

STAND. COM. REP. NO.

241

Honolulu, Hawaii

February 8, 2019

RE: H.B. No. 272

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. 272 entitled:

"A BILL FOR AN ACT RELATING TO TELECOMMUNICATIONS,"

begs leave to report as follows:

The purpose of this measure is to exempt public utilities providing basic exchange service to every county in the State, or any affiliate or parent of such public utilities, from the jurisdiction of the Public Utilities Commission (PUC) and Consumer Advocate, including provisions relating to financial reporting, rate regulation, issuance of securitized assets, disposal of property, and relations with affiliates.

Hawaiian Telcom testified in support of this measure. Charter Communications testified in opposition to this measure. The Public Utilities Commission and Department of Commerce and Consumer Affairs provided comments on this measure.

Your Committee notes that this measure's updates to the telecommunications regulatory framework will allow time for public utilities to try out a structure with reduced regulations. However, should the new regulatory framework result in harm to the consumers, the regulatory framework will revert back to the framework that was in place in 2019.

HB272 HD1 HSCR IAC HMS 2019-1887



Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 3000, and adding a sunset date of July 1, 2023; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

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. 272, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 272, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

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



TAKASHI OHNO, Chair



