STAND. COM. REP. NO.



Honolulu, Hawaii

February 15

2019

RE: H.B. No. 1124 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sir:

Your Committee on Intrastate Commerce, to which was referred H.B. No. 1124 entitled:

"A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS."

begs leave to report as follows:

The purpose of this measure is to establish the operating budget for the fiscal biennium beginning July 1, 2019, and ending June 30, 2021, for the cable television program of the Department of Commerce and Consumer Affairs.

Testimony in support of this measure was submitted by the Department of Commerce and Consumer Affairs.

Your Committee finds that the cable television currently has an unencumbered cash balance of \$9,272,177 available to it for its operating budget, while its actual base operating budget is \$2,609,370 per fiscal year.

Your Committee has amended this measure by:

 Removing the appropriation of \$7,920,000 in trust funds for each fiscal year of the biennium for the cable television program;



- (2) Inserting a statutory provision into the Hawaii Revised Statutes that 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;
- (3) Authorizing the Director of Commerce and Consumer Affairs to reduce the fee if the amount exceeds the amount necessary to administer chapter 440G, Hawaii Revised Statutes, and establishing criteria to determine the amount of the fee; and
- (4) Making technical nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that the Department of Commerce and Consumer Affairs has indicated that it would approach the Legislature with a request to use the trust funds under its jurisdiction should the Department need to access the funds.

As affirmed by the record of votes of the members of your Committee on Intrastate Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1124, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1124, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Intrastate Commerce,

TAKASHI OHNO, Chair

## State of Hawaii House of Representatives The THIRTIETH Legislature



## **Record of Votes of the Committee on Intrastate Commerce**

| Bill/Resolution No.:   | Committee Referral: |  | Date:   |            |  |
|--|---------------------|--|---------|------------|--|
| HB 1124  | IAC, FIN            |  | 2/14/19 |            |  |
| ☐ The committee is reconsidering its previous decision on the measure.   |                     |  |         |            |  |
| The recommendation is to:  Pass, unamended (as is)  Pass, with amendments (HD)  Hold  Pass short form bill with HD to recommit for future public hearing (recommit)  |                     |  |         |            |  |
| IAC Members  | Ayes                | Ayes (WR)                                      | Nays    | Excused    |  |
| 1. OHNO, Takashi (C)   |                     |  |         |            |  |
|  |                     | Will Have                                      |         | REPER S    |  |
| 2. KOBAYASHI, Dale T. (VC)   |                     |  |         |            |  |
| 3. GATES, Cedric Asuega  | V                   |  |         |            |  |
|  |                     |  |         | CARL STATE |  |
| 4. KONG, Sam Satoru  |                     |  |         |            |  |
|  | <b>在第四次的</b>        |  |         |            |  |
| 5. NISHIMOTO, Scott Y.   |                     |  |         |            |  |
|  |                     |  |         |            |  |
| 6. TAKAYAMA, Gregg   | V                   |  |         |            |  |
|  |                     |  |         |            |  |
| 7. McDERMOTT, Bob  |                     |  |         |            |  |
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| TOTAL (7)  | 7                   | 0  | 0       | 0          |  |
| The recommendation is: Adoption If joint re  | •                   | □ Not Adopted  did not support recommendation. |         |            |  |
| Vice Chair's or designee's signature:  |                     |  |         |            |  |
| Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO   |                     |  |         |            |  |
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