

JAN 22 2016

A BILL FOR AN ACT

RELATING TO TELECOMMUNICATIONS.

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

1 SECTION 1. The legislature finds that the need for
2 broadband services has continued to grow and that broadband
3 service has become an essential infrastructure for society in
4 the twenty-first century. The legislature further finds that
5 the promotion and development of broadband services are critical
6 for the advancement of education, health, public safety,
7 research and innovation, civic participation, e-government,
8 economic development and diversification, and public safety and
9 services. These findings were reinforced in 2015 when the
10 Federal Communications Commission reclassified broadband service
11 under title II of the Federal Telecommunications Act,
12 essentially classifying broadband service as a public utility on
13 par with telecommunications service.

14 Act 199, Session Laws of Hawaii 2010, established the
15 broadband assistance advisory council (advisory council). Act
16 151, Session Laws of Hawaii 2011, amended Act 199 to make the
17 director of commerce and consumer affairs a member and



1 chairperson of the advisory council. The advisory council is
2 tasked with advising the director of commerce and consumer
3 affairs on policy and funding priorities to promote and
4 encourage the use of telework alternatives for public and
5 private employees and to expedite the development of affordable
6 and accessible broadband services in Hawaii.

7 The purpose of this Act is to:

- 8 (1) Make the director of business, economic development,
9 and tourism a member of the advisory council;
- 10 (2) Ensure that each of the counties are represented on
11 the advisory council; and
- 12 (3) Authorize the chair of the advisory council to include
13 representatives of other interested public or private
14 sector organizations on an ad hoc basis as members of
15 the advisory council or the work groups of the
16 advisory council.

17 SECTION 2. Act 199, Session Laws of Hawaii 2010, as
18 amended by Act 151, Session Laws of Hawaii 2011, is amended by
19 amending section 3 to read as follows:

20 "SECTION 3. Telework promotion ~~[and]~~; broadband assistance
21 advisory council; establishment; purpose. (a) The director of



1 commerce and consumer affairs shall convene and chair the
2 broadband assistance advisory council to advise the director of
3 commerce and consumer affairs on policy and funding priorities
4 to promote and encourage use of telework alternatives for public
5 and private employees, and expedite deployment of affordable and
6 accessible broadband services in Hawaii.

7 (b) The council shall be composed of the director of
8 commerce and consumer affairs, or the director's designee [7];
9 the director of business, economic development, and tourism, or
10 the director's designee; and the following twelve members who
11 shall be equally appointed by the president of the senate and by
12 the speaker of the house of representatives as follows:

- 13 (1) Two members of the senate, appointed by the president
14 of the senate;
- 15 (2) Two members of the house of representatives, appointed
16 by the speaker of the house of representatives;
- 17 (3) Four representatives of federal, state, and county
18 government entities having a role in infrastructure
19 deployment; management of public rights-of-way,
20 regulation, and franchising; information technology;
21 and economic development; and



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

4 In making the appointments pursuant to subsection (b)(1) through
5 (b)(3), the president of the senate and the speaker of the house
6 of representatives shall ensure representation of each of the
7 counties of Hawaii, Maui, and Kauai, and the city and county of
8 Honolulu by one or more appointed members. Except for the
9 director of commerce and consumer affairs[7] and the director of
10 business, economic development, and tourism, all members shall
11 serve for a term of four years. Notwithstanding any law to the
12 contrary, the terms of all members as of July 1, 2016, shall
13 expire on June 30, 2019; and, each subsequent four-year term
14 shall commence on July 1, and expire on June 30 every four years
15 thereafter. Any member of the council whose term has expired
16 may continue to serve as a holdover member until reappointment
17 or until a successor is appointed. Any vacancies occurring in
18 the membership of the advisory council shall be filled for the
19 remainder of the unexpired term in the same manner as the
20 original appointments.



1 (c) The director of commerce and consumer affairs shall
2 serve as chairperson of the council. The chairperson may
3 designate representatives of other interested public or private
4 sector organizations to serve as members of the council, or as
5 members of the work groups of the council to address specified
6 issues on an ad hoc basis, as the chairperson deems necessary.
7 The council shall meet at times as may be called by the
8 chairperson. Members and ad hoc members shall be reimbursed for
9 reasonable expenses, including travel expenses, necessary for
10 the performance of their duties. Administrative support to the
11 council shall be provided by the department of commerce and
12 consumer affairs.

13 (d) The council shall:

- 14 (1) Monitor the broadband-based development efforts of
15 other states and nations in areas such as business,
16 education, and health;
- 17 (2) Advise the department on other states' best practices
18 involving telework promotion and policies and
19 strategies related to making affordable broadband
20 services available to every Hawaii home and business;



- 1 (3) Monitor broadband-related activities at the federal
- 2 level;
- 3 (4) Monitor regulatory and policy changes for potential
- 4 impact on broadband deployment and sustainability in
- 5 Hawaii; and
- 6 (5) Encourage public-private partnerships to increase the
- 7 deployment and adoption of broadband services and
- 8 applications."

9 SECTION 3. Statutory material to be repealed is bracketed
 10 and stricken. New statutory material is underscored.

11 SECTION 4. This Act shall take effect on July 1, 2016.

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INTRODUCED BY:

[Handwritten signatures and names of legislators]

Ernie Freese
Anna Mercado
Michelle Tedeni
Glenn Goff
Breene Smith
Thomas Chun
Clarence Nishihara

[Handwritten signatures and names of legislators]

Walter Gabbaro
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Samuel A. King
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S.B. NO. 2511

Report Title:

Broadband; Broadband Assistance Advisory Council

Description:

Includes the Director of Business, Economic Development, and Tourism as a permanent member on the Broadband Assistance Advisory Council. Ensures a member from each county is represented through appointment on the council. Authorizes the chair of the council to designate representatives of other interested public and private sector organizations to serve as members of the council or the work groups of the council on an ad hoc basis as needed.

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





**DEPARTMENT OF BUSINESS,
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Statement of
LUIS P. SALAVERIA
Director
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS

Friday, March 11, 2016
11:00 a.m.
State Capitol, Conference Room 312
in consideration of
SB 2511
RELATING TO TELECOMMUNICATIONS.

Chair Kawakami, Vice Chair Kong, and Members of the Committee.

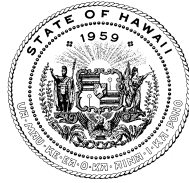
The Department of Business, Economic Development, and Tourism (DBEDT) supports SB 2511, which adds the Director of Business, Economic Development, and Tourism as a permanent member on the Broadband Assistance Advisory Council; ensures a member from each county is represented through appointment on the council; and authorizes the chair of the council to designate representatives of other interested public and private sector organizations to serve as members of the council or the work groups of the council on an ad hoc basis as needed.

DBEDT supports this measure and the council's purpose to:

- (1) Monitor the broadband-based development efforts of other states and nations in areas such as business, education, and health;
- (2) Advise the Department of Commerce and Consumer Affairs 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.

DBEDT defers to the Department of Commerce and Consumer Affairs on the appointments of new and existing council members.

Thank you for the opportunity to provide testimony in support of SB 2511.



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TO THE HOUSE COMMITTEE ON
ECONOMIC DEVELOPMENT & BUSINESS

TWENTY-EIGHTH LEGISLATURE
Regular Session of 2016

Date: Friday, March 11, 2016
Time: 11:00 a.m.

TESTIMONY ON S.B. NO. 2511 – RELATING TO TELECOMMUNICATIONS.

TO THE HONORABLE DEREK S.K. KAWAKAMI, CHAIR, AND MEMBERS OF THE
COMMITTEE:

My name is Ji Sook “Lisa” Kim, and I am the Cable Television Administrator at the Department of Commerce and Consumer Affairs (the “Department”). The Department appreciates the opportunity to express support for S.B. No. 2511, which further amends Act 199, Session Laws of Hawaii 2010, to: (1) include the Director of Business, Economic Development, and Tourism as a permanent member on the Broadband Assistance Advisory Council (“BAAC”); (2) ensure representation of each county on the BAAC through the legislative appointments of members on the BAAC; and (3) authorize the Director of Commerce and Consumer Affairs (the “Director”), as Chairperson of the BAAC, to designate representatives of other interested public or private sector organizations to serve as members of the BAAC, or as members of the BAAC work groups to address specified issues on an ad hoc basis, and to reimburse these designated members for reasonable expenses necessary for the performance of their duties.

The Department recognizes the significant interest the Department of Business, Economic Development, and Tourism (“DBEDT”) has in supporting and expanding broadband access and use in the State. The Department and DBEDT regularly communicate to discuss the broadband development activities of each department and to address how the departments may support the efforts of the other in facilitating broadband access and use. Thus, the Department strongly supports the inclusion of the Director of DBEDT as a permanent member of the BAAC.

The Department also strongly supports amendment of Act 199 to ensure the inclusion of a representative of each county on the BAAC, and to authorize the Director to designate other interested public and private sector representatives on the BAAC and its work groups and to reimburse their reasonable expenses. The Department has in the past included other public and private stakeholders as unofficial participants, but lacked authority to reimburse travel expenses for non-appointed participants who traveled to Honolulu for the BAAC meetings.

Lastly, the Department supports the proposed amendment to Act 199 to set definite term dates for the BAAC members and to provide for holdover members. This will ease administration of the BAAC membership.

For the reasons set forth above, the Department strongly supports passage of S.B. No. 2511. The proposed amendments will help to ensure that the BAAC membership includes a broad range of interests and experience of both government and private entities to provide insight and guidance on the continued expansion of broadband access and use across the State.

Thank you for the opportunity to testify on this bill.