MAR 1 5 2006



SENATE CONCURRENT RESOLUTION

REQUESTING THE AUDITOR TO CONDUCT A COMPREHENSIVE MANAGEMENT AUDIT OF THE CABLE TELEVISION DIVISION OF THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS.

WHEREAS, the Cable Television Division (Division) of the Department of Commerce and Consumer Affairs is the regulatory authority with state jurisdiction over cable television operators in Hawaii; and

WHEREAS, the Division has never been subject to an independent review or management audit since its creation; and

WHEREAS, the State Procurement Office recently disapproved the Department of Commerce and Consumer Affairs' request for an exemption to directly negotiate contracts with non-profit access organizations selected by the Department of Commerce and Consumer Affairs to manage cable access resources for each county, without complying with the State Procurement Code; and

WHEREAS, instead of granting the Department of Commerce and Consumer Affairs' request for an exemption as noted above, the State Procurement Office considers the period of the Department's violation of the State Procurement Code to be from the date of the 1997-1999 contracts with Olelo, Na Leo, Ho'ike, and Akaku to June 30, 2006; and

WHEREAS, federal regulation of cable television and related broadband media are undergoing important and dramatic changes; and

WHEREAS, all of Hawaii's citizens and Hawaii consumers of cable television and high-speed internet services will benefit from a review of state regulation; and

WHEREAS, a review of state regulation of cable television operators will ensure that best practices are in place; and

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WHEREAS, a management audit of the Division will ensure that Hawaii cable television customers are protected and public interest obligations are met; now, therefore,

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BE IT RESOLVED by the Senate of the Twenty-third Legislature of the State of Hawaii, Regular Session of 2006, the House of Representatives concurring, that the Auditor, with the assistance of the Legislative Reference Bureau to develop specific legislative proposals, is requested to conduct a comprehensive management audit of the Cable Television Division of the Department of Commerce and Consumer Affairs; and

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BE IT FURTHER RESOLVED that the Auditor, with the assistance of the Legislative Reference Bureau, is requested to report findings and recommendations to the Legislature no later than thirty days prior to the convening of the Regular Session of 2007; and

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BE IT FURTHER RESOLVED that certified copies of the Concurrent Resolution be transmitted to the Governor, the Auditor, the Director of Commerce and Consumer Affairs, and the Administrator of the Cable Television Division.

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OFFERED BY: