
A BILL FOR AN ACT

RELATING TO DIGITAL EQUITY.

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

1 SECTION 1. The legislature finds that digital equity
2 across the State and in every community is essential to the
3 well-being and economic realities of the State's residents. The
4 need for digital equity is significant, highlighted by the
5 devastating impacts of the recent coronavirus disease 2019
6 pandemic. The lack of digital equity has had a tremendously
7 negative effect in many areas, but particularly socio-
8 economically disadvantaged communities.

9 The legislature further finds that digital equity has meant
10 the difference between an employee being able to work remotely
11 or possibly facing unemployment. Additionally, digital literacy
12 and broadband access are critical tools for those seeking to
13 access social services such as unemployment claims, Supplemental
14 Nutrition Assistance Program (SNAP) benefits, vital records, and
15 other essential government, educational, and medical services.

16 The legislature further finds that digital equity in the
17 State would enhance Hawaii's overall economic development,



1 education, health care, and emergency services. Making grants
2 available to achieve digital equity in disadvantaged populations
3 would move the State toward universal access to broadband
4 services.

5 The legislature strongly supports efforts to improve
6 digital equity for residents, consumers, and businesses across
7 the State.

8 The purpose of this Act is to identify and address any
9 remaining obstacles to digital equity to all areas of the State
10 by establishing the digital equity grant program to award grants
11 and create a condition in which all individuals and communities
12 in the State have the information technology capacity needed for
13 full participation in society, democracy, and the economy.

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

17 **"CHAPTER**

18 **DIGITAL EQUITY GRANT PROGRAM**

19 **§ -1 Definitions.** As used in this chapter:

20 "Broadband" means high-speed internet.



1 "Broadband infrastructure" means the medium used to provide
2 broadband service, including fiberoptic cable, copper cable,
3 coaxial cable, and wireless media, such as satellite
4 communications, wireless networks, and worldwide
5 interoperability for microwave access.

6 "Covered household" means a household, the income of which
7 for the most recently completed year is not more than two
8 hundred per cent of an amount equal to the poverty level, as
9 determined by using criteria of poverty established by the
10 Bureau of the Census.

11 "Covered populations" means:

- 12 (1) Individuals who live in covered households;
- 13 (2) Individuals aged sixty years and older;
- 14 (3) Incarcerated individuals, other than individuals who
15 are incarcerated in a federal correctional facility;
- 16 (4) Veterans;
- 17 (5) Individuals with disabilities;
- 18 (6) Individuals with a language barrier, including
19 individuals who:
 - 20 (A) Are English learners; and
 - 21 (B) Have low levels of literacy;



1 (7) Individuals who are members of a racial or ethnic
2 minority group;

3 (8) Individuals who primarily reside in a rural area; and

4 (9) Homeless or unsheltered individuals.

5 "Department" means the department of business, economic
6 development, and tourism.

7 "Digital equity" means a condition in which all individuals
8 and communities have the information technology capacity needed
9 for full participation in society, democracy, and the economy.

10 "Digital equity services" means a service that increases
11 digital literacy and broadband access in covered populations.

12 "Office" means the department's Hawaii broadband and
13 digital equity office.

14 "Program" means the digital equity grant program
15 established by this chapter.

16 "Project" means a proposed digital equity project set forth
17 in an application for grant funding authorized under this
18 chapter.

19 "Project area" means an area that is proposed to be covered
20 in an application for grant funding authorized under this
21 chapter.



1 § -2 **Digital equity grant program; establishment.** There
2 is established a digital equity grant program which shall be
3 placed within the Hawaii broadband and digital equity office of
4 the department for administrative purposes. The office shall
5 receive and review grant applications and may award grants for
6 eligible projects pursuant to the program.

7 § -3 **Eligible projects.** The office may award grants for
8 eligible projects; provided that on the date the application is
9 submitted, the area to be served by the project shall include
10 covered populations.

11 § -4 **Eligible applicants.** To be eligible for a grant,
12 an applicant shall be preferably a non-governmental entity with
13 demonstrated experience in providing digital equity services to
14 covered populations. Governmental agencies may apply, and will
15 be evaluated on a case to case basis.

16 § -5 **Applications.** (a) The office shall establish an
17 annual time period to commence an open process for submission of
18 applications for funding under the program. The time period for
19 submission shall be no less than sixty days and no more than
20 ninety days.



1 (b) The form of the application shall be as prescribed by
2 the office and shall include:

3 (1) Evidence demonstrating the applicant's experience and
4 ability to plan, organize, staff, and deliver digital
5 equity services to covered populations within the
6 State;

7 (2) A description of the project area and covered
8 population to be served;

9 (3) A description of the digital equity project that is
10 proposed to be deployed, including specific goals to
11 increase digital literacy and broadband access,
12 methods, metrics, facilities, equipment, staff, and
13 resources;

14 (4) A plan to tailor public awareness and outreach to
15 include non-English speaking covered populations with
16 consideration for linguistic, cultural, generational,
17 and literacy challenges;

18 (5) Evidence, including certification from the applicant,
19 demonstrating the nature of the current digital
20 inequity in the proposed project area and covered
21 population;



- 1 (6) The number of people in each covered population that
- 2 would gain access to broadband service as a result of
- 3 the project;
- 4 (7) The total cost and timeline for completion of the
- 5 project;
- 6 (8) The amount of matching funds that the applicant
- 7 proposes to contribute and a certification that no
- 8 portion of the matching funds are derived from any
- 9 state government grant, loan, or subsidy;
- 10 (9) Evidence demonstrating the economic feasibility of the
- 11 project;
- 12 (10) A list of all expected government authorizations,
- 13 permits, and other approvals required for the project
- 14 and a timeline for the applicant's acquisition of the
- 15 approvals;
- 16 (11) A certification that no other federal or state program
- 17 provides funding that is available to the applicant
- 18 for the project; and
- 19 (12) Any other information deemed necessary by the office.

20 **§ -6 Review of applications; confidential treatment;**
21 **approval.** (a) Within five business days following the last day



1 of the time period for submission of applications to the
2 program, the office shall make all the applications available
3 for review in a publicly available electronic file posted on the
4 office's or department's website.

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

9 (1) An applicant for confidential treatment of an
10 application, except that in no event shall a request
11 for confidentiality prevent the publicly available
12 portion of the application from including sufficient
13 evidence to demonstrate the requirements of
14 section -5(b)(2) and -5(b)(5); or

15 (2) A challenging applicant for confidential treatment of
16 a challenge submitted pursuant to this section.

17 (c) In reviewing applications and any accompanying
18 challenge, the office shall review the proposed projects to
19 ensure that all awarded funds are used to deploy digital equity
20 projects to covered populations.



1 (d) The office shall award program grants based on a
2 scoring system that shall be released to the public at least
3 thirty days prior to the first day of the time period for the
4 submission of applications. The scoring system shall give the
5 highest weight or priority to the following:

- 6 (1) Projects proposing to serve larger covered
7 populations, with consideration to projects proposing
8 to serve smaller, difficult to access, or neglected
9 covered populations;
- 10 (2) Applicants with more experience and technical ability
11 to successfully deploy digital equity projects to
12 covered populations, and more financial or other
13 resources available to assist the project;
- 14 (3) Projects for which fewer government funds and less
15 support are necessary to deploy digital equity in an
16 economically feasible manner;
- 17 (4) Projects with a higher amount of matching funds
18 proposed to be committed by the applicant;
- 19 (5) Projects that do not duplicate any existing digital
20 equity project in the project area; and



1 (6) Other factors the office determines to be reasonable,
2 appropriate, and consistent with the purpose of
3 facilitating the deployment of digital equity projects
4 to covered populations.

5 § -7 Hawaii broadband and digital equity office
6 authority. The office may:

- 7 (1) Following notice and an opportunity to cure, require
8 disgorgement of grant funds in response to an
9 applicant's pattern of failure to achieve digital
10 equity goals in accordance with the timelines and
11 milestones set forth in its application;
- 12 (2) Consider an applicant's financial ability to complete
13 the project proposed in an application;
- 14 (3) Make reasonable requests for information necessary for
15 the oversight and administration of any project funded
16 pursuant to this chapter;
- 17 (4) Impose any new or additional regulatory requirements
18 on grant recipients, through grant agreements or any
19 other mechanism, in addition to the program
20 implementation rules expressly authorized in this
21 chapter; and



1 (5) Deny or cancel a project if the office finds the
2 project will impact federal funding opportunities.

3 § -8 Rules. (a) The department shall adopt rules
4 pursuant to chapter 91 to effectuate the purposes of this
5 chapter.

6 (b) The rules shall:

7 (1) Include reasonable oversight and reporting provisions
8 to ensure that grant moneys are used as intended; and

9 (2) Not impose any financial penalty or liquidated damages
10 provisions or provisions that are not reasonably
11 related to the deployment of digital equity programs
12 in the State in accordance with this chapter."

13 SECTION 3. Within six months following the effective date
14 of this Act, the department of business, economic development,
15 and tourism shall adopt rules pursuant to chapter 91 and
16 section -8, Hawaii Revised Statutes, to implement the digital
17 equity grant program; provided that any rules adopted pursuant
18 to this section shall include rules regarding the submission,
19 review, and approval of applications; administration of the
20 projects funded; and grant agreements memorializing the award of
21 funds.



1 SECTION 4. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$5,000,000 or so much
3 thereof as may be necessary for fiscal year 2023-2024 and the
4 same sum or so much thereof as may be necessary for fiscal year
5 2024-2025 for the digital equity grant program established by
6 this Act.

7 The sums appropriated shall be expended by the department
8 of business, economic development, and tourism for the purposes
9 of this Act.

10 SECTION 5. This Act shall take effect on July 1, 2023.



Report Title:

Digital Equity Grant Program; Digital Literacy; Broadband Access; Department of Business, Economic Development, and Tourism; Hawaii Broadband and Digital Equity Office; Appropriation

Description:

Establishes the Digital Equity Grant Program to award grants to applicants to deploy digital equity projects to covered populations in the State. Appropriates funds. (SD1)

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