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Annual Report

on the

(1) Development and Expansion of Telework Initiatives

and

(2) Receipt and Expenditure of Federal Moneys from the American Recovery and Reinvestment Act (ARRA)

CABLE TELEVISION DIVISION
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
STATE OF HAWAII

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Annual Report on the Development and Expansion of Telework Initiatives

This report is filed pursuant to section 440G-11.5(b), Hawaii Revised Statutes, which requires the director of the Department of Commerce and Consumer Affairs (DCCA) to submit an annual report to the Legislature "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."

DCCA convened the Broadband Assistance Advisory Council (BAAC) as required under Act 199, Session Laws of Hawaii 2010. Pursuant to Act 199, as amended by Act 151, Session Laws of Hawaii 2011, the BAAC is to advise the director on, among other things, "policy and funding priorities to promote and encourage use of telework alternatives for public and private employees" and other states' best practices involving telework promotion and policies. The BAAC has three working groups that were formed to address the distinct subject matter areas of permitting, adoption, and economics. DCCA assisted these work groups in scheduling meetings, and in carrying out various activities designed to address their assigned areas of focus. Telework falls within the primary focus area of the Adoption Work Group. The Adoption Work Group has discussed telework as a potential solution to increase adoption of broadband, but has initially focused on fact-finding on how broadband is used and the barriers to adoption across the State.

Thus, as a precursor to the development of initiatives, DCCA assisted the Adoption Work Group in collecting data on broadband adoption and usage throughout the State of Hawaii. Data was collected through focus groups as well as landline phone surveys, cellular phone surveys, and web surveys for two categories of users: individual households and small businesses. Although these efforts seek a much broader understanding of broadband usage in the State and barriers to adoption, the surveys each include questions intended to provide data on broadband consumption for telework and demographics on broadband users.

Specifically, the survey on individual household Internet users collected data on the number of hours per week home Internet service is used for businesses purposes, and more specifically, if it is used for telecommuting or telework. If it is not currently used for such purpose, the Internet user was asked to rate their level of interest in telecommuting or telework. For business Internet users, the survey specifically asked if the Internet is used to enable employees to work at home instead of coming into the office. The survey also sought information on the use of virtual offices connected by Internet, thus allowing for telework. Both sets of Internet users were also asked to identify motivations to upgrade to a higher speed Internet service.

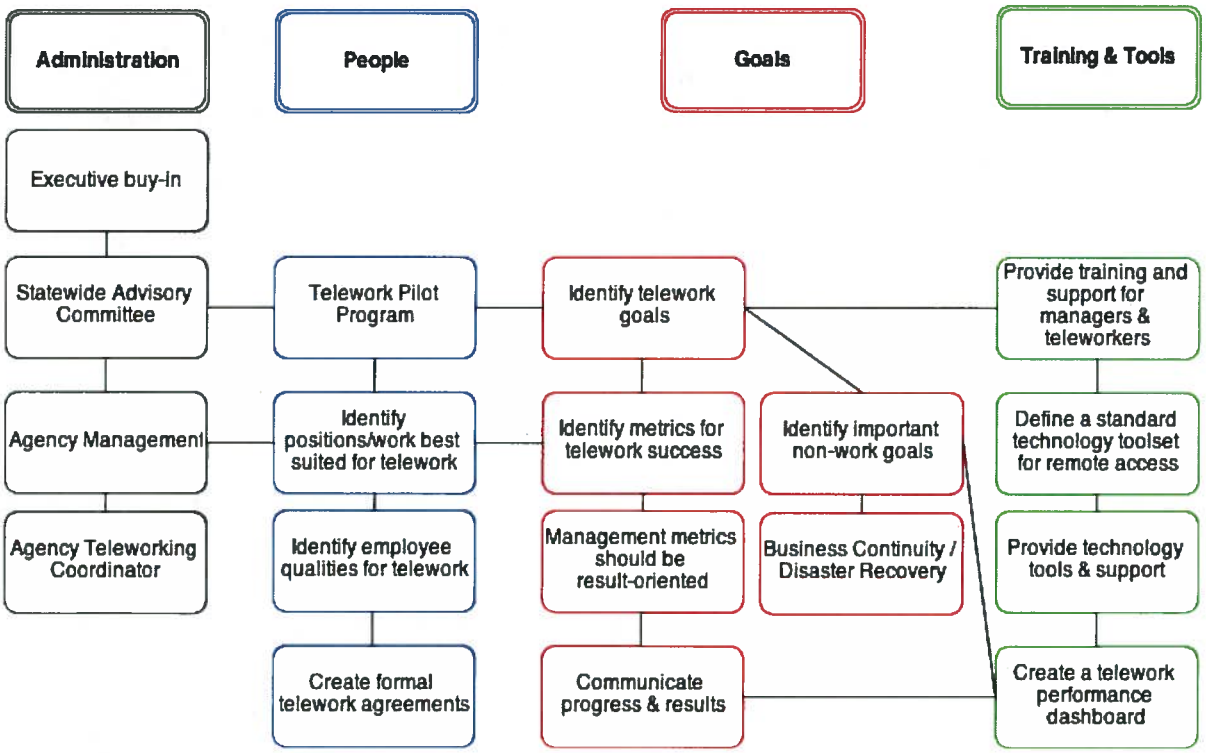
The collected data is being used by DCCA and the Adoption Work Group to identify and develop potential programs that could be used to increase telework participation in the State.

The residential broadband survey found that 57% reported using the Internet for one or more hours per week for business purposes while at home. Of this group, more than one-third (35%) reported working from home using the Internet for 10 or more hours per week. And, 17%

of this group reported working 20 or more hours per week from home using the Internet. It is not known how many of those reporting working from home do so in addition to a full work week (i.e., 40 hours) in an office. Of those who do not currently use the Internet to work from home, 19% reported they are interested in telework in the future.

The small business broadband survey found that 47% of small business decision makers whose company currently does not promote telework are interested in enabling employees to work from home.

The DCCA surveyed telework documentation from the Federal Government and other State Governments to collect and analyze best practices of ongoing government telework. The flowchart below summarizes the findings. The flowchart, when read left-to-right, defines the necessary entities and activities under the categories of Administration, People, Goals, and Training & Tools to establish a successful telework program.



Annual Report on the Receipt and Expenditure of Federal Moneys from the American Recovery and Reinvestment Act (ARRA)

This report is filed pursuant to section 440G-11.5, Hawaii Revised Statutes, which requires the Department of Commerce and Consumer Affairs (DCCA) to report annually to the legislature "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."

The State Broadband Data and Development Grant, which ends on January 31, 2015, was awarded to the DCCA to assist the State in gathering and verifying state-specific data on the availability, speed, location, and technology type of broadband services. The DCCA partnered with the University of Hawaii to carry out many of the grant projects, including the following projects: (1) Broadband Data Collection and Mapping; (2) Broadband Planning; (3) Broadband Capacity Building; and (4) Technical Assistance. Of the $4,349,940 awarded to the DCCA, approximately $3,900,000 has been spent, as of September 2014. DCCA is unaware of any other current State broadband-related projects being funded by federal moneys.