

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 440G-1, Hawaii Revised Statutes, is amended to read as follows:

“[§440G-1] Short title. This chapter shall be known as the Hawaii Cable [Television] Communications Systems Law.”

SECTION 2. Section 440G-2, Hawaii Revised Statutes, is repealed.

SECTION 3. Section 440G-3, Hawaii Revised Statutes, is amended to read as follows:

“[§440G-3] Definitions. As used in this chapter, unless the context clearly requires otherwise:

“CATV” means either community antenna television or cable television.

“CATV advisory committee” or “committee” means the CATV advisory committee established pursuant to this chapter.

“CATV permit” means a nonexclusive permit issued pursuant to this chapter authorizing operation of a CATV system, including the right to use public rights of way.

“Community antenna television system” or “cable television system” or “CATV system” means any facility within this State, the primary function of which is either to receive and amplify the broadcast signals of one or more television and radio stations or to provide signals for additional closed circuit programming, and to redistribute such signals to members of the public who subscribe thereto or to whom redistribution of such signals is required by this chapter, by means of wires, cables, conduits, or any other devices which are above, below, on, in, or along any highway or other public place, but excluding (1) any nonprofit community antenna television system which serves fewer than one hundred subscribers, or (2) any system which serves, by means of a roof-top antenna and an internal cable distribution system, only the residents of one or more apartment dwellings or hotels under common ownership, control, or management, and commercial establishments located on the premises of such dwellings.

“Community antenna television system company” or “cable television company” or “CATV company” or “CATV operator” means any person who owns, controls, operates, or manages a cable television system, but excluding (1) a telephone or other utility, regulated by the public utilities commission, in a case where it merely leases or rents facilities for the redistribution of television signals to or toward subscribers of a CATV company, or (2) a telephone or other utility, regulated by the public utilities commission, in a case where it provides communication channel service under published tariffs filed with the public utilities commission or the Federal Communications Commission.]

“Applicant” means a person who initiates an application or proposal.

“Application” means an unsolicited filing.

“Basic cable service” means any service tier which includes the retransmission of local television broadcast signals.

“Cable franchise” means a nonexclusive initial authorization or renewal thereof issued pursuant to this chapter, whether the authorization is designated as a franchise, permit, order, contract, agreement, or otherwise, which authorizes the construction or operation of a cable system.

“Cable operator” means any person or group of persons (1) who provides cable service over a cable system and directly or through one or more affiliates owns a significant interest in the cable system or (2) who

otherwise controls or is responsible for, through any arrangement, the management and operation of a cable system.

"Cable service" means (1) the one-way transmission to subscribers of video programming or other programming service and (2) subscriber interaction, if any, which is required for the selection of video programming or other programming service.

"Cable system" means any facility within this State consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed to provide cable service which includes video programming and which is provided to multiple subscribers within a community, but does not include (1) a facility that serves only to retransmit the television signals of one or more television broadcast stations; (2) a facility that serves only subscribers in one or more multiple unit dwellings under common ownership, control, or management, unless that facility or facilities uses any public right-of-way; or (3) a facility of a public utility subject in whole or in part to the provisions of chapter 269, except to the extent that those facilities provide video programming directly to subscribers.

"Department" means the department of commerce and consumer affairs.

"Director" means the director of commerce and consumer affairs.

"Facility" includes all real property, antenna, poles, supporting structures, wires, cables, conduits, amplifiers, instruments, appliances, fixtures, and other personal property used by a [CATV company] cable operator in providing service to its subscribers.

["Highway" includes every street, road, alley, thoroughfare, way, or place of any kind used by the public, or open for the use of the public as a matter of convenience and right.

"Permittee" means a person who is issued a CATV permit pursuant to this chapter.]

"Institution of higher education" means an academic college or university accredited by the Western Association of Schools and Colleges.

"Other programming service" means information that a cable operator makes available to all subscribers generally.

"Person" means an individual, partnership, association, joint stock company, trust, corporation, or governmental agency.

"Proposal" means a filing solicited by the director.

"Public, educational, or governmental access facilities" means (1) channel capacity designated for public, educational, or governmental uses and (2) facilities and equipment for the use of that channel capacity.

"Public place" [or "public places"] includes any property, building, structure, or water to which the public has a right of access and use.

"Public utilities commission" means the public utilities commission of this State.

"School" means an academic and non-college type regular or special education institution of learning established and maintained by the department of education or licensed and supervised by that department.

"Service area" [is] means the geographic area [in] for which a [CATV company has facilities by means of which it can offer its services to the public and] cable operator has been issued a [permit to do so.] cable franchise.

"Video programming" means programming provided by, or generally considered comparable to programming provided by, a television broadcast station."

SECTION 4. Section 440G-4, Hawaii Revised Statutes, is amended to read as follows:

“[§440G-4] Issuance of [CATV permits] cable franchises and regulation of [CATV companies] cable operators by director of commerce and consumer affairs. The director [of commerce and consumer affairs] shall be empowered to issue [CATV permits,] cable franchises and otherwise administer and enforce this chapter.”

SECTION 5. Section 440G-5, Hawaii Revised Statutes, is amended to read as follows:

“[§440G-5] [CATV permit required; exception.] Cable franchise required. No person shall construct, operate, or acquire a [CATV] cable system, or extend an existing [CATV] cable system outside its designated service area, without first obtaining a [CATV permit] cable franchise as provided in this chapter; except that, notwithstanding any other section of this chapter, CATV permits shall be issued by the director, for those service areas in which facilities had been placed on or before June 1, 1969, to each CATV company which was operating a CATV system, or which had erected a headend antenna for distribution of a television signal by means of a coaxial cable, on or before June 1, 1969, if application for the permit is filed with the director within ninety days after June 19, 1970; provided that pending the issuance of the CATV permit, any existing CATV system may (1) continue to operate within the area served on June 19, 1970, and (2) when in the discretion of the director of commerce and consumer affairs the public interest would be served, continue construction of its facilities within areas approved by the director].”

SECTION 6. Section 440G-6, Hawaii Revised Statutes, is amended to read as follows:

“[§440G-6] Application or proposal for [CATV permit;] cable franchise; fee; certain requirements. [(a) No CATV permit or renewal of a CATV permit shall be issued except upon written application therefor to the director, accompanied by a fee of \$100, and on an application form to be prescribed by the director. The form shall set forth such facts as the director may prescribe as to the citizenship, character, and financial, technical, and other qualifications of the person seeking to operate the CATV system, and complete information as to the principals and ultimate beneficial owners (including in the case of a corporation, all stockholders both nominal and beneficial, owning ten per cent or more of the issued and outstanding stock, and in the case of unincorporated associations, all members and ultimate beneficial owners, however designated) and such other information as the director deems appropriate or necessary. The application shall be signed by the applicant whose relationship with the proposed permittee shall be as prescribed by regulation of the director, or by a duly authorized person, evidence of whose authority shall be submitted with the application. Each applicant shall make full disclosure as to the true ownership of the facilities to be employed in rendering service, as to the source of funds for the purchase, lease, rental, and installation of such facilities, except as to the source of funds for the purchase and installation of facilities to be provided by a public utility, and as to the applicant's ability to extend service at a reasonable cost to the potential subscribers in the proposed service area. Each application shall set forth the rates to be charged, the services to be offered, the facilities to be employed, the general routes of the wires, cables, conduits, or other devices used in the redistribution of signals, the service

area or areas, the commencement and completion dates of construction of the CATV system, and the proposed date service will be available to the areas named.

(b) The application shall require that, in the event a CATV permit is issued, the applicant agrees to the following:

- (1) In installing, operating, and maintaining facilities, it will avoid all unnecessary damage and injury to any trees, structures, and improvements in and along the routes authorized by the director.
- (2) It will indemnify and hold the State and the county harmless at all times from any and all claims for injury and damage to persons or property, both real and personal, caused by the installation, operation, or maintenance of the permittee's CATV system. Upon receipt of notice in writing from the State or county it will, at its own expense, defend any action or proceeding against the State or county in which it is claimed that personal injury or property damage was caused by activities of the permittee in the installation, operation, or maintenance of its CATV system.
- (3) It will provide a cable drop at reduced rates or at no cost to any school or any institution of higher education within the service area authorized by the CATV permit; provided that service is actually being delivered in the areas adjacent to the school.
- (4) Upon termination of the period of the CATV permit or of any renewal thereof, by passage of time or otherwise, it will remove its facilities from the highways and other public places in, on, over, under, or along which they are installed if so ordered by the director and will restore the areas to their original condition, or otherwise dispose of same. If such removal is not completed within six months of the termination, any property not removed shall be deemed to have been abandoned and the permittee will be liable for the cost of its removal.
- (5) Before commencing construction of an increment of a CATV system, the applicant or, in the case of a leased facility, the lessor, other than a public utility, will submit to the director a performance bond, with corporate surety satisfactory to the director. The penal amount of the bond shall be not less than fifty per cent of the cost of construction. The conditions of the bond shall be the satisfactory completion of installation of the CATV system in accordance with the schedule of installation proposed in the application.]

(a) No cable franchise shall be issued except upon written application or proposal therefor to the director, accompanied by a fee of \$1,000.

(b) An application for issuance of a cable franchise shall be made in a form prescribed by the director. The application shall set forth the facts as required by the director to determine in accordance with section 440G-8(b) whether a cable franchise should be issued, including facts as to:

- (1) The citizenship and character of the applicant;
- (2) The financial, technical, and other qualifications of the applicant;
- (3) The principals and ultimate beneficial owners of the applicant;
- (4) The public interest to be served by the requested issuance of a cable franchise; and

- (5) Any other matters deemed appropriate and necessary by the director including the proposed plans and schedule of expenditures for or in support of the use of public, educational, and governmental access facilities.

(c) A proposal for issuance of a cable franchise shall be accepted for filing in accordance with section 440G-7 only when made in response to the written request of the director for the submission of proposals.

SECTION 7. Section 440G-7, Hawaii Revised Statutes, is amended to read as follows:

"[§440G-7] Public] Cable franchise application or proposal procedure; public hearing; notice. An application or proposal for a cable franchise shall be processed as follows:

- (1) After the application or proposal and required fee are received by the director and within a time frame established by rule, the director shall notify an applicant in writing of the acceptance or non-acceptance for filing of an application or proposal for issuance of a cable franchise required by this chapter.
- (2) [Upon the filing of an application and the payment of the fee prescribed,] After the issuance of a notice of acceptance for filing and within a time frame established by rule, the director [within sixty days] shall [fix the time and place for] hold a public hearing [thereon and shall cause notice] on the application or proposal to afford interested persons the opportunity to submit data, views, or arguments, orally or in writing. Notice thereof [to] shall be given to the governing council and mayor of the county and to any telephone or other utility and [CATV] cable company in the county in which the proposed service area is located. The director shall also cause notice of the application and hearing to be published [twice, not less than one week apart and at least one week prior to the hearing, in some] at least once in each of two successive weeks in a newspaper of general circulation in the county in which the proposed service area is located. The last published notice shall appear at least fifteen days prior to the date of the hearing.
- (3) After holding a public hearing, the director shall approve the application or proposal in whole or in part, with or without conditions or modifications, or shall deny the application or proposal, with reasons for denial sent in writing to the applicant. If the director does not take final action after the issuance of a notice of acceptance for filing and within a time frame established by rule, the application or proposal shall be deemed denied.
- (4) The time limit for final action may be extended, on the director's approval of the applicant's request and justification in writing for an extension of time to the director at least two weeks in advance of the requested effective date of the extension, or by mutual agreement."

SECTION 8. Section 440G-8, Hawaii Revised Statutes, is amended to read as follows:

"[§440G-8] Issuance of [CATV permit] cable franchise authority; criteria; content. (a) The director is empowered to issue a [CATV permit] cable franchise to construct [and] or operate facilities for a [CATV] cable

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system upon the terms and conditions provided in this chapter[; provided that in the construction and operation of facilities for a CATV system:

- (1) The use of all highways and other public places shall be subject to all applicable state statutes which heretofore or hereafter may be adopted and to all applicable regulations of the public utilities commission which heretofore or hereafter may be adopted governing the construction and maintenance of overhead and underground facilities of public utilities;
 - (2) The use of all highways and other public places which are county highways within the meaning of section 264-1 shall be subject to all public welfare regulations which heretofore or hereafter may be adopted by the governing body of the county within which the county highways are situated;
 - (3) The use of all highways and other public places which are state or federal-aid highways within the meaning of section 264-1 shall be subject to all public welfare regulations which heretofore or hereafter may be adopted by the director of the department of transportation; and
 - (4) The provisions of section 264-33 concerning the allocation of expenses for the relocation of utility facilities shall apply to the allocation of expenses for the relocation of CATV facilities].
- (b) The director, after a public hearing as provided in this chapter, shall issue a [CATV permit] cable franchise to the applicant when the director is convinced that it is in the public interest to do so. In determining whether a [CATV permit] cable franchise shall be issued, the director shall take into consideration, among other things, the content of the application or proposal, the public need for the proposed service [or acquisition], the ability of the applicant to offer safe, adequate, and reliable service at a reasonable cost to the subscribers, the suitability of the applicant, the financial responsibility of the applicant, the technical and operational ability of the applicant to perform efficiently the service for which authority is requested, [and] any objections arising from the public hearing, the [CATV] cable advisory committee[, established by this chapter, or elsewhere[.], and any other matters as the director deems appropriate in the circumstances.]
- (c) In determining the area which is to be serviced by the [CATV company,] applicant, the director shall take into account the geography and topography of the proposed service area, and [both] the present [operations and the], planned, and potential expansion in facilities or cable services of the applicant's proposed cable system and [other CATV companies.] existing cable systems.
- (d) In issuing a [CATV permit] cable franchise under this chapter, the director is not restricted to approving or disapproving the application or proposal but may issue it for only partial exercise of the privilege sought or may attach to the exercise of the right granted by the [CATV permit such] cable franchise terms, limitations, and conditions which the director deems the public interest may require. The [CATV permit] cable franchise shall be nonexclusive, shall include a description of the service area in which the [CATV] cable system is to be constructed, extended, or operated[, or acquired] and the approximate date on which the service is to commence and shall authorize the [CATV company] cable operator to provide service for a term of [twenty] fifteen years."

SECTION 9. Chapter 440G, Hawaii Revised Statutes, is amended by adding two new sections to read as follows:

“§440G-8.1 Requirement for adequate service; terms and conditions of service. (a) Every cable operator shall provide safe, adequate, and reliable service in accordance with applicable laws, rules, franchise requirements, and its filed schedule of terms and conditions of service.

(b) The director shall require each cable operator to submit a schedule of all terms and conditions of service in the form and with the notice that the director may prescribe.

(c) The director shall ensure that the terms and conditions upon which cable service is provided are fair both to the public and to the cable operator, taking into account the geographic, topographic, and economic characteristics of the service area and the economics of providing cable service to subscribers in the service area.

§440G-8.2 Cable system installation, construction, operation, removal; general provisions. (a) A cable franchise shall be construed to authorize the construction or operation of a cable system within the service area above, below, on, in, or along any highway or other public place and through easements which have been dedicated for compatible purposes.

(b) The technical specifications, general routes of the distribution system, and the schedule for construction of the cable system shall be subject to the director's approval.

(c) In installing, operating, and maintaining facilities, the cable operator shall avoid all unnecessary damage and injury to any trees, structures, and improvements in and along the routes authorized by the director.

(d) The cable operator shall indemnify and hold the State and the county harmless at all times from any and all claims for injury and damage to persons or property, both real and personal, caused by the installation, operation, or maintenance of its cable system, notwithstanding any negligence on the part of the State or county, their employees or agents. Upon receipt of notice in writing from the State or county, the cable operator shall, at its own expense, defend any action or proceeding against the State or county in which it is claimed that personal injury or property damage was caused by activities of the cable operator in the installation, operation, or maintenance of its cable system.

(e) The cable operator shall provide a cable drop and basic cable service at no cost to any school or institution of higher education within its service area; provided that service is actually being delivered within a reasonable distance from the school or institution of higher education which may request service.

(f) The cable operator shall designate three or more channels for public, educational, or governmental use.

(g) Upon termination of the period of the cable permit or of any renewal thereof, by passage of time or otherwise, the cable operator shall remove its facilities from the highways and other public places in, on, over, under, or along which they are installed if so ordered by the director and shall restore the areas to their original or other acceptable condition, or otherwise dispose of same. If removal is not completed within six months of the termination, any property not removed shall be deemed to have been abandoned and the cable operator shall be liable for the cost of its removal.

(h) The use of public highways within the meaning of section 264-1 and other public places shall be subject to:

- (1) All applicable state statutes and all applicable rules and orders of the public utilities commission governing the construction, maintenance, and removal of overhead and underground facilities of public utilities;

- (2) For county highways, all applicable public welfare rules adopted by the governing body of the county in which the county highways are situated;
 - (3) For state or federal-aid highways, all public welfare rules adopted by the director of transportation; and
 - (4) For the relocation of cable facilities, the provisions of section 264-33 concerning the allocation of expenses for the relocation of utility facilities.
- (i) In the use of easements dedicated to compatible purposes, the cable operator shall ensure:
- (1) That the safety, functioning, and appearance of the property and the convenience and safety of other persons is not adversely affected by the installation or construction of facilities necessary for a cable system;
 - (2) That the cost of the installation, construction, operation, or removal of facilities is borne by the cable operator or subscribers, or a combination of both; and
 - (3) That the owner of the property is justly compensated by the cable operator for any damages caused by the installation, construction, operation, or removal of facilities by the cable operator."

SECTION 10. Section 440G-9, Hawaii Revised Statutes, is amended to read as follows:

"[§440G-9]] Complaints[.]; violations; revocation, alteration, or suspension of [permits.] cable franchise; penalties. [Any complaint by any person as to the operation of a CATV system shall be filed in writing with the director.] **(a) Subscriber complaints regarding the operation of a cable system may be made orally or in writing to the director. The director shall resolve complaints informally when possible.**

(b) Any [permit] cable franchise issued hereunder [may] after hearing in accordance with chapter 91 may be revoked, altered, or suspended by the director as the director deems necessary on any of the following grounds:

- (1) For [wilful] **making material false or misleading statements in, or for material omissions from, any application[.] or proposal or other filing made with department;**
- (2) For failure to file and maintain a bond under section 440G-6;
- (3) (2) For [repeated] failure[, as determined by the director,] to maintain signal quality under the standards prescribed by the director;
- (4) (3) For any sale, lease, assignment, or other transfer of its [permit] **cable franchise** without consent of the director;
- (5) (4) [For an inability to provide CATV service at reasonable cost to the service area,] **Except when commercially impracticable, for unreasonable delay in construction or operation or for unreasonable withholding of the extension of cable service to any person in a service area;**
- (6) (5) For violation of the terms of its [permit; and] **cable franchise;**
- (7) (6) For failure to comply with this chapter or any [regulation] **rules or orders** prescribed by the director[.];
- (7) **For violation of its filed schedule of terms and conditions of service; and**
- (8) **For engaging in any unfair or deceptive act or practice as prohibited by section 480-2.**

(c) In lieu of or in addition to the relief provided by subsection (b), the director may fine a cable operator, for each violation of subsection (b)(1) through (8), an amount not less than \$50 nor more than \$25,000 for each violation. Each day's continuance of a violation may be treated as a separate violation pursuant to rules adopted by the director. Any penalty assessed under this section shall be in addition to any other costs, expenses, or payments for which the cable operator is responsible under other provisions of this chapter."

SECTION 11. Section 440G-10, Hawaii Revised Statutes, is amended to read as follows:

"[§440G-10] Renewal of [CATV permits; transfer.] cable franchise. Any [CATV permit] cable franchise issued pursuant to this chapter may be renewed[, after a hearing as prescribed in section 440G-7 and upon payment of the fee and compliance with the requirements prescribed in section 440G-6, for additional periods of not less than ten nor more than twenty years each. No CATV permit may be assigned, sold, leased, encumbered, or otherwise transferred without the prior written consent of the director. Such consent shall be given only upon a written application therefor on forms to be prescribed by the director. The forms shall require from both the transferor and the proposed transferee substantially the same information as required by section 440G-6. The application shall also contain information concerning the consideration to be paid and such other matters as the director may deem appropriate or necessary, and shall be signed by both the transferor and the proposed transferee.] by the director upon approval of a cable operator's application or proposal therefor. The form of the application or proposal shall be prescribed by the director. The periods of renewal shall be not less than five nor more than twenty years each. The director shall require of the applicant full disclosure, including the proposed plans and schedule of expenditures for or in support of the use of public, educational, or governmental access facilities."

SECTION 12. Chapter 440G, Hawaii Revised Statutes, is amended by adding a new section to read as follows:

"§440G-10.1 Transfer of cable franchise. (a) No cable franchise, including the rights, privileges, and obligations thereof, may be assigned, sold, leased, encumbered, or otherwise transferred, voluntarily or involuntarily, directly or indirectly, including by transfer of control of any cable system, whether by change in ownership or otherwise, except upon written application to and approval by the director. The form of the application shall be prescribed by the director.

(b) Sections 440G-7 and 440G-8 shall apply to the transfer of cable franchises."

SECTION 13. Section 440G-11, Hawaii Revised Statutes, is amended to read as follows:

"[§440G-11] Rate, filed with director; approval. [The director shall require each CATV company to submit a schedule of its rates and all terms and conditions of service in such form and on such notice as the director may prescribe. The duty of the director shall be to maintain surveillance over [such]¹ filed rates and terms and conditions of service to insure that the rates and terms and conditions of service are fair both to the public and to the CATV company, taking into account the geographic, topographic, and economic characteristics of the service area and the economics of providing CATV service to subscribers in the service area.

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Any disagreement between the director and a CATV company over its filed schedule or rates shall be resolved by the director after a hearing has been held to afford the CATV company an opportunity to explain the basis of its filed schedule of rates. After a hearing, the director shall make a determination which is final and conclusive subject only to any rights of appeal as may be provided by statute.] (a) The director shall require each cable operator to file a schedule of its rates of service on a form and with the notice that the director may prescribe.

(b) To the extent permitted by federal law, the director shall regulate rates to ensure that they are fair both to the public and to the cable operator."

SECTION 14. Section 440G-12, Hawaii Revised Statutes, is amended to read as follows:

"§440G-12 Other duties of director; suit to enforce chapter. (a) The director has the power and jurisdiction to supervise and regulate every [CATV company operating] cable operator within this State so far as may be necessary to carry out the purposes of this chapter, and to do all things which are necessary or convenient in the exercise of this power and jurisdiction.

(b) The director may [promulgate,] adopt, pursuant to chapter 91, [such] rules [and regulations as are] necessary to carry out this chapter[, including rules and regulations establishing criteria which:

- (1) Categorize CATV companies according to their method of operation or any other appropriate criteria;
- (2) Identify general requirements for the designation of service area; and
- (3) Govern the quality of the signal required to be transmitted by the CATV system.

(b) The director may approve or disapprove, as the public interest may require, all provisions of contracts or other agreements between CATV companies and public utilities concerning the use of the equipment of the public utility by the CATV company, except for those matters which are regulated by the public utilities commission or by the Federal Communications Commission].

(c) The director or [a member of] the director's [department] designated representatives may from time to time visit the places of business and other premises and examine the records and facilities of all [CATV companies] cable operators to ascertain if all laws, rules, [regulations,] cable franchise provisions, and orders of the director have been compiled with, and shall have the power to examine all officers, agents, and employees of [such CATV companies,] cable operators, and all other persons, under oath, and to compel the production of papers and the attendance of witnesses to obtain the information necessary for administering this chapter.

(d) The director may appoint or contract for [such] assistants and [such] clerical, stenographic, and other staff as may be necessary for the proper administration and enforcement of this chapter subject to chapters 76 and 77.

(e) The director shall have the power and authority to institute all proceedings and investigations, hear all complaints, issue all process and orders, and render all decisions necessary to enforce this chapter or the rules[, regulations,] and orders adopted thereunder, or to otherwise accomplish the purposes of this chapter.

(f) The director or other aggrieved party shall have the right to institute, or to intervene as a party in, any action in any court of law seeking a mandamus, or injunctive or other relief to compel compliance with this chapter, or any rule[, regulation,] or order adopted thereunder, or to restrain

or otherwise prevent or prohibit any illegal or unauthorized conduct in connection therewith."

SECTION 15. Section 440G-13, Hawaii Revised Statutes, is amended to read as follows:

"**[§440G-13] CATV Cable advisory committee.** There is established the [CATV] cable advisory committee. The committee shall consist of five members appointed by the governor as provided in section 26-34.

The committee shall advise the director[, after its formation and so long as the director has the power granted the director by section 440G-4,] and cable operators on [all] matters [affecting the issuance or revocation of CATV permits, the filing of rates by CATV companies, and any other matter] within the jurisdiction of this chapter[.] at the request of the director or any cable operator.

The members of the committee shall serve without pay but shall be entitled to reimbursement for necessary expenses while attending meetings and while in discharge of their duties."

SECTION 16. Section 440G-14, Hawaii Revised Statutes, is amended to read as follows:

"**[§440G-14] Annual reports; fees.] Reports.** [With relation to each CATV permit, each permittee] Each cable operator shall file [annually] with the director [on forms to be prescribed by the director, a statement] reports of its [revenue and expenses] financial, technical, and operational condition and its ownership. The [completed forms] reports shall be made in a form and on the time schedule prescribed by the director and shall be kept on file open to the public.

[A permittee under this chapter shall pay an annual fee computed in a schedule to be determined by the director. The fees so collected shall be used to offset the costs of administering this chapter.]"

SECTION 17. Chapter 440G, Hawaii Revised Statutes, is amended by adding a new section to read as follows:

"**§440G-15 Annual fees.** Each cable operator shall pay an annual fee to be determined by the director. The fees so collected shall be used to offset the costs of administering this chapter."

SECTION 18. The members of the CATV advisory committee appointed pursuant to section 440G-13, Hawaii Revised Statutes, shall continue to serve their current terms of appointment as members of the advisory committee, notwithstanding the amendments made by section 15 of this Act to the name and responsibilities of the advisory committee.

SECTION 19. The department of commerce and consumer affairs is directed to appeal to the Federal Communication Commission concerning the lack of rate regulatory authority despite the lack of effective competition because of the topographical characteristics of the islands.

SECTION 20. The director shall adopt rules pursuant to chapter 91 necessary for the purposes of this chapter.

SECTION 21. Statutory material to be repealed is bracketed. New statutory material is underscored².

SECTION 22. This Act shall take effect upon its approval.

(Approved June 25, 1987.)

1. So in original.
2. Edited pursuant to HRS §23G-16.5.