which fiduciaries in the State may
21		legally invest funds; and

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- 1 (17) Hire staff.
- 2 (b) In addition to other powers conferred upon it, the
- 3 authority may do all things necessary and convenient to carry
- 4 out the powers expressly provided in this chapter.
- 5 § -11 Rights of way; projects and facilities. (a) The
- $\mathbf{6}$ authority may develop, lease or otherwise acquire, own, hold,
- 7 dispose of and encumber conduit, fiber, rights of way, and other
- 8 real and personal property related to broadband infrastructure
- 9 that shall be necessary or convenient to the fulfillment of such
- 10 purposes.
- 11 (b) The authority may prepare or cause to be prepared
- 12 plans, specifications, designs, and estimates of costs for the
- 13 construction and equipping of a project and attendant facilities
- 14 and from time to time modify or cause to be modified those
- 15 plans, specifications, designs, or estimates.
- 16 (c) The authority may contract to construct, acquire,
- 17 alter, repair, reconstruct, rehabilitate, improve, and equip a
- 18 project and necessary and usual attendant facilities.
- 19 § -12 Legislative oversight. (a) No later than
- 20 January 15, 2023, and annually thereafter, the authority shall

1	provide a	report to the legislature with the following
2	informatio	on:
3	(1)	The budget of the authority;
4	(2)	Details of funding received by the federal government
5		or other sources, including amounts, deadlines for
6		use, and eligible uses of funds;
7	(3)	Documentation of the activities of the authority,
8		including a detailed description of the progress
9		toward the state connectivity goals in section -3;
10	(4)	A listing of any investments of money in the
11		authority, while maintaining confidentiality for
12		organizations working with the authority; and
13	(5)	An analysis of the availability of communications
14		services and advanced communications technology
15		infrastructure, including an analysis of the
16		competitive market in the State for communications
17		services and advanced communications technology
18		infrastructure, and whether the communications
19		services provided in the State are reasonably
20		comparable to services provided regionally and
21		nationwide.

1	(a)	As part of the report required under subsection (a),
2	the autho	rity shall include findings and recommendations
3	following	its review of the effectiveness of the authority in
4	furtherin	g the purposes of this chapter, including:
5	(1)	An analysis of whether the authority has fulfilled its
6		intended purpose under this chapter;
7	(2)	An analysis of whether the activities of the authority
8		should continue for a specified period of time and any
9		recommendations, including proposed legislation, for
10		changes to the powers and duties of the authority to
11		better further the purposes of this chapter; and
12	(3)	An analysis of whether the activities of the authority
13		should be terminated and the laws governing the
14		authority repealed within a specified time frame and
15		any recommendations, including proposed legislation,
16		necessary to facilitate an orderly transition
17		following the termination of activities of the
18		authority, including the appropriate disposition of
19		the assets of the authority."

PART III

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2 amended as follows: 3 1. By adding a new definition to be appropriately inserted 4 and to read: 5 ""Broadband equity" means a condition in which all residents are able to access, adopt, and use affordable, high-6 7 speed, and reliable broadband that meets their needs." 8 2. By amending the definition of "digital equity" to read: 9 ""Digital equity" means a condition in which broadband 10 equity is achieved and all individuals and communities have the 11 information technology capacity needed for full participation in 12 society, democracy, and the economy." SECTION 4. Section 206S-3, Hawaii Revised Statutes, is 13 14 amended to read as follows: 15 "[+]\$206S-3[+] Hawaii broadband and digital equity office; 16 duties. In furtherance of the State's objectives and policies for the economy pursuant to section 226-10.5, the office shall: 17 18 (1) Develop and implement specific strategies and plans to 19 aggressively increase broadband affordability, 20 penetration, and competitive availability in the 21 State:

SECTION 3. Section 206S-1, Hawaii Revised Statutes, is

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1	(2)	Support the efforts of both public and private
2		entities in the State to enhance or facilitate the
3		deployment of and access to competitively priced,
4		advanced electronic communications services, including
5		broadband and its products and services and internet
6		access services of general application throughout the
7		State;
8	[-(3)	Promote the landing of trans-Pacific submarine cable,
9		including the development of a shared access cable
10		station and associated terrestrial connectivity to
11		reduce barriers to fiber landing in Hawaii;
12	(4)]	(3) Promote, advocate, and facilitate the
13		implementation of the findings and recommendations of
14		the Hawaii broadband task force established by Act 2,
15		First Special Session Laws of Hawaii 2007, and the
16		2020 Hawaii Broadband Strategic Plan;
17	[(5)]	(4) Support the findings of the community-based
18		Broadband Hui as reflected in its digital equity
19		declaration;

1	[(b)] <u>(5)</u> Administer <u>and coordinate federal and state</u> grant
2	programs in support of [broadband infrastructure,
3	innovation, digital equity and the digital economy;
4	$[\frac{(7)}{(6)}]$ Actively seek out funding from public and private
5	sources in furtherance of the office's duties pursuant
6	to this section; and
7	$[\frac{(8)}{(7)}]$ Provide a repository, aggregation point, and
8	governance framework for broadband mapping and digital
9	equity data from various sources, including digital
10	literacy, telehealth, distance education, remote work,
11	internet accessibility, and service coverage to
12	support mapping, reporting, infrastructure deployment,
13	and data-driven policy."
14	PART IV
15	SECTION 5. There is appropriated out of the federal funds
16	received by the State the sum of \$ or so much thereof
17	as may be necessary for fiscal year 2022-2023 to enhance
18	broadband infrastructure programs and expand access to broadband
19	in the State, including the installation of broadband
20	infrastructure.

1	The sum appropriated shall be expended by the University of
2	Hawaii for the purposes of this Act.
3	PART V
4	SECTION 6. There is appropriated out of the general
5	revenues of the State of Hawaii the sum of \$ or so
6	much thereof as may be necessary for fiscal year 2022-2023 for
7	full-time equivalent (FTE) administrative positions,
8	exempt from chapter 76, Hawaii Revised Statutes, for the
9	operation and administration of the Hawaii broadband and digital
10	equity office.
11	The sum appropriated shall be expended by the Hawaii
12	broadband and digital equity office for the purposes of this
13	Act.
14	PART VI
15	SECTION 7. Statutory material to be repealed is bracketed
16	and stricken. New statutory material is underscored.
17	SECTION 8. This Act shall take effect on July 1, 2050.
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Report Title:

Hawaii Broadband Infrastructure Authority; Hawaii Broadband and Digital Equity Office; Digital Equity; Broadband Equity; UH; Appropriation

Description:

Establishes the Hawaii broadband infrastructure authority. Defines broadband equity within the Hawaii broadband and digital equity office. Appropriates federal and state funds. Effective 7/1/2050. (HD1)

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