## A BILL FOR AN ACT

RELATING TO CABLE TELEVISION SYSTEMS.

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

| 1   | SECTION 1. The legislature finds that:                       |
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| 2   | (1) The Federal Communications Commission is expected to     |
| 3   | make significant changes to broadband,                       |
| 4   | telecommunications, and cable franchise regulation in        |
| . 5 | the near future;   |
| 6   | (2) Substantial and rapid changes are currently taking       |
| 7   | place in broadband and communications technology; and        |
| 8   | (3) These changes may need to be addressed in future cabl    |
| 9   | franchise agreements on a more frequent basis than th        |
| 10  | current fifteen-year franchise agreements allow.             |
| 11  | Accordingly, the purpose of this Act is to authorize the     |
| 12  | director of commerce and consumer affairs to issue franchise |
| 13  | agreements that are subject to review every five years when  |
| 14  | regulatory or technological changes require a review.        |
| 15  | SECTION 2. Section 440G-8, Hawaii Revised Statutes, is       |
| 16  | amended by amending subsection (d) to read as follows:       |

- 1 "(d) In issuing a cable franchise under this chapter, the 2 director is not restricted to approving or disapproving the 3 application or proposal but may issue it for only partial 4 exercise of the privilege sought or may attach to the exercise 5 of the right granted by the cable franchise terms, limitations, 6 and conditions which the director deems the public interest may 7 require. The cable franchise shall be nonexclusive, shall 8 include a description of the service area in which the cable 9 system is to be constructed, extended, or operated and the 10 approximate date on which the service is to commence and shall 11 authorize the cable operator to provide service for a term of 12 fifteen years [-]; provided that the director may require the 13 cable operator to conduct a review and develop a technology 14 upgrade plan for its cable system after every five-year period 15 during the franchise term if the director determines that 16 substantial technological or regulatory changes necessitate a 17 review. Pursuant to the findings of a review conducted pursuant 18 to this subsection, the director may require the cable operator 19 to upgrade its cable system or to take other appropriate action 20 consistent with the cable franchise."
- 21 SECTION 3. Statutory material to be repealed is bracketed 22 and stricken. New statutory material is underscored.

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1 SECTION 4. This Act shall take effect upon its approval.

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## Report Title:

Cable Television Systems

## Description:

Authorizes the director of the department of commerce and consumer affairs to require cable franchise operators to conduct a review and develop a technology upgrade plan every five years during the franchise agreement and to take any action indicated by the review. (SD1)

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