A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS.

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

1	PART I. GENERAL PROVISIONS
2	SECTION 1. The purpose of parts I and II of this Act is to
3	establish the operating budget for the fiscal biennium beginning
4	July 1, 2019, and ending June 30, 2021, for state executive
5	branch programs under the purview of the house of
6	representatives standing committee on intrastate commerce.
7	SECTION 2. DEFINITIONS. Unless otherwise clear from the
8	context, as used in parts I and II of this Act:
9	Abbreviations, where used to denote the expending agency or
10	a standing committee of the house of representatives, shall mean
11	the following:
12	CCA Department of commerce and consumer affairs
13	IAC House of representatives standing committee on
14	intrastate commerce
15	"Expending agency" means the executive department,
16	independent commission, bureau, office, board, or other
17	establishment of the state government (other than the

- 1 legislature, office of Hawaiian affairs, and judiciary), the
- 2 political subdivisions of the State, or any quasi-public
- 3 institution supported in whole or in part by state funds, which
- 4 is authorized to expend specified appropriations made by this
- 5 Act.
- 6 "Means of financing" or "MOF" means the source from which
- 7 funds are appropriated or authorized to be expended for the
- 8 programs and projects specified in this Act. All appropriations
- 9 are followed by letter symbols. These letter symbols, where
- 10 used, shall have the following meanings:
- B Special funds
- 12 Trust funds
- "Position ceiling" means the maximum number of permanent
- 14 and temporary full-time equivalent positions authorized for a
- 15 particular program during a specified period or periods, as
- 16 denoted by an asterisk for permanent full-time equivalent
- 17 positions and a pound sign for temporary full-time equivalent
- 18 positions.
- 19 "Program ID" means the unique identifier for the specific
- 20 program and consists of the abbreviation for the organization

- 1 responsible for carrying out the program followed by the
- 2 organization number for the program.
- PART II. PROGRAM APPROPRIATIONS
- 4 SECTION 3. APPROPRIATIONS. The following sums, or so much
- 5 thereof as may be sufficient to accomplish the purposes and
- 6 programs designated herein, are hereby appropriated or
- 7 authorized, as the case may be, from the means of financing
- 8 specified to the expending agency designated for the fiscal
- 9 biennium beginning July 1, 2019, and ending June 30, 2021. The
- 10 total expenditures and the number of positions in each fiscal
- 11 year of the biennium shall not exceed the sums and the number
- 12 indicated for each fiscal year, except as provided elsewhere in
- 13 this Act, or as provided by general law.

PROGRAM APPROPRIATIONS

				APPI	APPROPRIATIONS		
ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	FISCAL YEAR 2019-2020	M O F	FISCAL YEAR 2020-2021	M O F
IAC - IN	TRASTATE CO CCA102 - C	MMERCE ABLE TELEVISION		8.00*		8 00	
OPERATING			CCA CCA	2,647,986B T		8.00* 2,647,986B T	

1		PART III. CABLE OPERATOR FEES
2	SECT	ION 4. Section 440G-15, Hawaii Revised Statutes, is
3	amended t	o read as follows:
4	"§44	OG-15 Annual fees. (a) Each cable operator shall pay
5	an annual	fee [to be determined by the director.] of 4.5 per
6	cent of t	he income received from subscribers for cable services
7	rendered	during the preceding year; provided that:
8	(1)	The annual fee shall be paid by the cable operator to
9		the department before February 1 of each year;
10	(2)	The director may decrease the amount of the annual fee
11		by decision and order if the director determines that
12		the existing annual fee exceeds the amount necessary
13		to cover the costs of administering this chapter; and
14	(3)	The fees [so] collected under this section shall be
15		deposited into the compliance resolution fund
16		established under section 26-9(o).
17	[-(b)	The director shall adjust the fees assessed under
18	this sect	ion, as necessary from time to time, pursuant to rules
19	adopted i	n accordance with chapter 91.

1	<u>(b)</u>	The amount of the annual fee to be assessed for each
2	cable ope	rator regulated under this chapter shall be determined
3	as follow	<u>rs:</u>
4	(1)	The total amount to be assessed of cable operators
5		shall be calculated based on the director's proposed
6		fiscal year budget, less funds in the cable operators
7		subaccount of the compliance resolution fund on June
8		30 of the fiscal year immediately preceding the fiscal
9		year of the proposed budget and less the
10		commissioner's anticipated revenues;
11	(2)	The assessments shall bear a reasonable relationship
12		to the costs of regulating cable operators, including
13		any administrative costs of the division; and
14	(3)	The sum total of all assessments made and collected
15		shall not exceed the special fund ceiling or ceilings
16		related to the fund that are established by the
17		legislature; provided that the total assessments for
18		all cable operators in any one fiscal year shall not
19		exceed \$.

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1	(c) For the purposes of this section, "income received
2	from subscribers for cable services" means revenues derived from
3	the supplying of regular subscriber service and shall include
4	installation fees, disconnect and reconnect fees, and fees for
5	regular cable benefits. It shall not include per-program or
6	per-channel charges, leased channel revenues, advertising
7	revenues, and other income derived from the cable system."
8	PART IV. GENERAL PROVISIONS
9	SECTION 5. If any portion of this Act or its application
10	to any person, entity, or circumstance is held to be invalid for
11	any reason, then the legislature declares that the remainder of
12	the Act and each and every other provision thereof shall not be
13	affected thereby. If any portion of a specific appropriation is
14	held to be invalid for any reason, the remaining portion shall
15	be expended to fulfill the objective of the appropriation to the
16	extent possible.
17	SECTION 6. If manifest clerical, typographical, or other
18	mechanical errors are found in part I or part II of this Act,
19	the governor may correct the errors.

SECTION 7. Statutory material to be repealed is bracketed

and stricken. New statutory material is underscored.

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- 1 SECTION 8. This Act shall take effect on July 1, 2019;
- provided that section 4 shall take effect on January 1, 2020.

Report Title:

State Budget; DCCA; Cable Television; CCA102; IAC; Cable Operators; Annual Fee

Description:

Appropriates funds for Fiscal Biennium 2019-21 for operations of the Department of Commerce and Consumer Affairs division under Program ID CCA102 - Cable Television, which is under the purview of the House of Representatives Standing Committee on Intrastate Commerce. Sets the annual fee assessed on cable operators at 4.5 percent of the income received from subscribers for cable services rendered during the preceding calendar year. Authorizes the Director of Commerce and Consumer Affairs to reduce the fee by decision and order if the amount exceeds the amount necessary to administer chapter 440G, Hawaii Revised Statutes. Establishes criteria to determine the amount of the fee. (HB1124 HD1)

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