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TO THE HOUSE COMMITTEE ON CONSUMER PROTECTION  
AND COMMERCE

TWENTY-FIFTH LEGISLATURE  
Regular Session of 2009

Monday, March 30, 2009  
Time: 2:15 p.m.

**TESTIMONY ON H.C.R. 265/H.R. 235 – REQUESTING A MANAGEMENT AND  
FINANCIAL AUDIT OF THE CABLE TELEVISION DIVISION OF THE DEPARTMENT  
OF COMMERCE AND CONSUMER AFFAIRS**

TO THE HONORABLE ROBERT HERKES, CHAIR AND MEMBERS OF THE  
COMMITTEE:

My name is Clyde Sonobe, Cable Television Administrator, Department of Commerce and Consumer Affairs (“Department”). The Department welcomes Legislative oversight and would cooperate fully with an audit should the Legislature decide that one is needed. Alternatively, the Department stands ready to provide the Legislature with any information that it may require, in order to address any specific area of concern.

The Department has worked diligently to protect consumer interests in its regulation of cable television and to ensure that regulation is more open and transparent. The Department has also worked to ensure that the public, educational, and governmental (“PEG”) entities are effectively providing services.

In light of its efforts to provide more openness and transparency in the regulation of cable television, the Department does not understand as to what is meant in HCR 265/HR 235 that “there is a reasonable concern that DCCA lacks transparency in its dealings with PEG access corporations.” To assist the committee as it considers this resolution, the Department provides the following background information.

The Department entered into separate contracts with Olelo Community Television (on Oahu), Na Leo O Hawaii (on the Big Island), Hoike Kauai Community Television (on Kauai), and Akaku: Maui Community Television (on Maui) to, among

other things, manage and operate the PEG channels, provide training and cable programs created and submitted by the public on the cable operator's channels. The PEG access organizations are funded primarily from the annual PEG access fees that the local cable operator (currently Oceanic Time Warner) is required to pay through franchise orders issued by the Department. The cable operator pays these annual PEG access fees directly to the PEG access organizations and is allowed to pass these fees on to cable television subscribers under federal law. The PEG access organizations do not receive any governmental monies either from the State's general fund or the Department's compliance resolution fund.

The Department entered into initial contracts with Olelo in 1990 and with Hoike in 1993. The State Procurement Code, HRS chapter 103D, was not in effect when these contracts were initially entered into. The Department subsequently entered into initial contracts with Na Leo in 1996 and Akaku in 1998. At that time the Department was not aware that these PEG access contracts were subject to the State's Procurement Code.

The Department then entered into new contracts with all four PEG access organizations in 1998-1999 to require more specific reporting requirements and accountability, but maintain the level and types of access services already being provided to the public. As in the past, the Department was not aware that these PEG access contracts were subject to the State's Procurement Code. The Attorney General's office reviewed and approved the contracts as to form.

Up until 2004, the PEG access contracts were automatically renewed each year. After December 2003, the Department began re-negotiating these contracts. While reviewing the PEG access contracts, the Department asked the Attorney General's office and the State's Procurement Office ("**SPO**") whether its contracts with these PEG access organizations are subject to the State Procurement Code. After much discussion, the Department was informed that these PEG access contracts were subject to the State Procurement Code unless one of the exemptions in HRS § 103D-102(b) applied.

In February 2006, and in light of that determination, DCCA held public comment meetings on Oahu, Maui, Hawaii, and Kauai to get public input on whether to issue an RFP or seek an exemption from the Code for PEG access service contracts. After considering the public comments received, DCCA submitted an exemption request to SPO on April 10, 2006. The SPO reviewed DCCA's exemption request and subsequently determined that the PEG access services contracts should be awarded in accordance with the Code.

After a Request for Information ("RFI") was issued on November 22, 2006, the Department again held public comment meetings on Oahu, Hawaii, Maui, Molokai and Kauai to obtain public input on the draft RFP and PEG access services. The four incumbent PEG access organizations as well as many supporters attended these

meetings and provided testimony. Taking into consideration the comments received, the Department helped to develop a second RFI which was issued by SPO on March 16, 2007. The public was again invited to submit written comments on and suggested amendments to a second draft of the RFP.

After reviewing the comments to the second RFI, DCCA and the SPO issued the final RFP on July 30, 2007. Protests were filed shortly thereafter, and the RFP was subsequently postponed on or about August 14, 2007, until further notice.

In addition to the many public comment meetings held for the RFI and RFP, the Department has conducted numerous public meetings and public hearings on Oahu and also on the neighbor islands to encourage and solicit more public participation on cable television and PEG related issues. These include public meetings and hearings on the following matters:

- Transfer of the Kauai cable franchise to Time Warner;
- The 2004 PEG Plan;
- Cable Advisory Advisory (CAC) meetings.
- Administrative rules on the designation of access organizations; and
- Renewal of the Oahu cable franchise by Oceanic;

In keeping with its efforts to be more transparent, the Department has posted a considerable amount of information on the Department's Cable Television Division (CATV) webpage on cable television and PEG issues.

In conclusion the Department's CATV Division has been moving forward proactively on many fronts. To the extent that there are additional initiatives that the Legislature believes we should be pursuing, please let us know and we would be pleased to consider them. To the extent that there is information that Legislature needs to further understand as to what we are doing, please let us know and we will provide it. The Department welcomes Legislative oversight and inquiry. As for whether an audit is needed, we will defer to the good judgment of the Legislature.

Thank you for your consideration.

**Sharon Sagayadoro**

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From: Linda Werner [lrwerner@hotmail.com]  
Sent: Sunday, March 29, 2009 2:16 PM  
To: CPCtestimony  
Subject: testimony for HR235

**3/29/09 at 2:00pm**

**TO: Committee on Consumer Protection and Commerce**

**RE: Hr235**

**Attn: Representative Robert Herkes  
Representative Glen Wakai**

**TESTIMONY STRONGLY SUPPORTING HR235 REQUESTING A MANAGEMENT AND FINANCIAL AUDIT OF THE CABLE TELEVISION DIVISION OF THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS.**

BY: Linda R. Puppolo, resident of Kahului, Maui, Hawaii

Aloha Gentlemen and CPC Committee,

Thank you for the opportunity to testify and as in previous testimonies I state that the method of posting with little prior notice really undermines the ability of the neighbor island residents to have time to prepare testimony and post this testimony in time for hearing. **I TRULY HOPE THAT THERE IS A RESOLUTION TO THIS ONGOING PROBLEM.**

Below is the posted description of the DCCA's CATV Division from the website.

**A description of CATV's mission with links to key services**

**The Cable Television Division (CATV) issues franchises to Hawaii cable television companies. CATV regulates the rates for the basic tier of service and its related equipment and installation costs, monitors the quality of service, and handles subscribers' complaints about cable television matters. The Director of the DCCA issues franchise terms and requirements to the cable television companies through Decision and Orders. The Director is also, at his/her discretion, advised on policy matters by the Cable Advisory Committee whose five (5) members are appointed by the Governor. From time to time, CATV also contracts with outside consultants and their reports are submitted to the Director and made available to the public via the CATV.**

It shows that the DCCA regulates and manages resources for the state of Hawaii which should be subject to audits every year. The CATV uses outside consultants and receives administrative fees from PEG monies. To my knowledge, this division has never had an independent audit. The timing for this to happen is now to create a clean slate as this division may be moved to the new HCC commission created in the Broadband Bills HB984/SB1680. If there have been an errors in the past, they must be corrected to prove accountability and stability in the state's process in attaining any new Broadband monies. It is a critical time to prove accountability.

I have several points to make regarding why I think there may be serious evidence of accountability problems in this division.

**Point #1** - PEGs are current users of Broadband technology but no language for regulation of the entities were included in the Broadband bills yet the regulatory agency in charge of this entity was represented on the Broadband Task force making it this division's **responsibility** to include this dialogue about PEGs future. It

was also the **responsibility** to inform PEG entities about issues directly relating to them. Below is the beginning statement in the DCCA CATV PEG Plan created in January of 2004.

*In exchange for the use of valuable public rights-of-way, cable franchise holders are required to set aside channels for public, education and government uses ("PEG"). Public access channels are often the video equivalent of the speaker's soap box or the electronic parallel to the printed leaflet. They contribute to an informed citizenry in many ways, whether through giving a voice to those who might otherwise not have one, through bringing educational opportunities to our homes, or by showing our local and state governments at work.*

This definition is the very basis of Broadband technology in involving rural communities in the nation-wide dialogue. It is inconceivable that CATV did not address PEG issues. They are the very vehicle that creates an informed citizenry (by their own definition) but they didn't bother to inform the **CITIZENRY**. This management error really needs to be reviewed.

**Point #2** – This PEG plan also included a need for periodic independent reviews of the PEG operations and four other points set for improvement in PEG regulation. The DCCA CATV Division admitted that there are areas throughout the state that continue to be underserved and even suggest a remedy but never follows through on their own plan. The public comment process for CATV is to come to Maui, listen to the testimonies of 75 people at a public meeting with 74 people opposing the rules proposed and then implementing those rules anyway. The answer to independent reviews of operations is to post all sensitive financial information about the PEGs on the DCCA website and then try to put PEG up for procurement allowing anyone to easily create a bid lower than the present PEG could operate by just to get the bid. The truth is that PEGs have performed independent audits of management and finances regularly but the DCCA CATV Division has had no oversight. Now is the time BEFORE the move to a new department.

*At the same time, the public comment process identified many challenges and areas for improvement. These included: (1) the fact that conditions in each county are different, and an approach to PEG access that works in one county may be unsuccessful in another, (2) the fact that there are areas throughout the State, including both Oahu and the neighbor islands, that are underserved by the current PEG access system, (3) a need for a more participatory governance system for PEGs, both in the process of selecting board members and in the rules governing how the PEGs conduct business, (4) a need for DCCA to receive ongoing input from the community on issues relating to PEG access, and (5) a need for periodic, independent review of PEG operations.*

**Point #3** - Below is the funding plan directly from the 1/1/04 PEG plan.

The following is an overview of the funding:

- a. Putting a cap on Olelo on Oahu gives monies back to Oceanic Time Warner that could have been given to rural neighbor islands to improve badly needed resources. In Maui County, this money could have been used to help fund travel costs and satellite offices on Molokai and Lanai in consideration of the burden of a three island county. Although the plan clearly states that additional funds are needed to help rural communities, CATV chose to give the monies back to TW.
- b. The 1% gross revenue given to Hawaii Public television (although I love PBS) is not correct use of PEG (right of ways monies). This entity is not in line with the mission of creating localized programming for using the public right-a-ways. It just isn't the correct use of the monies.

- c. The 15 standard service revenues to the DCCA note especially should be audited. It has never been explained exactly where this money goes or the actual amount of this money. NO TRANSPARAENCY.
- d. The very last point here is the most important one. Where is the \$500,000 a year that was planned to be reallocated to PEGs from INET to support rural areas? PEG never received a dime from this. Where did these monies go?
- e. Also, by issuing 6 month contracts for the past few years, the PEGs have not been able to invest monies which was a major part of our sustainability plans. Oceanic Time Warner has created an account at 1% interest for the funds of the remaining 6 months which they distribute to the PEGs after taking yet another administrative fee from them.

**ISSUE #4: Funding -Financial Resources Franchise fee assessments are consistent statewide, except for an agreed upon limitation that is in place for 'Olelo on Oahu. 'Olelo is subject to a \$3.7M cap that may increase annually based on the Consumer Price Index ("CPI"). This calculated cap amount is compared against the actual 3% calculation, and the lower amount is remitted to 'Olelo.**

**As stated previously, the distribution of franchise fees collected are as follows:**

- 1) 3% of gross revenues to the PEG access organization for the specific County where fees are collected;**
- 2) 1% of gross revenues to the Hawaii Public Television Foundation (Public Television – PBS); and**
- 3) 1% of standard service revenues to the DCCA Note: This is equal to approximately 0.64% of gross revenues**

**DueIn any event, it is clear that there are a number of areas which are underserved by the current system. These include islands such as Molokai and Lanai, rural areas on the neighbor islands such as Hana, and portions of Oahu such as the windward side. It is also clear that some of the recent successes in PEG access have occurred when PEG access services are brought into communities where there is a strong need and support for them, such as Waianae and Palolo on Oahu.**

**In order to support additional funding for these services without increasing the amounts assessed to cable subscribers, DCCA will reallocate funds that are currently being collected to support its administration of cable regulation in Hawaii. In the past, up to \$500,000/yr. of those funds have been appropriated to support the INET. Since the INET is largely deployed, expenditures at that level are unlikely to be needed in the future. Accordingly, DCCA will seek to reallocate a portion of the amount currently collected to support cable administration, and make these additional funds available for PEG purposes as described in the process below. The result will be an increase in funds available for PEG purposes, without an increase in cable subscribers' overall bills.**

**DCCA's Funding Plan : Additional funding to support cable access in underserved areas**

**DCCA will implement a three (3) year pilot program that will provide additional funding to meet the cable access needs of currently underserved areas. Such funding could be used to support additional access centers or for other programs which will enhance services in those areas.**

**Criteria for the program will be developed by DCCA in consultation with the cable advisory committee. It is anticipated that the cable advisory committee will also assist in reviewing applications and making funding recommendations to the Director of DCCA. Additional funding will be available to only the four (4) PEG access organizations.**

Please understand that all government agencies need regulation. With the state auditor's recent audits of the Department of Education and the EIS of the Hawaii Superferry, one would think that this is a time when audits are most needed.

As for PEGs, we welcome the audits. They only make us better and help us to improve and streamline operations.

**PLEASE DO THE RIGHT THING AND IMPLEMENT THIS AUDIT. IT IS TIMELY AND SORELY NEEDED.**

Maybe we will then know why the DCCA CATV Division did not even follow their own plan.

THANK YOU.  
Linda R. Puppolo

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## HAWAI'I CONSUMERS

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Research ~ Policy ~ Advocacy

### **Testimony of Hawaii Consumers SUPPORTING HCR 265 with amendments**

“Requesting a management and financial audit of the Cable TV Division of the Department of Commerce and Consumer Affairs”  
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE  
Monday, March 30, 2009, 2:15pm, State Capitol, Conf. Room 325  
Rep. Herkes, Chair & Rep. Wakai, Vice Chair Copies: 35

SUPPORTING with amendments: HCR 265

Hawaii Consumers supports the purpose and intent of HCR 265 and recommends that the following provisions be added:

Whereas,

- DCCA's Cable TV Division (CATV) is the sole regulatory authority with jurisdiction over cable TV operators in Hawaii;
- Since it was created, the DCCA's CATV Division has never been subject to independent review or management audit;
- DCCA has commissioned independent studies that found a lack of sufficient regulatory oversight during the past decade that caused Hawaii's cable TV subscribers to be substantially over billed;
- State court findings indicate that DCCA CATV has been out of compliance with State law for a number of years;
- State Ethics Commission has been requested to investigate possible DCCA CATV violations of ethics outlined in published news reports;
- DCCA CATV has never conducted a franchise compliance audit of cable operators to ensure that Hawaii cable TV customers are protected and public interest obligations are met;
- Federal and State regulation of cable TV and related broadband media are undergoing important and dramatic changes; and,



- All of Hawaii's citizens and especially consumers of cable TV and high-speed internet services will benefit from a review of past State regulation to ensure that best practices are in place for the future.

For the record, these same recommendations were previously offered to the Legislature in 2005 and subsequently since then.

If you would like more information, feel free to contact me any time:

HAWAI'I CONSUMERS, Sean McLaughlin, spokesperson

E-mail: [sean808@earthlink.net](mailto:sean808@earthlink.net) Tel: 808-447-9610, cel: 707-616-2381

Larry Geller  
Honolulu, HI 96817

HCR265  
CPC  
Monday, March 30, 2009  
2:15 p.m.  
Room 325

COMMITTEE ON CONSUMER  
PROTECTION & COMMERCE

Rep. Robert N. Herkes, Chair  
Rep. Glenn Wakai, Vice Chair

March 27, 2009

**Re: HCR265/HR235**

**In Opposition**

This resolution appears to be untimely, misplaced, and ill motivated, and I recommend that it not pass for the reasons below.

I would have no objection to expending taxpayer money for an audit of DCCA if the Legislature finds that there is a persuasive need. Indeed, periodic and routine audits can assure that government departments properly fulfill their responsibilities. Audits cost money, however, and money is tight now.

This resolution appears to be motivated by certain individuals' ongoing desire to attack the public access television system by any means available. The second paragraph is the thrust of the attack:

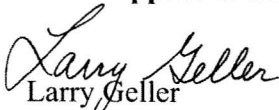
WHEREAS, the Attorney General, the Chief Procurement Officer of the State Procurement Office, and the State Procurement Policy Board found, and DCCA acknowledged, that the Division violated Chapter 103D, Hawaii Revised Statutes, regarding the procurement of public, educational, and governmental (PEG) organization contracts;

This is not a reason for an audit, it is a single issue argument, and also inaccurate in asserting a violation. The contracts for PEG services were established in accordance with an Act of the Legislature in its full wisdom.

The Procurement Policy Board decision, arrived at by a vote in 2006 following an un-noticed and hence most likely illegal 2 hr 12 min. executive session, is being challenged and has not had effect.

**It is inappropriate to use an audit to advance the argument that public access television services should be let out to bid.** That issue will most likely be determined by the courts, and the contract process has been effectively halted while the matter is being resolved. This resolution would be an end run around proper legislation one way or the other with regard to the procurement code.

I urge your Committee not to become the tool of a vendetta against public access television, and to reject this untimely resolution, or to establish routine auditing of DCCA minus the second and third paragraphs. **Further, if DCCA is absorbed into a new Broadband Commission, then an audit would appear to be moot.** We must also keep in mind that these days we need to conserve funds.

  
Larry Geller

Larry Geller  
Honolulu, HI 96817

HCR265  
CPC  
Monday, March 30, 2009  
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COMMITTEE ON CONSUMER  
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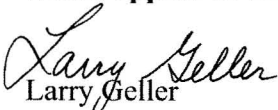
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Larry Geller

## Sharon Sagayadoro

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**From:** Community Media Producers Association (CMPA) [cmpa@hawaiiintel.net]  
**Sent:** Monday, March 30, 2009 8:16 AM  
**To:** CPCtestimony  
**Subject:** CPC - HCR 265 & HR 235 March 30, 2009 2:15 p.m. Conference Room 325  
**Attachments:** hpam.hi808.netdcccadccapublic.gif

**Categories:** Orange Category

# CMPA

## Community Media Producers Association

1658 Liholiho #506  
Honolulu, Hawaii 96822  
808 239-8842  
[cmpa@hawaiiintel.net](mailto:cmpa@hawaiiintel.net)

Aloha Chair Herkes, Vice-Chair Wakai, and members of the Consumer Protection & Commerce Committee,

The Community Media Producers Association is in support of HCR 265 & HR 235 for the following reasons:

- 1) CATV has never had an independent management and financial audit in its 20 plus years of existence.
- 2) DCCA CATV, though they have their own staff attorney, violated state procurement code (HRS 103D) in regards to PEG contracts since 1994, and failed to promulgate a rule in violation of their own law, HRS 440G-16, for the designation of a nonprofit corporation as the PEG access entity for over 20 years. DCCA director Matayoshi & CATV administrator Sonobe were contacted in writing in 2001 asking if the PEG contracts were required to go out for RFP, and failed to address the situation until 2005.
- 3) After almost 20 years, DCCA CATV has yet to require Oceanic Time Warner (OTW) to designate at least one noncommercial public access channel that is supposed to be available on a first-come, nondiscriminatory basis, according to their own administrative rule HAR 16-131-32. Without it there is no protection at all for individuals' first amendment, and other civil rights!
- 4) DCCA allowed 'Olelo to spend over 1/4 million on attorneys to sue the state, and according to their 990 income tax returns 'Olelo spends approximately 150 - 200 thousand dollars a year on attorneys to get out from under openness and accountability laws that DCCA purports to believe are crucial, as stated in their 5 year old unimplemented PEG Plan.
- 5) Though the .5% of OTW's gross revenues was originally given to PBS Hawai'i to provide for Hawai'i Interactive Television System (HITS), DCCA never required them to honor their agreement with UH by turning over all funds, equipment and staff associated with HITS to UH. Instead DCCA CATV allowed UH to go after 'Olelo's funds, and the result was UH & DOE (aka HENC, of which CATV administrator Sonobe is an advisory council member) now receives 25% of PEG funds on O'ahu and Maui.
- 6) In the franchise transfer in 2000 (Decision and Order 261) Hawai'i PEG access organizations lost over a million dollars annually due to CATV allowing Oceanic Time Warner to redefine "gross revenues" to eliminate

Home Shopping and Advertising revenues. Past DCCA director Robbie Alm and past DCCA CATV administrator Susan Doyle, then on 'Olelo's board of directors, failed to inform the PEG access boards, CEOs or the public of DCCA director Matayoshi & CATV administrator Sonobe's intent to do so.

7) CATV administrator's wife works for TW Telecom that delivers TWC's signals to neighbor islands, as well as HITS, via their submarine fiber optic cable.

8) John Komeiji was the attorney for Oceanic Time Warner Cable. His old law firm Watanabe Ing (& Komeiji) is now their attorney while John Komeiji is the lead attorney for Hawaiian Telcom, who has had a request for a cable franchise pending for almost 3 years.

9) TWC is currently in a franchise renewal process for the O'ahu cable franchise which expires on December 31, 2009 (see D&O 153 & 154)

10) TWC as of March 27, 2009 has been officially split from Time Warner, which should have required a franchise transfer. TW loaned TWC 93 billion dollars to be separated from TW. There is likely a large amount of interest that will need to be paid. Who will pay the debt, Hawai'i cable subscribers?

11) DCCA appointed the majority of PEG board directors from 1990 until 2006, though 'Olelo's first contract stated "The corporation will be bound by the appointment procedures as stated in the Bylaws. However, it is agreed that the appointing agencies will consult with the Board of Directors over time concerning the appointment process with a view to making **appropriate** changes." That specific bylaw was created by a board of seven, all appointed by DCCA. In September 19, 2006 Individual Letters to the PEGs Re: Appointment of Their Board of Directors DCCA required the PEGs to change that appointment process, but contends they have the authority to change it back at any time. (quo warranto?)

12) In the fall of 2004 OTW cable installed traps on basic cable subscriber's cables, by entering subscribers' property without prior notice, which in effect removed almost half the channels basic subscribers had been receiving.

13) Hawai'i is one of the most, if not the most, lucrative cable franchises in the country for Time Warner Cable.

14) DCCA still allows 'Olelo, in their bylaws, to have OTW appoint 3 of their board directors in spite of the conflict of interest, especially in regards to the federal law that prohibits the cable operator from control over content, while the board sets policy for access to the channels. (see TITLE 47 CHAPTER 5 SUBCHAPTER V-A Part II > § 531 Cable channels for public, educational, or governmental use section (e) Editorial control by cable operator)

15) Why are we dead last in broadband deployment in the United States? Submarine cable landings in Hawai'i appear to have ceased in early 2000, where is DCCA CATV's position documented regarding this matter, or were they awaiting TWC or TW Telecom to take care of it?

16) At the January 10, 2007 Cable Advisory Committee meeting CATV administrator Sonobe stated "the INET benefits received from cable operators total far more than the 5% of gross revenue, more like 10 times this amount.", but continues a cap on 'Olelo's funds, the remainder going to the INET, and continues to allow 'Olelo to give 25% of its funds to the state (the Hawai'i Educational Networking Consortium {HENC} made up of the East-West center, HAIS, UH & DOE).

17) The PBS Hawai'i (aka Hawaii Public Television Foundation [HPTF]) agreement was never rewritten, though it says it was to be prior to PBS Hawaii becoming a nonprofit separate from the state.

18) Many complaints have been filed regarding inequitable scheduling, as witnessed by the attached letter, but DCCA CATV responds by saying it is not their responsibility, it is the Access Organizations'. Seeing as federal law is only protective of a "public access channel" (as opposed to a "government access channel" or an "education access channel"), and there is none in Hawai'i, the DCCA director does not have to abide by his/her oath of office to protect citizens' rights under the constitution, and the Ombudsman merely says because it is a constitutional issue citizens can take the DCCA director to court!

19) DCCA CATV is about to be folded into the proposed Hawaii Communications or Broadband Commission. Would it not be prudent to first establish whether or not they have been doing a good job? If you have any questions, feel free to contact CMPA at any time.

Thank you in advance for preserving the look and functionality of this testimony by maintaining the hyperlinks when placed in your online PDF testimony file.

Sincerely,

*Jeff Garland*  
Secretary, Community Media Producers Association

BENJAMIN J. CAYETANO  
GOVERNOR

MAZIE HIRONO  
LT. GOVERNOR



KATHRYN S. MATAYO  
DIRECTOR

CLYDE S. SONOBE  
CABLE TELEVISION ADMINISTRATOR

STATE OF HAWAII  
CABLE TELEVISION DIVISION  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
1010 RICHARDS STREET  
P. O. BOX 541  
HONOLULU, HAWAII 96809  
(808) 588-2620  
FAX (808) 588-2626

May 3, 2001

Honorable 'Olelo Board Members  
'Olelo – The Corporation for Community Television  
1122 Mapunapuna Street  
Honolulu, HI 96819

Dear Members of the Board:

I am writing to you because our office has received several phone calls, emails, and correspondence from public members and State agencies with respect to 'Olelo's use and purpose of the "public" portion of public, governmental, and educational access.

The public access channel was designated to provide an equal opportunity for the public to access cablecasting equipment and facilities for video production. Such access should be conducted in a non-discriminatory fashion. Public, educational, and governmental access facility is to accomplish this task by administering, training, coordinating, and assisting those requesting access.

Public members and State agencies are asserting that 'Olelo may be interfering with this primary function. Therefore, this letter is written to ensure that the public's right to access is not being hampered.

Very truly yours,

A handwritten signature in black ink that reads "Clyde S. Sonobe".

Clyde S. Sonobe  
Administrator