

JOSH GREEN, M.D. GOVERNOR | KE KIA'ĂINA

SYLVIA LUKE LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA

STATE OF HAWAII | KA MOKUʻĀINA ʻO HAWAIʻI OFFICE OF THE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

KA 'OIHANA PILI KĀLEPA 335 MERCHANT STREET, ROOM 310 P.O. BOX 541 HONOLULU, HAWAII 96809 Phone Number: (808) 586-2850 Fax Number: (808) 586-2856 cca.hawaii.gov NADINE Y. ANDO DIRECTOR | KA LUNA HO'OKELE

DEAN I HAZAMA DEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

Testimony of the Department of Commerce and Consumer Affairs

Before the House Committee on Consumer Protection & Commerce Thursday, March 30, 2023 2:00 p.m. Conference Room 329 & Via Videoconference

On the following measure:

S.B. 478 S.D.2 H.D.1, RELATING TO TELECOMMUNICATIONS AND CABLE INDUSTRY INFORMATION REPORTING.

Chair Nakashima and Members of the Committee:

My name is Jamie Sheu, and I am the Acting Cable Television Administrator for the Department of Commerce and Consumer Affairs' (Department) Cable Television Division. The Department supports this bill.

The purpose of this bill is to repeal Hawaii Revised Statutes (HRS) Chapter 440J, relating to telecommunications and cable industry information reporting requirements for broadband service providers.

Accurately pinpointing unserved and underserved areas where broadband infrastructure is needed continues to be critical to access federal funding to provide service to all residents no matter where they work or live across our State. As mandated by Congress, the Federal Communications Commission (FCC) created the recently launched FCC National Broadband Map that displays where Internet services are available on a location-by-location basis across the United States, as reported by Internet

Service Providers (ISPs) to the FCC through its Broadband Data Collection (BDC). Specifically, the BDC requires ISPs to report where they offer broadband Internet service to homes and small businesses on a location-specific basis, which is in high contrast to the census block level data reported by ISPs on the FCC's previously required Form 477 (sunset date December 31, 2022) and under HRS Chapter 440J. Even more importantly, the National Broadband Map and data are publicly available, allowing everyone access to this location-specific information on where broadband service is and is not available.

The FCC opened its window to collect the first set of ISP data in June of 2022, and requires ISPs going forward to update this data twice a year, with the first update due March 1, 2023. The FCC will continue to update, verify, and refine the map to improve its accuracy, and has set up a process to allow government entities, third parties, and consumers to challenge both the ISPs' submitted data as well as the underlying mapping fabric that identifies the individual locations using various sources (e.g., government address records, census data, and geo-spatial data).

Given the FCC's ability to collect and publicly disclose location-specific fixed broadband data, and accordingly its discontinuance of collection of census block-level data through its Form 477 (including for mobile providers who must also submit data through the BDC for the National Broadband Map), the Department believes that the efforts of the State as well as the ISPs would best be directed towards ensuring that the National Broadband Map accurately reflects the unserved and underserved areas across our State. Accordingly, the Department believes that the collection of broadband coverage data under HRS Chapter 440J, like the FCC's Form 477, has effectively been replaced by the more comprehensive and granular data collection under the BDC for all providers required to file broadband coverage reports under that chapter.

Thank you for the opportunity to testify on this bill.



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI A HO'OMĀKA'IKA'I

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804 Web site: dbedt.hawaii.gov JOSH GREEN, M.D. GOVERNOR

CHRIS J. SADAYASU DIRECTOR

> DANE K. WICKER DEPUTY DIRECTOR

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Written Statement of CHRIS J. SADAYASU Director Department of Business, Economic Development, and Tourism before the HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

> Thursday, March 30, 2023 2:00 PM State Capitol, Conference Room 329 & Videoconference

In consideration of SB 478, SD2, HD1 RELATING TO TELECOMMUNICATIONS AND CABLE INDUSTRY REPORTING.

Chair Nakashima, Vice Chair Sayama and members of the Committee. The Department of Business, Economic Development and Tourism (DBEDT) **support SB 478**, **SD2**, **HD1** that repeals chapter 440J, HRS, relating to telecommunications and cable industry information reporting requirements for broadband service providers.

On January 19, 2021, the Federal Communications Commission (FCC) issued its Third Report and Order establishing Digital Opportunity Data Collection and took key steps to ensure that both the data collection itself, and the measures for verifying the accuracy of the data collected, will yield a robust and reliable data resource for the Commission, Congress, federal and state policymakers, and consumers to evaluate the status of broadband deployment throughout the United States.

After discussions with broadband Internet access services providers, the acknowledgement that the new data provided to the FCC is accessible from the FCC and is much more granular than the current FCC Form 477 report, DBEDT recognizes that HRS 440J is no longer necessary.

Thank you for the opportunity to submit this testimony.



March 30, 2023

Representative Mark Nakashima, Chair House Committee on Consumer Protection and Commerce Hawaii State Capitol, Room 432 Honolulu, HI 96813

Representative Jackson Sayama, Vice Chair House Committee on Consumer Protection and Commerce Hawaii State Capitol, Room 328 Honolulu, HI 96813

RE: Support for SB 478 SD 2 HD 1- Reporting requirements for broadband service providers

Chair Nakashima and Vice Chair Sayama,

On behalf of CTIA[®], the trade association for the wireless communications industry, I write to support Senate Bill 478, S.D. 2 H.D. 1 relating to telecommunications and cable industry information reporting requirements for broadband service providers. CTIA shares Hawaii's commitment to advancing broadband deployment and adoption across the state, and wireless carriers have been on the forefront of efforts to meet those goals.

The wireless industry strongly supports ubiquitous mobile broadband coverage and has been on the cutting-edge of promoting its deployment to meet ever-growing consumer demand. In 2021 alone, wireless carriers invested nearly \$35 billion to grow and improve the nation's networks.¹ This investment also fuels economic growth, including in Hawaii, where the wireless industry supports nearly 23,000 jobs and generates \$2.1 billion to the state's annual GDP.

State telecommunications policies that align with the existing federal regulatory regime for wireless creates efficiency and removes barriers to deployment. SB 478 SD 2 HD 1 will repeal HRS 440J, which currently requires broadband data to be reported to the state annually. Removing this duplicative requirement will further streamline already existing data collection processes and allow carriers to focus their resources on the ultimate goal of expanding wireless broadband service.

Both Congress and the Federal Communications Commission (FCC) are taking steps to improve the collection and dissemination of data on broadband availability. In March of 2020, with strong bipartisan support, Congress passed the Broadband DATA Act, which built on prior steps to improve data collection and mapping at the FCC. This federal law takes a number of actions to improve broadband data collection, including:

- Setting strong parameters for service availability data collected from mobile broadband providers to ensure accuracy;
- Strengthening enforcement against providers that submit inaccurate broadband data;

¹ <u>https://www.ctia.org/news/u-s-wireless-investment-hits-record-high</u>

- Requiring the FCC to collect granular service availability data from wired, fixed wireless, and satellite broadband providers, and allowed the FCC to consider whether to collect verified coverage data from state, local, and tribal governments, as well as from other entities;
- Creating a process for state, local, and tribal governments, consumers, and other groups to challenge FCC maps with their own data; and
- Establishing a crowdsourcing process that will allow the public to participate in data collection.

The FCC's new broadband maps and the underlying data submitted by internet service providers (ISPs) are public and now available for download by anyone. As such, HRS 440J is no longer necessary.

We appreciate the recognition through this legislation that the availability of FCC broadband data can effectively serve the needs of the State. For that reason and the others outlined above, we strongly support SB 478 SD 2 HD 1.

Sincerely,

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Jeremy Crandall Assistant Vice President State Legislative Affairs





Charter Communications Testimony of Rebecca Lieberman, Director of Government Affairs

HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

Hawaii State Capitol Thursday, March 30, 2023

SUPPORT FOR S.B. 478, S.D. 2, H.D.1 – REALTING TO TELECOMMUNICATIONS AND CABLE INDUSTRY INFORMATION REPORTING

Chair Nakashima, Vice Chair Sayama, and Members of the Committee.

Thank you for the opportunity to provide testimony in **support** of S.B. 478, S.D. 2, H.D. 1, a bill that would repeal chapter 440J of the Hawaii Revised Statutes.

As the largest broadband provider in the state, Charter supports efforts to promote digital equity and expand high-speed internet access throughout Hawaii. Greater investment in broadband infrastructure is critical to bridge the digital divide, particularly in rural areas that do not currently have high-speed internet available.

Chapter 440J requires broadband service providers to annually file an aggregated report of broadband availability at the census-block level. This report is very similar to the FCC's Form 477 report, which requires broadband service providers to annually file census-block level broadband deployment data. In 2022, the FCC created a new broadband data collection mapping system, called the Broadband Data Collection System ("BDC"), and discontinued all Form 477 filings. Instead of filing Form 477 reports, the FCC now requires broadband service providers to share broadband serviceable locations based on addresses and geographic coordinates, rather than census blocks. This broadband location data is then uploaded to the National Broadband Map, which is publicly available online and will be updated twice each year. Reporting on specific addresses instead of census blocks provides the FCC, the state, and the public with much more precise information on broadband availability.

Charter believes that every Hawaii resident should have reliable access to high-speed internet service. We will continue to help bring the benefits of broadband and access to the internet to those who need it most. Hawaii is estimated to receive millions in federal funding for broadband infrastructure in the immediate future (via the Coronavirus Capital Project Fund and Broadband, Equity, Access, and Deployment Program), in addition to private investments already being made by the industry. With this in mind, Charter requests the Committee support this bill, as it will help advance operational efficiencies by aligning state and federal policies. Reducing outdated reporting requirements will also allow providers to better focus on prioritizing, identifying and deploying infrastructure to existing unserved areas.

Mahalo for the opportunity to testify in support of S.B. 478, S.D. 2, H.D 1.

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Written Statement of Jeannine Souki Senior Manager – Government & Regulatory Affairs

HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

March 30, 2023 – 2 PM Conference Room 329, Hawai'i State Capitol

SUPPORT FOR:

S.B. 478, SD2, HD1 – RELATING TO TELECOMMUNICATIONS AND CABLE INDUSTRY INFORMATION REPORTING

- To: Representative Mark Nakashima, Chair Representative Jackson Sayama, Vice Chair Members of the Committee on Consumer Protection & Commerce
- Re: Testimony in support of SB 478, SD2, HD1

Aloha Honorable Chairs, Vice-Chairs, and Committee Members:

Thank you for this opportunity to provide testimony supporting SB 478, SD2, HD1 to repeal chapter 440J, Hawai'i Revised Statutes (HRS), relating to telecommunications and cable industry information reporting requirements for broadband service providers.

Hawaiian Telcom supports this housekeeping measure to repeal 440J, HRS, which is an outdated reporting requirement for the following reasons:

- Chapter 440J, HRS, was enacted in 2012 to assist the state with how to best utilize the American Recovery and Reinvestment Act funds for broadband planning. At that time, DCCA was being considered as the agency to oversee broadband deployment.
- Today DCCA's current role with regard to broadband is limited to the Chapter 440J requirement to collect census block-level information on broadband serviceability. This information is filed as confidential with the department, which is responsible for ensuring the security and confidentiality of the data.
- Concurrently, the Office of the Lieutenant Governor, the University of Hawaii, and the Department of Business, Economic Development and Tourism have shared jurisdiction over broadband issues and are working collaboratively on how to best draw down on current federal funds from the U.S. Treasury Coranavirus Capital Project Funds (CPF) and the National

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Telecommunications and Information Administration's Broadband, Equity, Access and Deployment (BEAD) Program.

- With respect to assisting in the disbursement of BEAD funding, the new FCC broadband map pinpoints unserved and underserved areas by address location. The data currently provided to DCCA in the 440J requirement is at the census-block level. Census blocks in suburban and rural areas (where BEAD funding is most needed for broadband deployment) are typically irregularly shaped and often encompass hundreds of square miles. In contrast, the information being provided to the FCC is required to be site-specific and is available to the public, <u>including all state agencies responsible for broadband deployment.</u>
- DCCA supports this bill to repeal HRS Chapter 440J, because the collection of census blocklevel broadband coverage data has effectively been replaced by the more comprehensive and granular data collection under the FCC's Broadband Data Collection program which requires internet service providers to report where they offer broadband Internet services by location.

As a broadband service provider, Hawaiian Telcom supports repealing outdated regulations that cause additional costs so that we can focus on delivering broadband infrastructure and services, which provide more significant economic benefits to our community and the success of the state.

Hawaiian Telcom continues to invest hundreds of millions of dollars annually to expand our fiber broadband infrastructure across the State. In addition to building our broadband network, Hawaiian Telcom provides digital equity support as participating service provider in the federal Affordable Connectivity Program (ACP) and Lifeline Program that offer discounted services for qualified residents. ACP-eligible households receive essentially free internet services with a discount of up to \$30 per month, and up to \$75 per month for ACP-eligible beneficiaries in Hawaiian Homelands.

For these reasons, Hawaiian Telcom supports the passage of this measure and <u>respectfully requests your</u> <u>Committee's support for SB478, SD2, HD1.</u>



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The State Legislature The House Committee on Consumer Protection and Commerce Thursday, March 30, 2023 Conference Room 329 2:00 p.m.

TO: The Honorable Mark Nakashima, Chair

FROM: Keali'i S. López, State Director

RE: **Opposition for S.B. 478, SD2, HD1** Relating to Telecommunications and Cable Industry Information Reporting.

Aloha Chair Nakashima and Members of the Committee:

My name is Keali'i Lopez and I am the State Director for AARP Hawai'i. AARP is a nonpartisan, social impact organization that advocates for individuals age 50 and older. We have a membership of nearly 38 million nationwide and nearly 140,000 in Hawaii. We advocate at the state and federal level for the issues that matter most to older adults and their families including broadband/telehealth.

AARP <u>opposes</u> S.B.478, SD2, HD1 which repeals chapter 440J, Hawaii Revised Statutes (HRS), relating to telecommunications and cable industry information reporting requirements for broadband service providers.

While AARP appreciates the enhanced accuracy of the FCC's current broadband mapping efforts, we recommend that the broadband service providers continue to submit the required information to the Department of Commerce and Consumer Affairs (DCCA). As the state department with this jurisdiction, DCCA can make important broadband data available to other state and county agencies, especially to the state agency that oversees the administration and disbursement of Broadband Equity, Access and Deployment (BEAD) program and digital equity funds. More than ever, states need timely accurate data to inform their BEAD and digital equity planning and grant awarding. AARP feels it is premature for the State to give up its jurisdictional oversight in receiving data from the broadband providers. State-based oversight should not be abdicated to a federal agency that is not familiar with the local and state challenges in meeting local communities' broadband needs. Having local oversight, collection and analysis of data is particularly important because the state brings first-hand knowledge to the process. Bringing together the best of the FCC's data will be further enhanced with the state's first-hand experiences. Thank you very much allowing us to testify in <u>opposition</u> of SB 478, SD2, HD1.

LATE *Testimony submitted late may not be considered by the Committee for decision making purposes.



HEARING BEFORE THE HOUSE COMMITTEE ON FINANCE HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 308 THURSDAY, MARCH 30, 2023 AT 2:00 P.M.

To The Honorable Kyle T. Yamashita, Chair The Honorable Lisa Kitagawa, Vice Chair Members of the Committee on Finance

SUPPORT SB478 SD2 HD1 RELATING TO TELECOMMUNICATIONS AND CABLE INDUSTRY INFORMATION REPORTING

The Maui Chamber of Commerce **SUPPORTS SB478 SD2 HD1** which repeals chapter 440J, HRS, relating to telecommunications and cable industry information reporting requirements for broadband service providers.

The Chamber is in support of this legislation for the following reasons:

- 1. The FCC released a Final Order in December 2022 informing broadband service providers that they would no longer be required to report service availability data by Census block (FCC Form 477), so we are asking for the state to follow suit and sunset DCCA's 440J reporting requirement by Census block.
- 2. DCCA does not use the 440J data.
- 3. States have moved away from using Census block-level data because it is no longer applicable now that broadband service providers are reporting service data by address/location into the FCC's national broadband map.
- 4. The FCC national broadband map is publicly available online and will be updated twice a year.

If there is no use for 440J reports, why not eliminate outdated regulations and unnecessary costs and constraints to our workforce so that we may focus on the present and future delivery of broadband infrastructure and services?

For these reasons, we SUPPORT SB478 SD2 HD1.

Sincerely,

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Pamela Tumpap President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.