

Honolulu, Hawaii

FEB 15 2019

RE: S.B. No. 253

S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Technology, to which was referred S.B. No. 253 entitled:

"A BILL FOR AN ACT RELATING TO BROADBAND SERVICE,"

begs leave to report as follows:

The purpose and intent of this measure is to ensure that the Internet remains free and open in the State by:

- (1) Requiring providers of broadband internet access services to be transparent with network management practices, performance, and commercial terms of their broadband internet access services; and
- (2) Prohibiting providers of broadband internet access services from:
 - (A) Blocking lawful websites;
 - (B) Impairing or degrading lawful internet traffic;
 - (C) Engaging in paid prioritization; or
 - (D) Unreasonably interfering with or unreasonably disadvantaging users of broadband internet access services.



Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received testimony in opposition to this measure from Charter Communications/Spectrum and CTIA. Your Committee received comments on this measure from the Department of the Attorney General and Hawaiian Telcom.

Your Committee finds that the recent Federal Communications Commission's ruling to repeal net neutrality deregulates the internet service industry, jeopardizing the future of access to websites and information, and creating an environment that could allow internet service providers the opportunity to limit or prioritize certain access to information at their discretion.

Your Committee has heard the concerns of the Department of the Attorney General and others that enactment of this measure may lead to litigation. In light of these and other concerns, your Committee has amended this measure by deleting its contents and inserting language to codify, within the Hawaii Public Procurement Code, the substantive provisions of Executive Order No. 18-02, which:

- (1) Directs all state agencies to contract internet-related services only with internet service providers who demonstrate and contractually agree to support and practice net neutrality principles where all internet traffic is treated equally;
- (2) Directs all state agencies, including the Department of Accounting and General Services and the State Procurement Office, as the lead procurement agency, to add contract language and provisions to state procurement requirements that suppliers of telecommunications, internet, broadband, and data communication services shall abide by net neutrality principles; and
- (3) Defines "net neutrality principles".

As affirmed by the record of votes of the members of your Committee on Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 253, as amended herein, and recommends that it pass Second



Reading in the form attached hereto as S.B. No. 253, S.D. 1, and
be referred to your Committee on Commerce, Consumer Protection,
and Health.

Respectfully submitted on
behalf of the members of the
Committee on Technology,



JARRETT KEOHOKALOLE, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Technology
TEC

Bill / Resolution No.:* <i>SB 253</i>	Committee Referral: <i>TEC, CPH</i>	Date: <i>Jan 31, 2019</i>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)	✓			
ENGLISH, J. Kalani (VC)				✓
MORIWAKI, Sharon Y.	✓			
WAKAI, Glenn	✓			
FEVELLA, Kurt				✓
TOTAL	<i>3</i>			<i>2</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes