STAND. COM. REP. NO.

2111

Honolulu, Hawaii

FEB - 9 2010

RE: S.B. No. 2015

S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 2015 entitled:

"A BILL FOR AN ACT RELATING TO INTRASTATE TELECOMMUNICATIONS SERVICES,"

begs leave to report as follows:

The purpose of this measure is to clarify that the Public Utilities Commission shall treat retail intrastate telecommunications services as fully competitive.

Your Committee received testimony in support of this measure from Hawaiian Telecom. Testimony in opposition to this measure was received from Kona Kai ATM LLC and tw telecom-Hawaii. Testimony with comments on this measure was received from the Public Utilities Commission. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that this measure expands the opportunities for increased competition in the intrastate retail telecommunications market that were enabled by Act 180, Session Laws of Hawaii 2009. This measure will allow the Public Utilities Commission to consider additional telecommunications services such as private lines that transmit data between customer locations as fully competitive. Your Committee further finds that this measure applies only to retail rates, and does not affect wholesale telecommunications rates. Finally, your Committee finds that this measure leaves in place important consumer safeguards such as the

provision of lifeline telephone services, carrier of last resort obligations, and service quality standards.

Your Committee has amended this measure by:

- (1) Clarifying that this measure applies to retail intrastate telecommunications services; and
- (2) Removing the reference to section 269-34, Hawaii Revised Statutes, so as to not unintentionally limit the application of this measure.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2015, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2015, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on behalf of the members of the Committee on Commerce and Consumer Protection,

ROSALYN H. BAKER. Chair

The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Commerce and Consumer Protection CPN

Bill / Resolution No.:* SB 2015	COMMITTEE F	Referral:	Dat	2/2/	10
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)		/			
IGE, David Y. (VC)					
ESPERO, Will					
GREEN, M.D., Josh					
IHARA, Jr., Les					/
SAKAMOTO, Norman					
HEMMINGS, Fred					
TOTAL		5			2
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes