A BILL FOR AN ACT

RELATING TO BROADBAND SERVICE INFRASTRUCTURE.

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

1 SECTION 1. The legislature finds that development and investment in broadband facilities and services to rural, 2 unserved, underserved, and urban communities is vital and 3 necessary to promote industrial and economic development, create 4 job opportunities, and enhance health care and education within 5 the State. The legislature believes that the State needs to 6 take action to ensure the provision of broadband facilities and 7 services to its citizens. 8

The legislature further finds that electric utilities are 9 well-positioned to serve as a middle mile infrastructure 10 provider to communities throughout their service territories as 11 it serves the public interest with minimal impact or burden on 12 the underlying property owner. The National Association of 13 Regulatory Utility Commissioners, a non-profit organization that 14 seeks to improve the quality and effectiveness of public utility 15 regulation and ensure that utility services are provided at 16 rates and conditions that are fair, reasonable, and 17

2022-0785 HB SMA.doc

nondiscriminatory for all consumers, supports both a limited
 grant of authorization to electric utilities that provide
 broadband facilities and minimal regulation of electric
 utilities that contribute to broadband expansion.

Therefore, the purpose of this Act is to utilize electric 5 easements and public rights of way to support broadband 6 deployment by allowing an electric utility to own, operate, 7 lease, plan, construct, install, maintain, and/or replace 8 broadband facilities, including middle mile infrastructure, to 9 help facilitate the development of and investment in broadband 10 facilities and services to rural, unserved, underserved, and 11 urban communities throughout the State. 12

13 SECTION 2. The Hawaii Revised Statutes is amended by 14 adding a new chapter to be appropriately designated and to read 15 as follows:

16

17

"CHAPTER A

BROADBAND DEPLOYMENT OVER ELECTRIC EASEMENTS ACT

18 §A-1 Short title. This chapter shall be known as the
19 "Broadband Deployment Over Electric Easements Act".

20 §A-2 Definitions. As used in this chapter, unless the
21 context requires otherwise:

2022-0785 HB SMA.doc

Page 2

H.B. NO./782

"Broadband affiliate" means any person that directly or 1 indirectly controls, is controlled by, or is under common 2 control of one or more electric utilities, as defined herein, 3 and participates in providing broadband services. 4 5 "Broadband access" or "broadband service" as used in this chapter, is an "always-on" service as defined in section 440J-1. 6 7 "Broadband facilities" means any facility, including an electric utility's middle mile infrastructure and/or other 8 equipment that can be used to facilitate, support, transmit, or 9 provide, directly or indirectly, broadband services, including 10 11 but not limited to: wires; cables, including fiber optic and copper cables, whether the cables are dark or lit, and whether 12 the cables are in use or dormant; ducts; conduits; antennas; 13 equipment; fixtures; switching multiplexers; poles; routers; 14 switches; servers; appurtenances; facilities; and ancillary or 15 16 auxiliary equipment. "Electric easement" means a right-of-way or an easement, 17

18 whether acquired by eminent domain, prescription, franchise or
19 conveyance, that is used or may be used for transmitting,
20 distributing, or providing electrical energy and services by

2022-0785 HB SMA.doc

4

utilizing aboveground or underground wires, cables, lines, or 1 similar facilities. 2 "Electric utility" as used in this chapter, is a public 3 utility that furnishes power as defined in section 269-1. 4 5 "Middle mile infrastructure" means any broadband infrastructure that does not connect directly to an end-user 6 7 location, including an anchor institution. "Middle mile 8 infrastructure" includes: 9 (1) Leased dark fiber, interoffice transport, backhaul, 10 internet exchange facilities, carrier-neutral submarine cable landing stations, undersea cables, 11 12 transport connectivity to data centers, special access 13 transport, and other similar services; and 14 (2) Wired or private wireless broadband infrastructure, including microwave capacity, radio tower access, and 15 other services or infrastructure for a private 16 17 wireless broadband network, such as towers, fiber, and 18 microwave links. 19 "Person" as used in this chapter, has the same meaning as

20 defined in section 342D-1.

2022-0785 HB SMA.doc

H.B. NO. 1782

"Utility support services" means broadband services and
 related services, uses, or purposes that support the generation,
 transmission, or distribution of electricity by an electric
 utility.

§A-3 Authorized activities; electric utility.
Notwithstanding any other statute, law, charter provision,
ordinance, or rule to the contrary, an electric utility may
engage in the following activities, in addition to all other
activities authorized by law:

10 Own, operate, lease (as lessor or lessee), plan, (1)construct, install, maintain, and/or replace broadband 11 facilities, including middle mile infrastructure; 12 Provide or support the provision of broadband 13 (2) 14 services; and 15 (3) Engage in any lawful act or activity necessary or convenient to affect the foregoing purposes. 16 **§A-4 Electric easements for broadband.** (a) Subject to 17 18 compliance with any express prohibitions in a document creating an electric easement, an electric utility may construct, 19 install, own, operate, lease, maintain, utilize and/or replace 20

2022-0785 HB SMA.doc

broadband facilities, as a middle mile infrastructure provider, 1 on, over, under, across, or within its electric easements. 2 (b) Subject to compliance with any express prohibitions in 3 a document creating an electric easement, an electric utility 4 may allow a broadband affiliate or any other person to 5 construct, install, own, operate, lease, maintain, and/or 6 replace broadband facilities on, over, under, across, or within 7 the electric utility's electric easements on the agreement, 8 terms and conditions as specified by the electric utility. 9 (c) Any person providing broadband services that makes use 10 of an electric utility's electric easement or an electric 11 utility's broadband facilities in an electric easement pursuant 12 to this section must enter into an agreement with the electric 13 utility authorizing the person to use the electric easement for 14 the provision of broadband services (and any other agreements, 15 16 including pole attachment, colocation, or underground facility occupancy license agreements as the electric utility may require 17 18 in its reasonable discretion).

(d) An electric utility may require any person that it
authorizes to own, construct, install, maintain, or remove
broadband facilities in its electric easements to defend and

2022-0785 HB SMA.doc

Page 6

indemnify the electric utility, to provide the electric utility
 with security instruments including bonds or letters of credit,
 and/or to provide the electric utility with the proof of
 insurance as the electric utility may reasonably require.

5 (e) An electric utility shall have the power and authority
6 to apportion its electric easements to accomplish those actions
7 set forth in subsections (a) and (b).

8 Utilizing existing electric easements pursuant to (f) section A-3 and this section shall not materially alter the 9 physical use of the easement, interfere with or impair any 10 vested rights of the owner or occupier of the real property 11 subject to the electric easement, or place any material 12 additional burden on the property interests of the owner or 13 occupier. This use shall be a compatible use, especially where 14 15 the same electric easement is already being used in connection 16 with utility support services.

(g) An electric utility shall have the authority to
determine which broadband affiliate or other person may have
access to the broadband facilities within its electric
easements, and, subject to any required approval by the public
utilities commission, to determine the rates, terms and

2022-0785 HB SMA.doc

Page 7

H.B. NO.1782

conditions on which the broadband affiliate or other person may
 access the broadband facilities, including whether the access
 will be on an exclusive or non-exclusive basis.

4 (h) Notwithstanding any other statute, law, charter
5 provision, ordinance, or rule to the contrary, this chapter
6 shall not require an electric utility to install or implement
7 any broadband facilities or to provide broadband services.

§A-5 Liability; civil actions. (a) If, following an 8 electric utility or other person's exercise of its rights under 9 this chapter, the owner of an interest in real property subject 10 to an electric easement contends that the owner's property has 11 been trespassed upon, taken, injured, damaged, or destroyed by 12 the construction, installation, operation, use, enlargement of 13 broadband facilities, or the provision of broadband services 14 within the electric easement on the owner's property and the 15 electric easement does not expressly provide for such, the owner 16 may file a civil action in the circuit court for the county in 17 which the property is located to recover damages as specified by 18 this section. All such actions must be brought within twelve 19 months after the later of the effective date of the enactment of 20 21 this chapter or the date broadband facilities are first

2022-0785 HB SMA.doc

H.B. NO. 1787

,

· , ,

1	constructed or installed within the electric easement on the
2	owner's real property. Nothing in this chapter shall revive any
3	right or remedy that may have become barred by lapse of time, or
4	by any law of this State, before enactment of this chapter.
5	(b) In any action under subsection (a), the measure of
6	damages shall be an amount equal to the difference, if any,
7	between the following:
8	(1) The fair market value of the owner's real property
9	immediately before the construction or installation of
10	broadband facilities within the electric easement on
11	the owner's real property; and
12	(2) The fair market value of the owner's real property
13	immediately after the construction or installation of
14	broadband facilities within the electric easement on
15	the owner's real property.
16	The court shall consider any positive value that access to
17	broadband services may add to the property's value when
18	calculating damages. The court shall not consider, when
19	calculating damages, evidence of past, current, or future
20	revenues or profits derived or to be derived by the electric
21	utility or any party constructing broadband facilities or

١

2022-0785 HB SMA.doc

providing broadband services, and such evidence shall not 1 admissible for any purpose in any proceeding. 2 (c) An owner may not bring an action under this section 3 4 against an electric utility for an electric utility's 5 apportionment of its electric easement to another person that 6 subsequently constructs broadband facilities or provides 7 broadband services on, over, under, across, or within the 8 owner's real property. 9 (d) The damages, if any, shall be fixed and shall not be 10 deemed to continue, accumulate, or accrue. Payment of the 11 judgment in any action shall vest in the electric utility all 12 property rights necessary to construct, use, install, operate, 13 replace, and maintain, from time to time, the broadband 14 facilities within the electric easement on the owner's real 15 property, and the electric easement shall be thereafter 16 permanently expanded to include the right to construct, use, 17 install, operate, replace, and maintain the broadband facilities 18 and to provide broadband services. The judgment shall have the 19 same effect as a conveyance executed by the owner in due form 20 under applicable law and shall run with the land. The expansion 21 of the electric easement shall include the broadband facilities

2022-0785 HB SMA.doc

Page 11

within the maintenance, egress, and ingress provisions of the
 electric easement.

(e) The civil action and measure of damages authorized by 3 this section shall be the exclusive remedy for any and all 4 claims that the owner's property has been trespassed upon or 5 6 taken, or the scope of the electric easement exceeded, by the construction, installation, use, or enlargement of broadband 7 facilities or the provision of broadband services within the 8 electric easement on the owner's property, and the owner may not 9 10 assert any other theory, claim, or cause of action, either at law or in equity, nor recover any other damages, including 11 12 without limitation, consequential, compensatory, and/or punitive damages, or equitable relief. Further, the owner may not assert 13 14 a claim for injunctive relief to require the removal of 15 broadband facilities or to enjoin the operation or provision of 16 broadband services.

(f) An owner bringing an action under this section may not bring an action on behalf of a class. The limitation in this subsection is a substantive limitation, and allowing an owner to bring a class action or other representative action for a violation of this chapter shall be construed to abridge,

2022-0785 HB SMA.doc

enlarge, or modify the substantive rights created by this
 chapter.

3 With respect to the installation of broadband (q) 4 facilities within an electric easement, the electric utility 5 shall provide the same notice as is required by the express 6 terms of the electric easement, if any. If there is no written 7 document creating the electric easement or no express terms in 8 the document regarding notice, then the electric utility shall 9 provide notice to the owner of the real property subject to the 10 electric easement by informing the owner of the installation of 11 the broadband facilities within the electric easement prior to 12 installation. Notice shall be sufficient if mailed to the name 13 and address of the owner or owners listed in the real property 14 ad valorem tax records for the county where the real property is 15 located. Nothing in this section shall require notice from the 16 electric utility when the electric easement is acquired by 17 condemnation or pursuant to an expansion of the electric 18 easement by civil action commenced by the owner.

19 (h) This chapter shall not limit the liability of an
20 electric utility or any other person for any claims or causes of
21 action except as specifically set forth in this section.

2022-0785 HB SMA.doc

SA-6 Oversight; public utilities commission. (a) The
 public utilities commission shall develop an efficient
 regulatory review process to support the purposes of this
 chapter and the expeditious deployment of broadband by
 leveraging an electric utility's middle mile infrastructure and
 other broadband facilities in rural, unserved, underserved, and
 urban communities.

8 (b) Except as specifically provided in subsection (a),
9 nothing in this section is intended to alter section 269-19."
10 SECTION 3. In codifying the new chapter added by section 2
11 of this Act, the revisor of statutes shall substitute an
12 appropriate chapter number for the letters used in designating
13 the new chapter in this Act.

14 SECTION 4. If any provision of this Act, or the 15 application thereof to any person or circumstance, is held 16 invalid, the invalidity does not affect other provisions or 17 applications of the Act that can be given effect without the 18 invalid provision or application, and to this end the provisions 19 of this Act are severable.

20

~

1 SECTION 5. This Act shall take effect upon its approval.

2

INTRODUCED BY:

JAN 2 1 2022

÷

ł.

i

:

ł

2022-0785 HB SMA.doc

i.

Report Title:

Broadband Service Infrastructure; Broadband Deployment; Electric Easement

Description:

2022-0785 HB SMA.doc

Allows an electric utility to own, operate, lease, plan, construct, install, maintain, and/or replace broadband facilities, including middle mile infrastructure, to help facilitate the development of and investment in broadband facilities and services to rural, unserved, underserved, and urban communities throughout the State.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.