Honolulu, Hawaii February 4, 2014

RE: H.B. No. 1998 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Sir:

Your Committee on Consumer Protection and Commerce, to which was referred H.B. No. 1998 entitled:

"A BILL FOR AN ACT RELATING TO CABLE TELEVISION SYSTEMS,"

begs leave to report as follows:

The purpose of this measure is to require the Director of Commerce and Consumer Affairs, upon granting an application to receive or renew a cable franchise, to order the applicant to provide equipment and maintenance sufficient to ensure that cable subscribers in the franchise area may receive public, educational, and governmental access channel signals equivalent in quality to local full-power broadcast signals carried on the cable system.

Thirty-three individuals submitted testimony in support of this measure. Oceanic Time Warner Cable submitted testimony in opposition to this measure. The Department of Commerce and Consumer Affairs, 'Olelo Community Media, and two individuals submitted written comments.

Your Committee received testimony that 47 U.S.C. §544 precludes the State from requiring a cable franchise to broadcast a public, educational, and governmental access channel using specific transmission or communication technology, such as high definition. However, your Committee finds that 47 U.S.C. §531(c) provides an exception for public, educational, and governmental access channels, stating:

A franchising authority may enforce any requirement in any franchise regarding the providing or use of such channel capacity. Such enforcement authority includes the authority to enforce any provisions of the franchise for services, facilities, or equipment proposed by the cable operator which relate to public, educational, or governmental use of channel capacity . . .

Accordingly, your Committee finds that this measure would help ensure that cable television subscribers and viewers receive high-quality broadcast signals for public, educational, and governmental access channel programing.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2112, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1998, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1998, H.D. 1, and be referred to the Committee on Finance.

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

ANGUS L.K. McKELVEY, Chair

## State of Hawaii House of Representatives The Twenty-seventh Legislature

## Record of Votes of the Committee on Consumer Protection and Commerce

Bill/Resolution No.:	Committee Referral:	Date:		<del>-</del>
HB 1998	CPC, FIN	01/2	29/14	
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to:  Pass, unamended (as is)  Pass, with amendments (HD)  Hold				
<ul> <li>Pass short form bill with HD to recommit for future public hearing (recommit)</li> </ul>				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)				
2. KAWAKAMI, Derek S.K. (VC)				
3. BELATTI, Della Au				
4. BROWER, Tom				
5. CACHOLA, Romy M.				
6. CREAGAN, Richard	/			
7. EVANS, Cindy				
8. HAR, Sharon E.				
9. ITO, Ken				
10. LEE, Chris				
11. NAKASHIMA, Mark M.				
12. OSHIRO, Marcus R.				
13. TSUJI, Clift	/			
14. YAMANE, Ryan I.				ud
15. MCDERMOTT, Bob	. /			March
16. THIELEN, Cynthia				/
			··	
TOTAL (16)	15			
The recommendation is: Adopted				
If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				