
A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 **PART I. GENERAL PROVISIONS**

2 SECTION 1. The purpose of parts I and II of this Act is to
3 establish the operating budget for the fiscal biennium beginning
4 July 1, 2019, and ending June 30, 2021, for state executive
5 branch programs under the purview of the house of
6 representatives standing committee on intrastate commerce.

7 SECTION 2. DEFINITIONS. Unless otherwise clear from the
8 context, as used in parts I and II of this Act:

9 Abbreviations, where used to denote the expending agency or
10 a standing committee of the house of representatives, shall mean
11 the following:

12 CCA Department of commerce and consumer affairs

13 IAC House of representatives standing committee on
14 intrastate commerce

15 "Expending agency" means the executive department,
16 independent commission, bureau, office, board, or other
17 establishment of the state government (other than the



1 legislature, office of Hawaiian affairs, and judiciary), the
2 political subdivisions of the State, or any quasi-public
3 institution supported in whole or in part by state funds, which
4 is authorized to expend specified appropriations made by this
5 Act.

6 "Means of financing" or "MOF" means the source from which
7 funds are appropriated or authorized to be expended for the
8 programs and projects specified in this Act. All appropriations
9 are followed by letter symbols. These letter symbols, where
10 used, shall have the following meanings:

11 B Special funds

12 T Trust funds

13 "Position ceiling" means the maximum number of permanent
14 and temporary full-time equivalent positions authorized for a
15 particular program during a specified period or periods, as
16 denoted by an asterisk for permanent full-time equivalent
17 positions and a pound sign for temporary full-time equivalent
18 positions.

19 "Program ID" means the unique identifier for the specific
20 program and consists of the abbreviation for the organization



1 responsible for carrying out the program followed by the
2 organization number for the program.

3 **PART II. PROGRAM APPROPRIATIONS**

4 SECTION 3. APPROPRIATIONS. The following sums, or so much
5 thereof as may be sufficient to accomplish the purposes and
6 programs designated herein, are hereby appropriated or
7 authorized, as the case may be, from the means of financing
8 specified to the expending agency designated for the fiscal
9 biennium beginning July 1, 2019, and ending June 30, 2021. The
10 total expenditures and the number of positions in each fiscal
11 year of the biennium shall not exceed the sums and the number
12 indicated for each fiscal year, except as provided elsewhere in
13 this Act, or as provided by general law.



PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS			
				FISCAL YEAR 2019-2020	M O F	FISCAL YEAR 2020-2021	M O F
1		IAC - INTRASTATE COMMERCE					
2	1.	CCA102 - CABLE TELEVISION					
3				8.00*		8.00*	
4		OPERATING	CCA	2,647,986B		2,647,986B	
5			CCA		T		T
6							
7							



1 PART III. CABLE OPERATOR FEES

2 SECTION 4. Section 440G-15, Hawaii Revised Statutes, is
3 amended to read as follows:

4 "~~§440G-15~~ Annual fees. (a) Each cable operator shall pay
5 an annual fee [~~to be determined by the director.~~] of 4.5 per
6 cent of the income received from subscribers for cable services
7 rendered during the preceding year; provided that:

8 (1) The annual fee shall be paid by the cable operator to
9 the department before February 1 of each year;

10 (2) The director may decrease the amount of the annual fee
11 by decision and order if the director determines that
12 the existing annual fee exceeds the amount necessary
13 to cover the costs of administering this chapter; and

14 (3) The fees [ø] collected under this section shall be
15 deposited into the compliance resolution fund
16 established under section 26-9(o).

17 ~~[(b) The director shall adjust the fees assessed under~~
18 ~~this section, as necessary from time to time, pursuant to rules~~
19 ~~adopted in accordance with chapter 91.]~~



1 (b) The amount of the annual fee to be assessed for each
2 cable operator regulated under this chapter shall be determined
3 as follows:

4 (1) The total amount to be assessed of cable operators
5 shall be calculated based on the director's proposed
6 fiscal year budget, less funds in the cable operators
7 subaccount of the compliance resolution fund on June
8 30 of the fiscal year immediately preceding the fiscal
9 year of the proposed budget and less the
10 commissioner's anticipated revenues;

11 (2) The assessments shall bear a reasonable relationship
12 to the costs of regulating cable operators, including
13 any administrative costs of the division; and

14 (3) The sum total of all assessments made and collected
15 shall not exceed the special fund ceiling or ceilings
16 related to the fund that are established by the
17 legislature; provided that the total assessments for
18 all cable operators in any one fiscal year shall not
19 exceed \$ _____ .



1 (c) For the purposes of this section, "income received
2 from subscribers for cable services" means revenues derived from
3 the supplying of regular subscriber service and shall include
4 installation fees, disconnect and reconnect fees, and fees for
5 regular cable benefits. It shall not include per-program or
6 per-channel charges, leased channel revenues, advertising
7 revenues, and other income derived from the cable system."

8 **PART IV. GENERAL PROVISIONS**

9 SECTION 5. If any portion of this Act or its application
10 to any person, entity, or circumstance is held to be invalid for
11 any reason, then the legislature declares that the remainder of
12 the Act and each and every other provision thereof shall not be
13 affected thereby. If any portion of a specific appropriation is
14 held to be invalid for any reason, the remaining portion shall
15 be expended to fulfill the objective of the appropriation to the
16 extent possible.

17 SECTION 6. If manifest clerical, typographical, or other
18 mechanical errors are found in part I or part II of this Act,
19 the governor may correct the errors.

20 SECTION 7. Statutory material to be repealed is bracketed
21 and stricken. New statutory material is underscored.



1 SECTION 8. This Act shall take effect on July 1, 2030;
2 provided that section 4 shall take effect on January 1, 2020.



Report Title:

State Budget; DCCA; Cable Television; CCA102; IAC; Cable Operators; Annual Fee

Description:

Appropriates funds for Fiscal Biennium 2019-21 for operations of the Department of Commerce and Consumer Affairs division under Program ID CCA102 - Cable Television, which is under the purview of the House of Representatives Standing Committee on Intrastate Commerce. Sets the annual fee assessed on cable operators at 4.5 percent of the income received from subscribers for cable services rendered during the preceding calendar year.

Authorizes the Director of Commerce and Consumer Affairs to reduce the fee by decision and order if the amount exceeds the amount necessary to administer chapter 440G, Hawaii Revised Statutes. Establishes criteria to determine the amount of the fee. (HB1124 HD2)

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