THE SENATE
THIRTY-THIRD LEGISLATURE, 2025
STATE OF HAWAII

JAN 17 2025

S.B. NO. 1045

A BILL FOR AN ACT

RELATING TO BROADBAND SERVICE INFRASTRUCTURE.

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

PART I

SECTION 1. The purpose of this part is to transfer the Hawaii broadband and digital equity office from the department of business, economic development, and tourism to the department of accounting and general services.

SECTION 2. Section 206S-1, Hawaii Revised Statutes, is amended by amending the definition of "department" to read as follows:

""Department" means the department of [~~business, economic development, and tourism.~~] accounting and general services."

SECTION 3. Section 206S-2, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) There is established the Hawaii broadband and digital equity office within the department of [~~business, economic development, and tourism.~~] accounting and general services, office enterprise technology services."

SECTION 4. All rights, powers, functions, and duties of the Hawaii broadband and digital equity office are transferred to the department of accounting and general services.

All employees who occupy civil service positions and whose functions are transferred to the department of accounting and general services by this Act shall retain their civil service status, whether permanent or temporary. Employees shall be transferred without loss of salary, seniority (except as prescribed by applicable collective bargaining agreements), retention points, prior service credit, any vacation and sick leave credits previously earned, and other rights, benefits, and privileges, in accordance with state personnel laws and this Act; provided that the employees possess the minimum qualifications and public employment requirements for the class or position to which transferred or appointed, as applicable; provided further that subsequent changes in status may be made pursuant to applicable civil service and compensation laws.

Any employee who, prior to this Act, is exempt from civil service and is transferred as a consequence of this Act may retain the employee's exempt status, but shall not be appointed to a civil service position as a consequence of this Act. An

exempt employee who is transferred by this Act shall not suffer any loss of prior service credit, vacation or sick leave credits previously earned, or other employee benefits or privileges as a consequence of this Act; provided that the employees possess legal and public employment requirements for the position to which transferred or appointed, as applicable; provided further that subsequent changes in status may be made pursuant to applicable employment and compensation laws. The comptroller may prescribe the duties and qualifications of these employees and fix their salaries without regard to chapter 76, Hawaii Revised Statutes.

SECTION 5. All appropriations, records, equipment, machines, files, supplies, contracts, books, papers, documents, maps, and other personal property heretofore made, used, acquired, or held by the Hawaii broadband and digital equity office relating to the functions transferred to the department of accounting and general services shall be transferred with the functions to which they relate.

PART II

SECTION 6. The purpose of this part is to transfer the broadband duties of the director of commerce and consumer affairs to the Hawaii broadband digital equity office.

SECTION 7. Chapter 206S, Hawaii Revised Statutes, is amended by adding two new sections to be appropriately designated and to read as follows:

"**§206S- Broadband services.** (a) In conjunction with broadband services, the office shall:

(1) Promote and encourage use of telework alternatives for public and private employees, including appropriate policy and legislative initiatives;

(2) Advise and assist state agencies, and upon request of the counties, advise and assist the counties, in planning, developing, and administering programs, projects, plans, policies, and other activities to promote telecommuting by employees of state and county agencies;

(3) Support the efforts of both public and private entities in Hawaii to enhance or facilitate the deployment of, and access to, competitively priced,

advanced electronic communications services, including broadband and its products and services and internet access services of general application throughout Hawaii;

(4) Make recommendations to establish affordable, accessible broadband services to unserved and underserved areas of Hawaii and monitor advancements in communications that will facilitate this goal;

(5) Advocate for, and facilitate the development and deployment of, expanded broadband applications, programs, and services, including telework, telehealth, and e-learning, that will bolster the usage of and demand for broadband level telecommunications;

(6) Serve as a broadband information and applications clearinghouse for the State and a coordination point for federal American Recovery and Reinvestment Act of 2009 broadband-related services and programs; and

(7) Promote, advocate, and facilitate the implementation of the findings and recommendations of the Hawaii

broadband task force established by Act 2, First Special Session Laws of Hawaii 2007.

(b) No later than twenty days before the convening of each regular session the office shall submit an annual report to the legislature on:

(1) The office's efforts to use broadband and its products and services to develop and expand telework initiatives, including telework participation levels and trends of both private and public sector employees in Hawaii; and

(2) The receipt and expenditure of federal moneys from the American Recovery and Reinvestment Act of 2009, and moneys from other federal appropriation measures or applicable federal acts, for the purposes of purchasing broadband facilities, services, or equipment or for entering into contracts for broadband-related projects by all state agencies for all state agencies approval.

§206S- Hawaii broadband infrastructure special fund.

(a) There is established the Hawaii broadband infrastructure special fund to be administered by the office. All receipts and

revenues of the office shall be deposited in the Hawaii broadband infrastructure special fund.

(b) Moneys in the Hawaii broadband infrastructure special fund shall be used for:

(1) Administrative, operational, and personnel costs related to the office;

(2) Expanding broadband infrastructure, including renewal or upgrading the infrastructure system; and

(3) Additional investments to support broadband in Hawaii."

SECTION 8. Section 440G-11.5, Hawaii Revised Statutes, is repealed.

["~~§440G-11.5 Other duties of the director; broadband services.~~ ~~(a) In conjunction with broadband services, the director shall:~~

~~(1) Promote and encourage use of telework alternatives for public and private employees, including appropriate policy and legislative initiatives;~~

~~(2) Advise and assist state agencies, and upon request of the counties, advise and assist the counties, in planning, developing, and administering programs,~~

~~projects, plans, policies, and other activities to promote telecommuting by employees of state and county agencies;~~

~~(3) Support the efforts of both public and private entities in Hawaii to enhance or facilitate the deployment of, and access to, competitively priced, advanced electronic communications services, including broadband and its products and services and internet access services of general application throughout Hawaii;~~

~~(4) Make recommendations to establish affordable, accessible broadband services to unserved and underserved areas of Hawaii and monitor advancements in communications that will facilitate this goal;~~

~~(5) Advocate for, and facilitate the development and deployment of, expanded broadband applications, programs, and services, including telework, telehealth, and e-learning, that will bolster the usage of and demand for broadband level telecommunications;~~

~~(6) Serve as a broadband information and applications clearinghouse for the State and a coordination point for federal American Recovery and Reinvestment Act of 2009 broadband-related services and programs; and~~

~~(7) Promote, advocate, and facilitate the implementation of the findings and recommendations of the Hawaii broadband task force established by Act 2, First Special Session Laws of Hawaii 2007.~~

~~[(b)] The director shall submit an annual report to the legislature, no later than twenty days prior to the convening of each regular session, on the department's efforts to use broadband and its products and services to develop and expand telework initiatives, including telework participation levels and trends of both private and public sector employees in Hawaii.~~

~~[(c)] The department of commerce and consumer affairs shall report annually to the legislature, no later than twenty days prior to the convening of each regular session, on the receipt and expenditure of federal moneys from the American Recovery and Reinvestment Act of 2009, and moneys from other federal appropriation measures or applicable federal acts, for~~

~~the purposes of purchasing broadband facilities, services, or equipment or for entering into contracts for broadband-related projects by all state agencies for all state agencies approval.~~

~~[(d)] Pursuant to [section] 440G-12(d), the director may appoint and employ engineers, accountants, attorneys, and professional, clerical, stenographic, or other assistants, as required, with or without regard to chapter 76.~~"]

PART III

SECTION 9. The purpose of this part is to disband the Hawaii broadband assistance advisory council.

SECTION 10. Act 199, Session Laws of Hawaii 2010, as amended by Act 151, Session Laws of Hawaii 2011, as amended by Act 23, Session Laws of Hawaii 2016, is amended by amending section 3 to read as follows:

"SECTION 3. [~~**Telework promotion; broadband assistance advisory council; establishment; purpose.**~~ ~~(a) The director of commerce and consumer affairs shall convene and chair the broadband assistance advisory council to advise the director of commerce and consumer affairs on policy and funding priorities to promote and encourage use of telework alternatives for public~~

~~and private employees, and expedite deployment of affordable and accessible broadband services in Hawaii.~~

~~(b) The council shall be composed of the director of commerce and consumer affairs, or the director's designee; the director of business, economic development, and tourism, or the director's designee; and the following twelve members who shall be equally appointed by the president of the senate and by the speaker of the house of representatives as follows:~~

~~(1) Two members of the senate, appointed by the president of the senate;~~

~~(2) Two members of the house of representatives, appointed by the speaker of the house of representatives;~~

~~(3) Four representatives of federal, state, and county government entities having a role in infrastructure deployment; management of public rights-of-way, regulation, and franchising; information technology; and economic development; and~~

~~(4) Four representatives of Hawaii's private sector technology, telecommunications, and investment industries.~~

~~In making the appointments pursuant to subsection (b)(1) through (b)(3), the president of the senate and the speaker of the house of representatives shall ensure representation of each of the counties of Hawaii, Maui, and Kauai, and the city and county of Honolulu by one or more appointed members. Except for the director of commerce and consumer affairs and the director of business, economic development, and tourism, all members shall serve for a term of four years. Notwithstanding any law to the contrary, the terms of all members as of July 1, 2016, shall expire on June 30, 2019; and, each subsequent four-year term shall commence on July 1, and expire on June 30 every four years thereafter. Any member of the council whose term has expired may continue to serve as a holdover member until reappointment or until a successor is appointed. Any vacancies occurring in the membership of the advisory council shall be filled for the remainder of the unexpired term in the same manner as the original appointments.~~

~~(c) The director of commerce and consumer affairs shall serve as chairperson of the council. The chairperson may designate representatives of other interested public or private sector organizations to serve as members of the council, or as~~

~~members of the work groups of the council to address specified issues on an ad hoc basis, as the chairperson deems necessary. The council shall meet at times as may be called by the chairperson. Members and ad hoc members shall be reimbursed for reasonable expenses, including travel expenses, necessary for the performance of their duties. Administrative support to the council shall be provided by the department of commerce and consumer affairs.~~

~~(d) The council shall:~~

~~(1) Monitor the broadband-based development efforts of other states and nations in areas such as business, education, and health;~~

~~(2) Advise the department on other states' best practices involving telework promotion and policies and strategies related to making affordable broadband services available to every Hawaii home and business;~~

~~(3) Monitor broadband-related activities at the federal level;~~

~~(4) Monitor regulatory and policy changes for potential impact on broadband deployment and sustainability in Hawaii; and~~

~~(5) Encourage public-private partnerships to increase the deployment and adoption of broadband services and applications.~~] Repealed."

PART IV

SECTION 11. The purpose of this part is to require the information technology steering committee to oversee and manage public advanced communications technology infrastructure.

SECTION 12. Section 27-43, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) There is established an information technology steering committee to assist the chief information officer in developing the State's information technology standards and policies, including but not limited to:

(1) Assisting the chief information officer in developing and implementing the state information technology strategic plans;

(2) Assessing executive branch departments' progress in meeting the objectives defined in the state information technology strategic plans and identifying best practices for shared or consolidated services;

(3) Ensuring technology projects are selected based on their potential impact and risk to the State, as well as their strategic value;

(4) Ensuring that executive branch departments maintain sufficient tools to assess the value and benefits of technology initiatives;

(5) Assisting the chief information officer in developing state information technology standards and policies;

(6) Clarifying the roles, responsibilities, and authority of the office of enterprise technology services, specifically as it relates to its statewide duties; and

(7) Assisting the chief information officer in developing a plan to enhance the hawaii.gov mobile application to increase resident and visitor usage of the mobile application.

The information technology steering committee shall oversee and manage public advanced communications technology infrastructure.

The information technology steering committee shall consist of thirteen members, with four members to be appointed by the

senate president, four members to be appointed by the speaker of the house of representatives, one member to be appointed by the chief justice, one member to be appointed by the governor, one member to be appointed by the superintendent of education, and one member to be appointed by the president of the university of Hawaii, and may include representatives from executive branch departments, the legislature, and private individuals. The chief information officer shall serve as an ex officio member and as the chair of the committee. The committee shall select a vice chair from among its members. Each member shall be appointed for four-year terms; provided that each member shall hold office until reappointed by the member's respective appointing authority at the end of the member's term or until the member's successor is appointed."

PART V

SECTION 13. There is appropriated out of the general revenues of the State of Hawaii the sum of $ or so much thereof as may be necessary for fiscal year 2025-2026 and the same sum or so much thereof as may be necessary for fiscal year 2026-2027 for the operation and administration of the Hawaii broadband infrastructure authority.

The sums appropriated shall be expended by the Hawaii broadband infrastructure authority for the purposes of this Act.

SECTION 14. There is appropriated out of the federal funds received by the State of Hawaii the sum of $ or so much thereof as may be necessary for fiscal year 2025-2026 and the same sum or so much thereof as may be necessary for fiscal year 2026-2027 for four full-time equivalent (4.00 FTE) positions and other expenses for the digital navigator.

The sums appropriated shall be expended by the Hawaii broadband and digital equity office for the purposes of this Act.

SECTION 15. There is appropriated out of the general revenues of the State of Hawaii the sum of $200,000 or so much thereof as may be necessary for fiscal year 2025-2026 and the same sum or so much thereof as may be necessary for fiscal year 2026-2027 for operation of the Hawaii broadband and digital equity office.

The sums appropriated shall be expended by the Hawaii broadband and digital equity office for the purposes of this Act.

PART VI

SECTION 16. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 17. This Act shall take effect on July 1, 2025.

INTRODUCED BY: _____

S.B. NO. 1045

Report Title:
Broadband; DBEDT; DAGS; Appropriation

Description:
Transfers the Hawaii Broadband and Digital Equity Office from the Department of Business, Economic Development, and Tourism to the Department of Accounting and General Services. Transfers the broadband duties of the Director of Commerce and Consumer Affairs to the Hawaii Broadband and Digital Equity Office. Creates a Hawaii Broadband Infrastructure Special Fund. Disbands the Hawaii Broadband Assistance Advisory Council. Requires the Information Technology Steering Committee to oversee and manage public advanced communications technology infrastructure. Appropriates moneys.

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