

Honolulu, Hawaii
February 5, 2014

RE: H.B. No. 2004
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. 2004 entitled:

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

begs leave to report as follows:

The purpose of this measure is to permanently allow the Director of Commerce and Consumer Affairs to designate an access organization to oversee public, educational, and governmental channels.

Akaku: Maui Community Television, Valley Isle Sunset Rotary, and numerous individuals testified in support of this measure. The Department of Commerce and Consumer Affairs testified in support with amendments. Olelo Community Media and an individual provided comments on the measure.

Your Committee has amended this measure by:

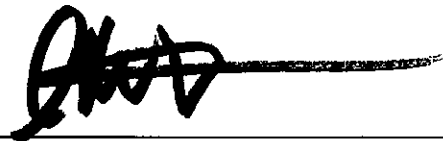
- (1) Deleting the requirement that the Department of Commerce and Consumer Affairs conduct annual financial audits of the access organization because the access organization is already required to submit an annual financial audit; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.



Your Committee respectfully notes that an access organization is already required to file an annual independently audited financial statement with the Department of Commerce and Consumer Affairs. Therefore, to require the Department of Commerce and Consumer Affairs to conduct an annual financial audit of an access organization is duplicative and serves no pertinent government interest. However, your Committee believes that keeping the management audit intact is important for transparency and oversight.

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. 2004, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2004, H.D. 1, and be referred to the Committee on Judiciary.

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



ANGUS L.K. MCKELVEY, Chair



