

STAND. COM. REP. NO. **3331**

Honolulu, Hawaii

APR 05 2012

RE: H.B. No. 2524
H.D. 2
S.D. 2

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 2524, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE REGULATION OF
TELECOMMUNICATIONS AND CABLE TELEVISION SERVICES,"

begs leave to report as follows:

The purpose and intent of this measure is to advance and improve the State's broadband capabilities and use to enable the State to compete successfully in today's global economy.

Specifically, this measure:

- (1) Establishes a two member Communications Commission within the Department of Commerce and Consumer Affairs;
- (2) Directs the Communications Commission to:
 - (A) Recommend a regulatory framework for telecommunications and cable operators, including legislation to streamline the regulation;
 - (B) Submit annual reports on its activities, including any recommended rules or laws; and
 - (C) Develop demonstration projects that expedite the permitting process relating to constructing



broadband infrastructure and submit a status report on outcomes of the demonstration projects; and

- (3) Appropriates funds from the cable television division subaccount of the compliance resolution fund to implement the measure.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Commerce and Consumer Affairs; Public Utilities Commission; and Oceanic Time Warner Cable.

Written comments on this measure were received from the Department of Human Resources Development.

Your Committee finds that establishing a Communications Commission to establish policies to increase investment in and further the deployment of broadband infrastructure within the State would promote the economic interests of the State, as well as address the interests and concerns of all stakeholders. High speed broadband services at affordable prices are essential for improvements in education, health, public safety, research and innovation, economic development, and government, as well as in the daily life of the State's residents.

Your Committee has amended this measure by:

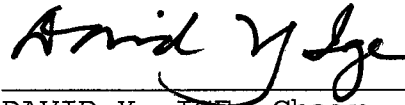
- (1) Clarifying that the Communications Commission may appoint attorneys without regard to civil service law and appoint necessary staff with or without regard to civil service law;
- (2) Providing that the Commission's demonstration projects are to be developed within forty-five to ninety day timetables;
- (3) Clarifying that the legislation to streamline regulation of telecommunications carriers and cable operators shall take effect by January 1, 2014; and
- (4) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your



Committee is in accord with the intent and purpose of H.B.
No. 2524, H.D. 2, S.D. 1, as amended herein, and recommends that
it pass Third Reading in the form attached hereto as H.B.
No. 2524, H.D. 2, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

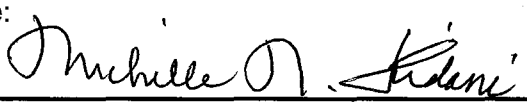


DAVID Y. IGE, Chair



The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
HB2524 HD2 SD1	EDT/CPN, WAM	3-29-12		
<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
IGE, David Y. (C)	/			
KIDANI, Michelle N. (VC)	/			
CHUN OAKLAND, Suzanne	/			
DELA CRUZ, Donovan M.				/
ENGLISH, J. Kalani	/			
ESPERO, Will	/			
FUKUNAGA, Carol	/			
KIM, Donna Mercado	/			
KAHELE, Gilbert	/			
KOUCHI, Ronald D.	/			
RYAN, Pohai	/			
TOKUDA, Jill N.	/			
WAKAI, Glenn	/			
SLOM, Sam	/			
TOTAL	13	0	0	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes