

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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

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Statement of Chris J. Sadayasu Director

Department of Business, Economic Development, and Tourism before the

HOUSE COMMITTEE ON HIGHER EDUCATION & TECHNOLOGY

Wednesday, February 1, 2023 2:00 PM State Capitol, Conference Room 309

In consideration of HB 1408 RELATING TO DIGITAL EQUITY.

Chair Perruso, Vice Chair Kapela and members of the Committee. The Department of Business, Economic Development and Tourism (DBEDT) **supports HB1408** that establishes the Digital Equity Grant Program to award grants to applicants to deploy digital equity projects to covered populations in the State.

Over the course of the last three years, the COVID-19 pandemic has spotlighted the need for digital equity for all of Hawai'i's residents. In the Infrastructure Investment Jobs Act (2022) the federal government recognized the importance of digital equity and created several programs including the Digital Equity Planning Grant and the Digital Equity Capacity Grant program. There is a one-year period for the development of the statewide digital equity plan at which point the National Telecommunications and Information Administration (NTIA) will issue their notice of funding opportunity for the capacity grants.

The digital equity grant program created by HB 1408 will not only help to fund and build capacity in Hawai'i's communities, both urban and rural, sooner than the federal programs but it can also be applied specifically to the needs of the smaller frontline organizations, be more flexible and meet the local priorities in addressing issues of digital adoption, affordability, navigation, literacy, access to devices, emergency response, translation services, etc.

We support this bill provided that its passage does not replace or adversely impact priorities indicated in our Executive Budget.

Thank you for the opportunity to submit this testimony.



UNIVERSITY OF HAWAI'I SYSTEM 'ÕNAEHANA KULANUI O HAWAI'I

Legislative Testimony Hōʻike Manaʻo I Mua O Ka ʻAhaʻōlelo

Testimony Presented Before the House Committee on Higher Education and Technology Wednesday, February 1, 2023 at 2:00 p.m. By Garret T. Yoshimi, Vice President for Information Technology/Chief Information Officer University of Hawai'i System

HB 1408 - RELATING TO DIGITAL EQUITY

Chair Perruso, Vice Chair Kapela, and Members of the Committee:

The University of Hawai'i, representing the State's broadband interests, supports the intent of HB 1408.

The proposed state digital equity grant program along with state funding support would provide needed funding opportunities to support digital equity efforts that would directly benefit communities with the greatest needs. Based on the proposed timing, this program would provide funding opportunities in advance of the anticipated National Telecommunications and Information Administration (NTIA) State Digital Equity Capacity Grant program, and could be used to accelerate the delivery of digital equity and literacy benefits to our communities.

We would recommend that the efforts be fully coordinated with other statewide digital equity efforts, including the state's digital equity plan, the Broadband Equity, Access and Deployment (BEAD) Five-Year Plan, and work funded under the Tribal Broadband Connectivity program with DHHL (all three efforts funded by NTIA).

Thank you for the opportunity to provide comments on HB 1408.

OFFICE OF INFORMATION PRACTICES

State of Hawaii No. 1 Capitol District building 250 South Hotel Street, Suite 107 Honolulu, Hawai'i 96813 Telephone: 808-586-1400 Fax: 808-586-1412 EMAIL: oip@hawaii.gov

To:House Committee on Higher Education & TechnologyFrom:Cheryl Kakazu Park, DirectorDate:February 1, 2023, 2:00 p.m.
State Capitol, Conference Room 309Re:Testimony on H.B. No. 1408
Relating to Digital Equity

Thank you for the opportunity to submit testimony on this bill, which would establish a Digital Equity Grant Program. The Office of Information Practices (OIP) takes no position on the substance of this bill, but offers comments on and a proposed amendment to a confidentiality provision on bill page 8.

Proposed subsection _____-6(b) would require the Hawaii Broadband and Digital Equity Office to keep information in a grant application or challenge confidential, if requested, to the extent it falls under an exception to disclosure under chapter 92F, the Uniform Information Practices Act (UIPA), <u>or</u> "comprises commercially sensitive information." The UIPA's exception for information whose disclosure would frustrate a legitimate government function already protects confidential commercial or financial information, as defined and discussed in many OIP opinions, and also protects trade secrets. It is not clear why the bill would also exempt "commercially sensitive information" and how that type of information that is already protected from disclosure under the UIPA's frustration exception. Nonetheless, the very existence of this second option for "commercially sensitive House Committee on Higher Education & Technology February 1, 2023 Page 2 of 3

information" implies that such information exists and applicants or challengers are permitted to designate it confidential in addition to the information falling under the UIPA's frustration and other exceptions.

OIP is concerned that the additional option presents a loophole under which an applicant or challenger can broadly designate information as confidential, without being limited by what a grant applicant could normally expect an agency to withhold as confidential commercial or financial information under the UIPA. The provision does have one limitation on an applicant's ability to designate the entire application as confidential: it requires the publicly available information to include sufficient evidence to demonstrate two of the twelve topics to be addressed, the proposed project area to be served and the nature of the digital inequity in that area. But it still allows an applicant to designate as confidential all information relating to the other ten topics, including such high-interest items as the applicant's experience and ability to deliver on its promises, a description of the project itself, how many people in the project area would gain access to broadband, the project's cost and timeline, its plan to cover non-English speaking populations, the amount and source of any matching funds, the project's economic feasibility, and a list of required permits and approvals.

OIP believes the protection of confidential commercial and financial information and, if applicable, trade secrets under the UIPA's frustration exception is sufficient on its own to protect applicants' and challengers' sensitive commercial and financial information. Thus, OIP recommends this Committee amend bill page 8, lines 5-6, by removing "or comprises commercially sensitive information" at the end of the sentence. The beginning of proposed subsection __-6(b) would then read as follows, and retain subsections (1) and (2) below it: House Committee on Higher Education & Technology February 1, 2023 Page 3 of 3

> "(b) To the extent the information in an application or challenge falls under one or more of the exceptions to public disclosure in section 92F-13, the office shall keep the information confidential upon request by"

Thank you for considering OIP's testimony.

LAW CENTER FOR THE PUBLIC INTEREST

700 Bishop Street, Suite 1701 Honolulu, HI 96813 Office: (808) 531-4000 Fax: (808) 380-3580 info@civilbeatlawcenter.org

House Committee on Higher Education & Technology Honorable Amy A. Perruso, Chair Honorable Jeanne Kapela, Vice Chair

> **RE: Testimony Opposing H.B. 1408, Relating to Digital Equity** Hearing: February 1, 2023 at 2:00 p.m.

Dear Chair and Members of the Committee:

My name is Brian Black. I am the Executive Director of the Civil Beat Law Center for the Public Interest, a nonprofit organization whose primary mission concerns solutions that promote governmental transparency. Thank you for the opportunity to submit testimony **opposing the vague confidentiality provision in H.B. 1408**.

This bill allows an applicant for these grants of State funds to declare that any portion of the grant application cannot be disclosed to the public because it has "commercially sensitive information." Sec. -6(b). The Uniform Information Practices Act (UIPA) already permits a government agency to withhold "confidential commercial or financial information" from the public. *E.g.*, OIP Op. No. F21-02. That standard carefully considers the competitive harm of disclosure and is balanced to ensure appropriate public oversight of use of State funds. *Id.*

H.B. 1408 incorporates the UIPA exceptions, but it goes further to exempt "commercially sensitive information." Entities requesting taxpayer monies – through contracting or grants – frequently believe that large swaths of information provided to an agency should be withheld from the public. By giving private entities unilateral authority to designate portions of a grant application as confidential, H.B. 1408 eliminates the public's ability to understand how public funds are being expended.

Also, "commercially sensitive information" has no legal meaning. H.B. 1408 provides no definition or context for what records – beyond those normally covered by the UIPA exceptions – are intended to be protected by this exemption.

The Law Center respectfully requests that the Committee strike "or comprises commercially sensitive information" from Sec. -6(b).

Thank you again for the opportunity to testify **opposing the confidentiality provision** in H.B. 1408.

HB-1408 Submitted on: 1/31/2023 11:32:19 AM Testimony for HET on 2/1/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Stirling Morita	Hawaii Chapter Society of Professional Journalists	Oppose	Written Testimony Only

Comments:

House Committee on Higher Education & Technology

Date:	February 1, 2023
Time:	2:00 p.m.
Where:	State Capitol, Conference Room 309
RE:	Supporting HB 1408 Relating to Digital Equity

Aloha mai e Chair Perruso, Vice Chair Kapela and Members of the Committee,

As members of the Broadband Hui, the listed organizations and individuals SUPPORT HB 1408, which establishes the Digital Equity Program to award grants to applicants to deploy digital equity projects.

Over the past 2 years, our organizations have collaborated, each within their own ability, to increase Hawai'i's digital capacity, thereby supporting the continuity of social connections, education, employment, and access to other essential services throughout the pandemic.

Through the work of the Broadband Hui, we have supported broadband infrastructure development in rural communities, provided digital devices for students and families, supported the accessibility of telehealth, provided information on low-cost internet options, and adopted a Digital Equity Declaration to set a vision and goals for a more equitable digital future.

One of the components critical to the progress of digital equity for our community is that of funding capacity sooner than the federal programs which this bill aims to address. Work to continue to address these needs are now. This funding will be targeted to support Hawaii's local, community non-profits to maintain its momentum on digital equity until federal funding becomes available.

For these reasons, we kindly request you support HB1408. Mahalo for the opportunity to testify. (Please see names on the following page.)



Name	Organization	Email	Zip code
Ken Farm		farmk@hawaii.edu	96817
Lynn Otaguro	O`ahu County Democrats Digital Equity Committee	lmotaguro@yahoo.com	96821
Angelina Mercado	Hawai`i State Coalition Against Domestic Violence	amercado@hscadv.org	98614
DOUGLASS S ADAMS	County of Hawaii Dept of Research & Development	douglass.adams@hawaiicounty.g ov	96720

		jill.takasaki.canfield@hawaiilitera	
Jill Takasaki Canfield	Hawaii Literacy	cy.org	96817
Kaleo Bennett	'Auamo Collaborative	kokua@auamocollaborative.org	96720
Mayson Asano Jr		molokaishaka@yahoo.com	96748
Nicholas Winfrey	Maui United Way	nicholas@mauiunitedway.org	96708
Peter Dames	Servco Pacific Inc	peter.dames@servco.com	96814
WANDA ANAE-ONISHI		wanaeonishi@gmail.com	96797
Riley Saito	Succeed Hawaii, LLC	rsaito@succeedhawaii.com	96740
David Sun-Miyashiro	HawaiiKidsCAN	david.miyashiro@hawaiikidscan. org	96814
Jaclyn Kaina	Kauai Economic Development Board	jkaina@kedb.com	96766
Matt Stevens	Hawai'i Workforce Funders Collaborative	matt@hawaiiwork.org	96755
Herb Lee, Jr.	Pacific American Foundation	herblee@thepaf.org	96734
Alexis Ching		alexis@ewaluindustries.org	96740
Nathan Prescott	County of Kauai - Office of Economic Development	nprescott@kauai.gov	96766
Rachel Solemsaas	Hawai'i Community College	rsolems@hawaii.edu	96720
Mary Oneha	Waimanalo Health Center	moneha@waimanalohealth.org	96795
LORNA STRAND		LORNA.STRAND@GMAIL.COM	96701
David Earles	Junior Achievement of Hawaii	david@jahawaii.org	96815
Deborah Bond-Upson	LearningBond	deborah@learningbond.org	96734
Wayne Buente		wayne.buente@gmail.com	96826
Ka'ala Souza	Digital Ready Hawaii	kaala@digitalreadyhawaii.org	96734
Jeanne Skog	Skog Rasmussen LLC	jskog@skograsmussen.com	96793
Georgette Stevens	'Ōlelo Community Media	gstevens@olelo.org	96819
Joseph Passantino	Ke'elikolani Middle School	Joseph.passantino@k12.hi.us	96813
Jay April, President & CEO	Akaku Maui County Community Media	jay@akaku.org	96732
Jeanne Skog	Economic Development Alliance of Hawaii	jskog2435@gmail.com	96708
Kiran Polk	Kapolei Chamber of Commerce	kiranpolk@gmail.com	96707
Keilee Simms		keilees@keyproject.org	96744
Judith Mikami	Molokai Rural Health Community Association	jmikami44@gmail.com	96748
Gregory DiBenedetto		gregdib@yahoo.com	96778

Dr. Adrienne Dillard,	Kula no na Po'e Hawaii o		
Ph.D., MSW, LSW	Papakolea, Kewalo, Kalawahine	kula.papakolea@gmail.com	96813
Sean Taketa McLaughlin		seantaketa@gmail.com	96817

House Committee on Higher Education & Technology

Date: February 1, 2023Time: 2:00PMWhere: State Capitol, Conference Room 309RE: Supporting HB 1408 Relating to Digital Equity

From: J Robertson, Managing Director, Ho'ike Kauai Community Television

Aloha Chair Perruso, Vice Chair Kapela and Members of the Committee,

On behalf of Ho'ike Kauai Community Television I would like to take this opportunity to support HB1408 establishing the Digital Equity Program to award grants to applicants to deploy digital equity projects.

Over the past few years it has been obvious that our Garden Isle of Kauai is in desperate need of improved and increased broadband capacity. Our efforts in work force development and digital literacy programs are constrained by the current status of our inferior Broadband access.

This effort to improve broadband equity for the people of our island is essential. The funding element will support our people in all aspects of life. We need to deliver this essential service throughout all Hawaii – students, families, kupuna, non-profit organizations and our entire workforce.

With that in mind we respectfully ask for your support and furtherance of HB1408.

January 31, 2023

Committee on Higher Education and Technology Representative Amy A. Perruso, Chair, Representative Jeanne Kapela, Vice Chair



Working together for Kapolei

Wednesday, February 1, 2023, 2:00 p.m. Conference Rm. 309 and via Videoconference

RE: HB RELATING TO DIGITAL EQUITY

Dear Chair Perruso, Vice Chair Kapela and members of the Committee:

My name is Kiran Polk, and I am the Executive Director of the Kapolei Chamber of Commerce. The Kapolei Chamber of Commerce is an advocate for businesses in the Kapolei region which includes Waipahu to Ka'ena Point. The Chamber works on behalf of its members and the entire business community to improve the regional and State economic climate and help Kapolei businesses thrive. We are a member-driven, member-supported organization representing the interests of all types of business: small, medium or large, for profit or non-profit businesses or sole proprietorship.

The Kapolei Chamber of Commerce is in strong support of HB 1408, relating to Digital Equity which establishes the Digital Equity Grant Program to award grants to applicants to deploy digital equity projects.

This funding would support and adopt the goals set forth in the State's Digital Equity Declaration. The Digital Equity Grant Program will help to ensure digital literacy and equitable access to internet to help eliminate the "digital divide" and help our underserved communities including those in West O'ahu.

We also need to increase digital capacity in West O'ahu for our small businesses to spur on economic growth and bridge some of the gaps existing today including access and capacity issues with online learning, pursuit of employment opportunities, and access to essential services online.

The need for digital equity is apparent even in the City and County of Honolulu and is not only applicable to rural areas of our state. West O'ahu's growing population of almost 200,000 includes the Wai'anae Coast, 'Ewa, and Waipahu. In Kapolei and 'Ewa alone households are expected to exceed 56,000 by the year 2035 and over the next 30 years the population in Kapolei and 'Ewa will increase by 40 percent and housing by 52 percent. The Native Hawaiian and Pacific Islander population in East Honolulu is 3.4% and 39.7% in Wai'anae. The number of persons living in poverty in Wai'anae the is 24.4%.

The funding provided in this grant is needed now and will support community-based organizations and non-profits to do the work needing to be done to provide digital equity until federal funding becomes available.

Thank you for allowing me to submit this testimony and comments.

Respectfully,

Kiran Polk Executive Director 1001 Kamokila Boulevard, Campbell Building Suite 250, Kapolei, Hawaii 96707

Hawaiian Telcom

Written Statement of Jeannine Souki Sr. Manager – Government & Regulatory Affairs

HOUSE COMMITTEE ON HIGHER EDUCATION & TECHNOLOGY

March 23, 2022, 2:00 PM State Capitol, Conference Room 309, Videoconference

SUPPORT FOR: H.B. 1408 – RELATING TO DIGITAL EQUITY

To: Chair Perruso, Vice-Chair Kapela, and Members of the Committee

Re: Testimony providing support for HB 1408

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

Thank you for this opportunity to submit support for House Bill 1408 to establish a Digital Equity grant program with the Hawai'i Department of Business, Economic Development, and Tourism's Broadband and Digital Equity Office.

Hawaiian Telcom supports this initiative to improve digital equity for residents and businesses across the state and the establishment of a state grant program dedicated to identifying and addressing obstacles to digital equity and providing assistance to individuals and communities to develop the capacity to participate in a rapidly accelerating digital economy.

While there is a temporary infusion of federal funds for broadband infrastructure and services through the Infrastructure Investment and Jobs Act (IIJA) and Broadband Equity, Access, and Deployment (BEAD) programs, we urge the state to leverage opportunities for public and private sector investments to close the digital divide, especially in the unserved and underserved areas. Hawaiian Telcom has a significant role in building out the state's broadband network and continues to invest hundreds of millions of dollars annually to improve our state's broadband infrastructure. Hawaiian Telcom supports digital equity as a participating service provider in the federal Affordable Connectivity Program (ACP), which provides a discount of up to \$30 per month for internet service for eligible households and up to \$75 per month for households on qualifying Hawaiian Home Lands, and the Lifeline Program which provides discounted services for qualified residents.

In closing, Hawaiian Telcom supports leveraging federal funding to expand broadband infrastructure and services, especially in unserved and underserved areas of the state, improved choices for broadband consumers, and policies that help achieve the digital equity needs of all Hawai'i residents.

We appreciate the opportunity to offer our support for HB 1408.

1177 Bishop Street, Suite 15, Honolulu, HI 96813 hawaiiantel.com

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

<u>HB-1408</u>

Submitted on: 2/1/2023 11:11:34 AM Testimony for HET on 2/1/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
B Puni Kekauoha	Kula no na Po`e Hawaii o Papakolea, Kewalo, Kalawahine	Support	Written Testimony Only

Comments:

Kula no na Po`e Hawaii o Papakilea, Kewalo, Kalawahine strongly supports HB1408.

Mahalo,

Puni Kekauoha, Sr. Vice-President

Testimony in Support of HB1408 – Committee on Higher Education hearing on 2/1/2023 2pm

I write in my individual capacity in support of HB1408. Support by the State of Hawaii for digital equity initiatives is needed in advance of Federal funding that may become available at a later date. Digital equity has three elements with this bill addressing the first two:

- Training while training household members on computer basics gaining the ability to use computers --, organizations will be refining curricula and building up corps of trainers
- Devices new customer households will need basic computers with keyboards, cameras and modest screens still much larger than mobile phone devices.

• Access – primarily fiber and cables. These will be installed with the infrastructure funding Getting near-term digital equity programs funded – basic computer skills and devices -- will benefit the newly-served Hawaii residents and speed the release of Federal money infrastructure money. That is because in part the trainings will serve as the community consultations required by the infrastructure BEAD program before release of funding.

I see the legislation funding small non-profit community organizations and small government agencies to conduct computer literacy training and device "graduation presents" in a variety of settings. The size of the need is large. According to last year's NTIA BroadbandUSA Community report there were about 41,348 Hawaii households without computers and 68,914 unserved or underserved (slow internet) households. If we spend only \$50 per household for basic computer skills training the need is \$3.4 million. If we supply each trained household with a modest \$200 computer – but good enough for telemedicine, etc. -- the need is about \$8.3 million. Those numbers are deliberately stated on the low side of estimates. Thus \$5 million in HB1408 is not an unreasonable sum. The bill does contain provisions requiring quality work and avoidance of duplicate effort and funding so the money would not be wasted.

In summary, early development of a corps of trainers in qualified and motivated community organizations by this bill will speed digital equity and stimulate more households to sign up for the Affordable Connectivity Program once they have training and computers.

Respectfully, E Malama Pono,

Daniel C. Smith, PhD 1961 Aamaka Pl. Pearl City, HI 96782 808-462-8346 dancsmith@rocketmail.com

HB-1408 Submitted on: 1/31/2023 8:45:08 AM Testimony for HET on 2/1/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kendrick Farm	Individual	Support	Written Testimony Only

Comments:

Please pass out of Commitee

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

<u>HB-1408</u>

Submitted on: 1/31/2023 2:25:18 PM Testimony for HET on 2/1/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rosie F Davis	Individual	Support	Written Testimony Only

Comments:

Aloha,

I support HB 1408

Mahalo nui