

STAND. COM. REP. NO.

376

Honolulu, Hawaii

, 2021

FEB 18

RE: H.B. No. 1191

H.D. 2

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1191, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish the Broadband Infrastructure Grant Program to award grants to applicants to extend deployment of infrastructure used to provide broadband service to unserved areas of the State;
- (2) Amend the Hawaii Technology Loan Revolving Fund to change it to the Hawaii Broadband Infrastructure Fund, including the types of funds deposited into the fund; and
- (3) Authorize the issuance of general obligation bonds for the Broadband Infrastructure Grant Program.

Your Committee received testimony in support of this measure from the Department of Transportation, Office of Community Services of the Department of Labor and Industrial Relations, Hawaii Primary Care Association, Charter Communications, Maui

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Chamber of Commerce, and two individuals. Your Committee received comments on this measure from the Department of Budget and Finance; Department of Business, Economic Development, and Tourism; Office of Information Practices; Hawaii Technology Development Corporation; and Hawaiian Telcom.

Your Committee finds that it is critical to improve access to broadband services for residents, consumers, and businesses across the State. Although broadband coverage in the State is widespread, additional investment can be made to keep up with needs in rural communities to bridge the digital divide. The Broadband Infrastructure Grant Program proposed by this measure would facilitate deployment of infrastructure necessary to bring broadband service to unserved and underserved areas of the State. Your Committee notes that twenty-three states have grant programs similar to the one proposed in this measure.

Your Committee further finds that there are several federal programs with similar objectives in ensuring that more Americans have access to broadband service, including the Federal Communications Commission's Rural Digital Opportunity Fund. Your Committee notes that the Broadband Infrastructure Grant Program is intended to be complementary to these federal programs and further the shared goal of expanding broadband service access.

Your Committee has amended this measure by:

- (1) Specifying that an applicant attest that the project does not jeopardize the eligibility of federal funding;
- (2) Changing the appropriation to an unspecified amount; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that the appropriation amount in this measure, as received by your Committee, was \$5,000,000. Should your Committee on Finance choose to hear this measure, your Committee respectfully requests that it give consideration to this appropriation amount.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and



purpose of H.B. No. 1191, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 1191, H.D. 2.

Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,



AARON LING JOHANSON, Chair



