

STAND. COM. REP. NO.

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Honolulu, Hawaii

February 15 2019

RE: H.B. No. 1124

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Intrastate Commerce, to which was referred
H.B. No. 1124 entitled:

"A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF COMMERCE AND
CONSUMER AFFAIRS,"

begs leave to report as follows:

The purpose of this measure is to establish the operating
budget for the fiscal biennium beginning July 1, 2019, and ending
June 30, 2021, for the cable television program of the Department
of Commerce and Consumer Affairs.

Testimony in support of this measure was submitted by the
Department of Commerce and Consumer Affairs.

Your Committee finds that the cable television currently has
an unencumbered cash balance of \$9,272,177 available to it for its
operating budget, while its actual base operating budget is
\$2,609,370 per fiscal year.

Your Committee has amended this measure by:

- (1) Removing the appropriation of \$7,920,000 in trust funds
for each fiscal year of the biennium for the cable
television program;



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- (2) Inserting a statutory provision into the Hawaii Revised Statutes that 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;
- (3) Authorizing the Director of Commerce and Consumer Affairs to reduce the fee if the amount exceeds the amount necessary to administer chapter 440G, Hawaii Revised Statutes, and establishing criteria to determine the amount of the fee; and
- (4) Making technical nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that the Department of Commerce and Consumer Affairs has indicated that it would approach the Legislature with a request to use the trust funds under its jurisdiction should the Department need to access the funds.

As affirmed by the record of votes of the members of your Committee on Intrastate Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1124, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1124, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Intrastate
Commerce,



TAKASHI OHNO, Chair



