STAND. COM. REP. NO. 2491

Honolulu, Hawaii FEB 2 6 2010

RE: S.B. No. 707 S.D. 1

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

Madam:

Your Committees on Commerce and Consumer Protection and Judiciary and Government Operations, to which was referred S.B. No. 707 entitled:

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

beg leave to report as follows:

The purpose of this measure is to allow the Director of Commerce and Consumer Affairs to designate an access organization to oversee public, educational, and governmental (PEG) channels on cable television.

Your Committees received testimony in support of this measure from Ho'ike: Kauai Community Television, Inc., Akaku: Maui Community Television, 'Olelo Community Media, Lone Eagle Consulting, Maui Venture Consulting, LLC, Hawaii Centers for Independent Living, the Media Council of Hawai'i, and one hundred fifty-five individuals. Your Committees received testimony in opposition to this measure from the State Procurement Office and two individuals. Testimony in support of the intent of this measure with amendments was received from the Department of Commerce and Consumer Affairs, the Department of Accounting and General Services, and the H.C.R. No. 358 Task Force. Written testimony presented to the Committees may be reviewed on the Legislature's website.

Your Committees find that PEG television poses a particular procurement challenge due to the differences in communities' expectations throughout the State and historically low funding.



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Your Committees further find that PEG television, though financially unprofitable, is socially necessary as it is heavily used by Hawaii's more vulnerable populations, such as the elderly and the physically disabled.

Your Committees note the testimony of the Department of Accounting and General Services that the exemption from the Hawaii Public Procurement Code provided by this measure is consistent with section 103D-102(a), Hawaii Revised Statutes, which sets forth exceptions from the Code for certain contracts by government bodies. Furthermore, your Committees find that the designation and oversight authority provided to the Department of Commerce and Consumer Affairs by this measure will ensure that necessary safeguards are in place, including ensuring, among other things, the proper implementation of contract terms and conditions and fairness to the public.

Your Committees have amended this measure by:

- Exempting the designation of PEG access organizations from the Hawaii Public Procurement Code, and clarifying that the exemption shall not apply to any specific access organization;
- (2) Clarifying that access services contracts between the Director of Commerce and Consumer Affairs and access organizations shall not be perpetual, and accordingly providing, upon termination of any such contract, for the automatic reversion to the State of:
 - (A) All assets, facilities, and equipment acquired with PEG access fees by access organizations; and
 - (B) All unspent funds provided by order of the Director of Commerce and Consumer Affairs to any PEG access organization; and
- (3) Making technical nonsubstantive changes to conform to applicable rules of style.

As affirmed by the records of votes of the members of your Committees on Commerce and Consumer Protection and Judiciary and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 707, as amended herein, and recommend that it pass Second



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Reading in the form attached hereto as S.B. No. 707, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on behalf of the members of the Committees on Commerce and Consumer Protection and Judiciary and Government Operations,

BRIAN T. TANIGUCHI, Cha lir

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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.:*	Committee Referral:Date:CPN / JGOZ-18-10							
The committee is reconsidering its previous decision on this measure.								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye	Aye (WR)	Nay	Excused			
BAKER, Rosalyn H. (C)			na di seconda di second Seconda di seconda di se					
IGE, David Y. (VC)					\checkmark			
ESPERO, Will								
GREEN, M.D., Josh		1						
IHARA, Jr., Les	÷ .							
SAKAMOTO, Norman		\checkmark						
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

The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Judiciary and Government Operations JGO

Bill / Resolution No*	Committee Referral: Date:							
SB 707	CPN/JGO 2/19/10							
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			
TANIGUCHI, Brian T. (C)								
TAKAMINE, Dwight Y. (VC)					\checkmark			
BUNDA, Robert		\checkmark						
GABBARD, Mike								
NISHIHARA, Clarence K.								
SLOM, Sam			 					
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			E. Martin Contraction					
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TOTAL		4	1	-	1			
Recommendation:					· · · · · · · · · · · · · · · · · · ·			
	Adopted			Not Adopted	t in Alternation			
Chair's or Designee's Signature:								
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*Only <u>one</u> measure per Record of Votes								

Revised: 12/18/08