STAND. COM. REP. NO. 2358

Honolulu, Hawaii FEB 2 6 2010

RE: S.B. No. 2788 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. 2788 entitled:

"A BILL FOR AN ACT RELATING TO CABLE TELEVISION SYSTEMS,"

begs leave to report as follows:

The purpose of this measure is to grant the Director of Commerce and Consumer Affairs the authority to review a cable franchise agreement every five years if the Director determines that it is necessary.

Your Committee received testimony with comments on this measure from the Director of Commerce and Consumer Affairs. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that this measure will allow the Director of Commerce and Consumer Affairs to respond quickly to changes in the marketplace and developments in technology. Your Committee notes that it is not the intention of this measure to shorten the term of franchise agreements. Rather, the aim of this measure is to ensure that cable franchise agreements remain current and relevant in relation to the regulatory and technological environment.

Your Committee has amended this measure by:



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- Clarifying that the Director may require a franchise operator to review its own operations and develop a technology upgrade plan;
- (2) Specifying that the Director may require a franchise operator to upgrade its cable system or take other appropriate action, pursuant to the results of the operator's review; and
- (3) Making nonsubstantive technical changes for the purposes of clarity and accuracy.

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. 2788, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2788, 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,

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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.:*CommitteeSB2788CP1	,	D	Date: 2-18-10		
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended X Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members	Aye	Aye (WR)	Nay	Excused	
BAKER, Rosalyn H. (C)					
IGE, David Y. (VC)		10.4.,			
ESPERO, Will					
GREEN, M.D., Josh				Ľ	
IHARA, Jr., Les					
SAKAMOTO, Norman					
HEMMINGS, Fred					
TOTAL	4	0	0	3	
Recommendation:					
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