

NEIL ABERCROMBIE GOVERNOR

SHAN S. TSUTSUI

STATE OF HAWAII OFFICE OF THE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

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TO THE HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

TWENTY-SEVENTH LEGISLATURE Regular Session of 2014

Date: Monday, January 27, 2014 Time: 2:10 p.m.

TESTIMONY ON H.B. 2004 - RELATING TO CABLE TELEVISION SYSTEMS.

TO THE HONORABLE ANGUS L.K. MCKELVEY, CHAIR, AND MEMBERS OF THE COMMITTEE:

My name is Catherine Awakuni, and I am the Cable Television Administrator at the Department of Commerce and Consumer Affairs (the "**Department**"). I am testifying in support of H.B. 2004, with the following suggested amendment.

Act 19, Session Laws of Hawai`i 2011, authorizes the Director of Commerce and Consumer Affairs to designate public, educational and governmental ("**PEG**") access organizations without going through the public procurement process and requirements.

The Department supports H.B. 2004, which amends Act 19 by deleting the sunset provision.

The Department suggests that the Act be further amended this session. Act 19, subsection (h), requires that the Department conduct annual management and financial audits of designated PEG access organizations (See HRS § 440G-8.3(h)). Since the PEG access organizations are already required to provide independently audited financial statements to the Department on an annual basis, an annual financial audit of these organizations pursuant to Act 19 is a duplicative expense for the Department to incur and an unnecessary waste of subscribers' fees.

Thank you for the opportunity to provide testimony on H.B. 2004.

KEALI`I S. LOPEZ

JO ANN M. UCHIDA TAKEUCHI DEPUTY DIRECTOR

From:	mailinglist@capitol.hawaii.gov
Sent:	Friday, January 24, 2014 5:54 PM
То:	CPCtestimony
Cc:	blueflame3@rocketmail.com
Subject:	Submitted testimony for HB2004 on Jan 27, 2014 14:10PM

HB2004

Submitted on: 1/24/2014 Testimony for CPC on Jan 27, 2014 14:10PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing	
Alberto Rojas	Valley Isle Sunset Rotary	Support	No	

Comments: This bill will help to provide stability for Akaku making sure that we will not be put out to bid to unqualified bidders, off island bidders or be subject to a political take over from a flawed state procurement process in 2014

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.



Board of Directors Jim Boersema *Chair*

Allan Akamine Jill Takasaki Canfield Lester Chu Rochelle Gregson Ormond Hammond Shelee Kimura Nelson Lau Dee Jay Mailer Jon E. Murakami Mario R. Ramil Mike Rosenberg Tyler M. Tokioka John Williamson Scott Wong

Roy K. Amemiya, Jr. President/CEO January 24, 2014

The Honorable Representative Angus L.K. McKelvey Chair Committee on Consumer Protection and Commerce 415 S. Beretania Street, Room 320 Honolulu, HI 96813

Dear Chair McKelvey, Vice Chair Kawakami and Members of the CPC Committee;

Subject: Offering Comments on HB2004 Relating to Cable Television Systems

My name is Roy Amemiya, President and CEO of 'Ōlelo Community Media, the PEG Access Provider for O'ahu. When this legislation was enacted as Act 19 on April 27, 2011, it contemplated each of the four counties completing the PEG designation process prior to the repeal date of June 30, 2014. So far, none of the designations have been completed and 'Ōlelo is unsure whether the designation process can be completed by that date. HB2004 eliminates the repeal date.

One provision in Act 19 is that DCCA conduct an annual management and financial audit of the access organization designated under this section. These audits are costly to the DCCA and a time burden for our staff and management. While we welcome periodic management and financial audits, we believe the requirement that these be prepared annually is excessive. Please note that, per the current contract, 'Ōlelo commissions and submits annual audited financial statements to the DCCA.

We respectfully request the Committee to consider amending the bill to change the management and financial audit requirement from annually to within the first five years of the contract and no more often every five years thereafter.

Thank you for the opportunity to provide comments on this bill.

Aloha,

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Roy K. Amemiya, Jr. President and CEO 'Ōlelo Community Media

TESTIMONY IN SUPPORT OF HB2004

My name is Jay April, I am a Maui resident and President and CEO of Akaku: Maui Community Television.

In September of 2013 Akakū: Maui County Community Television presented to the Department of Commerce and Consumer Affairs its Application for Designation as the PEG Access Organization for Maui County. We applaud the Governor and State Legislature for protecting PEG access by statute this legislation before you will avoid another divisive and acrimonious procurement process which failed so miserably two years ago.

Historically, Hawai'i is known for protecting and preserving its public land, and for more than twenty years, the State has safeguarded public electronic spectrum on cable as well. This has resulted in the establishment of successful PEG Access Channels on cable systems in each county, where anyone can come and talk story.

Akakū, despite its tiny budget and geographical challenge of serving some of the most remote, rural areas on earth, has become a national leader in PEG innovation.We have demonstrated leadership as a community anchor institution in bringing advanced mobile journalism and media literacy skills to our youth and have received widespread recognition for deploying new cellular bonding technology to transmit "live" video from remote locations for air on our channels. We can truly say with confidence that Akakū continues to be one of the best fully local independent community television organizations in the United States.

Today, these laudable programs, what is left of public media in general, and Hawai'i's local franchising authority itself, DCCA, are challenged by the immense legal and monopoly power of the incumbent cable and dominant wire line broadband provider, Oceanic Time Warner Cable. We are now at the crossroads of cable and broadband convergence, but due to gridlock in Washington, and the lobbying resources expended by the cable industry at the federal level, telecommunications reform is years away. DCCA has a unique opportunity right now to take decisive action to balance this incumbent cable monopoly influence with regulatory action in line with the founding principles of public access media in Hawai'i. Today's DCCA can make sure that there is significant public benefit for Maui Nui in exchange for Oceanic Time Warner Cable's use of our public rights of way and make the Governor's Hawai'i Broadband Initiative a reality for others in the nation to emulate.

We see this PEG designation process as a first step toward a public media renaissance in which Akakū and Hawai'i's PEGs, with the guidance of DCCA, are recognized as true community anchor institutions that can integrate broadband literacy programs and new media technology into our curricula; promote mobile journalism training and access to media across all platforms and devices; support live and local citizen reporting from the cameras we all carry in our pockets and establish a Hawaii C-SPAN and a statewide PEG network. We envision nothing less than an *Integrated*

Community Media Framework for 21st Century Hawai'i, serving all residents of Hawai'i, with full participation from neighbor islands including the most remote areas of Hana, Moloka'i and Lana'i.

Akakū has included in our Application for Designation, a draft PEG Access Organization Agreement and important franchise renewal terms that impact the ability of the PEG Access Organization to serve the community, as well as terms that are essential for Maui County's future.

We are excited about our future and look forward to working with Director Keali'i Lopez, the Department and our new Cable Administrator, Catherine P. Awakuni in helping to keep our PEG stations on Maui and in Hawaii the very best for a very long time.

Mahalo Nui Loa,

Jay April President and CEO Akakū: Maui Community Television

From:	mailinglist@capitol.hawaii.gov
Sent:	Thursday, January 23, 2014 1:09 PM
То:	CPCtestimony
Cc:	p420haze@hotmail.com
Subject:	Submitted testimony for HB2004 on Jan 27, 2014 14:10PM

HB2004

Submitted on: 1/23/2014 Testimony for CPC on Jan 27, 2014 14:10PM in Conference Room 325

	Submitted By	Organization	Testifier Position	Present at Hearing
ſ	Peter King	Individual	Support	No

Comments: I support this bill to give support to much needed public access television in Hawaii! Thank you PeterKing

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From:	mailinglist@capitol.hawaii.gov
Sent:	Thursday, January 23, 2014 1:18 PM
То:	CPCtestimony
Cc:	dfulton808@gmail.com
Subject:	Submitted testimony for HB2004 on Jan 27, 2014 14:10PM

HB2004

Submitted on: 1/23/2014 Testimony for CPC on Jan 27, 2014 14:10PM in Conference Room 325

	Submitted By	Organization	Testifier Position	Present at Hearing
ſ	Dana Fulton	Individual	Support	No

Comments: PEG access stations are for the community. The corporations are not the community. DO NOT put our local access stations up for private bid. Private ownership in inherently flawed in that it automatically takes away the transparency, availability, access, f reedom, and the community from the station. Public access stations should NEVER be up for bid. It would be a true tragedy and a true loss for the community. People use their access stations to connect with the community. Corporations are not part of the community. Do not let corporations take away the first amendment right that access stations uniquely protect and serve.

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From:	mailinglist@capitol.hawaii.gov
Sent:	Thursday, January 23, 2014 1:43 PM
То:	CPCtestimony
Cc:	shanti@akaku.org
Subject:	Submitted testimony for HB2004 on Jan 27, 2014 14:10PM

HB2004

Submitted on: 1/23/2014 Testimony for CPC on Jan 27, 2014 14:10PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
shanti berg	Individual	Support	No

Comments: I am in support of HB2004

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From:	mailinglist@capitol.hawaii.gov
Sent:	Thursday, January 23, 2014 6:44 PM
То:	CPCtestimony
Cc:	ruhizandra@gmail.com
Subject:	Submitted testimony for HB2004 on Jan 27, 2014 14:10PM

HB2004

Submitted on: 1/23/2014 Testimony for CPC on Jan 27, 2014 14:10PM in Conference Room 325

	Submitted By	Organization	Testifier Position	Present at Hearing
ſ	Ruhi Moran	Individual	Support	No

Comments: Have the PEGs exempt from procurement. I wholeheartedly support HB2004! Akaku on Lanai, Molokai, and Maui -- Mahalo for all you do!

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From:	mailinglist@capitol.hawaii.gov
Sent:	Friday, January 24, 2014 1:02 PM
То:	CPCtestimony
Cc:	suntrops@aol.com
Subject:	Submitted testimony for HB2004 on Jan 27, 2014 14:10PM

HB2004

Submitted on: 1/24/2014 Testimony for CPC on Jan 27, 2014 14:10PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Theresa Roberts	Individual	Comments Only	No

Comments: I strongly support HB2004. Please remove the sunset provision in Act 19, Session Laws of Hawaii, thereby permanently allowing the director of commerce and consumer affairs to designate an access organization to oversee public, educational and governmental channels.

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From:	mailinglist@capitol.hawaii.gov
Sent:	Friday, January 24, 2014 2:28 PM
То:	CPCtestimony
Cc:	lou@akaku.org
Subject:	Submitted testimony for HB2004 on Jan 27, 2014 14:10PM

HB2004

Submitted on: 1/24/2014 Testimony for CPC on Jan 27, 2014 14:10PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Louis Dilberto	Individual	Support	No

Comments: Please remove the sunset provision for PEGS. mahalo.

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From:	mailinglist@capitol.hawaii.gov
Sent:	Friday, January 24, 2014 4:27 PM
То:	CPCtestimony
Cc:	thebassdragon@yahoo.com
Subject:	*Submitted testimony for HB2004 on Jan 27, 2014 14:10PM*

HB2004

Submitted on: 1/24/2014 Testimony for CPC on Jan 27, 2014 14:10PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Shawn Michael	Individual	Support	No

Comments:

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From:	mailinglist@capitol.hawaii.gov
Sent:	Friday, January 24, 2014 5:55 PM
То:	CPCtestimony
Cc:	blueflame3@rocketmail.com
Subject:	Submitted testimony for HB2004 on Jan 27, 2014 14:10PM

HB2004

Submitted on: 1/24/2014 Testimony for CPC on Jan 27, 2014 14:10PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Alberto Rojas	Individual	Support	No

Comments: I strongly support HB2004 to ensure that the decision making of who operates Akaku remains with the people of Maui Nui in an open process not subject to the demonstrably flawed and expensive state procurement process out of Oahu that failed previously in 2007 through 2011 and has no place in determining local community communications needs.

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From:	mailinglist@capitol.hawaii.gov
Sent:	Friday, January 24, 2014 6:32 PM
То:	CPCtestimony
Cc:	PEGGY@ALOHATRUNK.COM
Subject:	Submitted testimony for HB2004 on Jan 27, 2014 14:10PM

HB2004

Submitted on: 1/24/2014 Testimony for CPC on Jan 27, 2014 14:10PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing	
Margaret Seymour	Individual	Support	No	

Comments: I strongly support HB2004 to ensure that the decision making of who operates Akaku remains with the people of Maui Nui in an open process not subject to the demonstrably flawed and expensive state procurement process out of Oahu that failed previously in 2007 through 2011 and has no place in determining local community communications needs.

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From:	mailinglist@capitol.hawaii.gov
Sent:	Friday, January 24, 2014 7:59 PM
То:	CPCtestimony
Cc:	billx@unforgettable.com
Subject:	Submitted testimony for HB2004 on Jan 27, 2014 14:10PM

HB2004

Submitted on: 1/24/2014 Testimony for CPC on Jan 27, 2014 14:10PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Bill Watts	Individual	Support	No

Comments: I strongly support HB2004 to ensure that the decision making of who operates Akaku remains with the people of Maui Nui in an open process not subject to the demonstrably flawed and expensive state procurement process out of Oahu that failed previously in 2007 through 2011 and has no place in determining local community communications needs.

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From:	mailinglist@capitol.hawaii.gov
Sent:	Saturday, January 25, 2014 9:22 AM
То:	CPCtestimony
Cc:	cmatzke@ucsd.edu
Subject:	Submitted testimony for HB2004 on Jan 27, 2014 14:10PM

HB2004

Submitted on: 1/25/2014 Testimony for CPC on Jan 27, 2014 14:10PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing	
Cynthia Matzke	Individual	Support	No	

Comments: I strongly support HB2004 to ensure that the decision making of who operates Akaku remains with the people of Maui Nui in an open process not subject to the demonstrably flawed and expensive state procurement process out of Oahu that failed previously in 2007 through 2011 and has no place in determining local community communications needs. Thank you for keeping the voices of Maui Nui strong with this bill. It would be a travesty to let mainland interests come in and manipulate the system. Please preserve the purity and let's keep Akaku local and for the people.

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From:	mailinglist@capitol.hawaii.gov		
Sent:	Saturday, January 25, 2014 10:29 AM		
То:	CPCtestimony		
Cc:	ihemphi@live.com		
Subject:	Submitted testimony for HB2004 on Jan 27, 2014 14:10PM		

HB2004

Submitted on: 1/25/2014 Testimony for CPC on Jan 27, 2014 14:10PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Denise Key	Individual	Support	No

Comments: "I strongly support HB1998. Cable subscribers must be able to receive PEG access channels equivalent in quality to local full-power broadcast signals, including HD."

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