

LATE



NEIL ABERCROMBIE
GOVERNOR

SHAN S. TSUTSUI
LT. GOVERNOR

STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
335 MERCHANT STREET, ROOM 310
P.O. Box 541
HONOLULU, HAWAII 96809
Phone Number: 586-2850
Fax Number: 586-2856
www.hawaii.gov/dcca

KEALI'I S. LOPEZ
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI
DEPUTY DIRECTOR

TO THE SENATE COMMITTEE ON
COMMERCE AND CONSUMER PROTECTION

TWENTY-SEVENTH LEGISLATURE
Regular Session of 2014

Date: Tuesday, February 4, 2014
Time: 9:00 a.m.

TESTIMONY ON S.B. NO. 2048 – RELATING TO CABLE TELEVISION SYSTEMS.

TO THE HONORABLE ROSALYN H. BAKER, CHAIR, AND MEMBERS OF THE
COMMITTEE:

My name is Catherine Awakuni, and I am the Cable Television Administrator at the Department of Commerce and Consumer Affairs (the "**Department**"). I am testifying in support of S.B. No. 2048, with the following suggested amendment.

Act 19, Session Laws of Hawai`i 2011, authorizes the Director of Commerce and Consumer Affairs to designate public, educational and governmental ("**PEG**") access organizations without going through the public procurement process and requirements.

The Department supports S.B. No. 2048, which amends Act 19 by deleting the sunset provision.

The Department suggests that the Act be further amended this session. Act 19, subsection (h), requires that the Department conduct annual management and financial audits of designated PEG access organizations (See HRS § 440G-8.3(h)). Since the PEG access organizations are already required to provide independently audited financial statements to the Department on an annual basis, an annual financial audit of these organizations pursuant to Act 19 is a duplicative expense for the Department to incur and an unnecessary waste of subscribers' fees.

Thank you for the opportunity to provide testimony on S.B. No. 2048.



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February 4, 2014

The Honorable Senator Rosalyn H. Baker
Chair
Committee on Commerce and Consumer Protection
415 S. Beretania Street, Room 230
Honolulu, HI 96813

Dear Chair Baker, Vice Chair Taniguchi and Members of the CPN Committee;

Subject: Offering Comments on SB2048 Relating to Cable Television Systems

My name is Roy Amemiya, President and CEO of 'Ōlelo Community Media, the PEG Access Provider for O'ahu. When this legislation was enacted as Act 19 on April 27, 2011, it contemplated each of the four counties completing the PEG designation process prior to the repeal date of June 30, 2014. So far, none of the designations have been completed and 'Ōlelo is unsure whether the designation process can be completed by that date. SB2048 eliminates the repeal date.

One provision in Act 19 is that DCCA conduct an annual management and financial audit of the access organization designated under this section. These audits are costly to the DCCA and a time burden for our staff and management. While we welcome periodic management and financial audits, we believe the requirement that these be prepared annually is excessive. Please note that, per the current contract, 'Ōlelo commissions and submits annual audited financial statements to the DCCA.

We respectfully request the Committee to consider amending the bill to change the management and financial audit requirement from annually to within the first five years of the contract and no more often every five years thereafter.

Thank you for the opportunity to provide comments on this bill.

Aloha,

Roy K. Amemiya, Jr.
President and CEO
'Ōlelo Community Media

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SB2048

Submitted on: 2/3/2014

Testimony for CPN on Feb 4, 2014 09:00AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Ruhi Moran	Individual	Support	No

Comments: Yes, I support SB2048. Let the DCCA do what it does best. We need community TV by the community, for the community.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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