

STAND. COM. REP. NO.

853

Honolulu, Hawaii

MAR 23 2011

RE: H.B. No. 550  
H.D. 1  
S.D. 1

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred H.B. No. 550, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TELEVISION,"

begs leave to report as follows:

The purpose and intent of this measure is to require the Auditor to analyze the allocation of cable operator franchise fees and to contract for a performance review or audit of 'Olelo Community Television.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs. Your Committee received comments on this measure from 'Olelo Community Media.

Your Committee finds that while the concerns raised by the proponents of this measure may have merit, cable television operators including 'Olelo Community Television are already required to submit reports of financial, technical, and operational condition and ownership to the Department of Commerce and Consumer Affairs. Additionally, 'Olelo Community Television underwent an audit by an independent third party in 2005. Your Committee further finds that it is a more efficient use of the State's resources to require the Auditor to review the existing information than to conduct a study that is duplicative and for which the necessity is unclear.



Your Committee has amended this measure by:

- (1) Deleting the provision requiring the Auditor to contract for a performance review of 'Olelo Community Television;
- (2) Deleting provisions making appropriations from the Compliance Resolution Fund to the Audit Revolving Fund for the purpose of contracting for a performance review of 'Olelo Community Television;
- (3) Inserting a new provision to require the Auditor to review the reports of financial, technical, and operational condition and ownership submitted by 'Olelo Community Television to the Department of Commerce and Consumer Affairs pursuant to section 440G-14, Hawaii Revised Statutes, and the most recent independent third party review of 'Olelo Community Television and to submit a report to the Legislature prior to the 2012 Regular Session that includes recommendations as to the sufficiency of 'Olelo Community Television's currently required reports for the purpose of effective oversight; and
- (4) Inserting an effective date of July 1, 2011.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 550, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 550, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

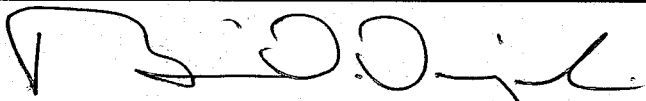
Respectfully submitted on  
behalf of the members of the  
Committee on Commerce and  
Consumer Protection,

  
ROSALYN H. BAKER, Chair



The Senate  
Twenty-Sixth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Commerce and Consumer Protection**  
**CPN**

Bill / Resolution No.:*	Committee Referral:	Date:		
HB550, HDI	CPN, WAM	3/18/2011		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	✓			
TANIGUCHI, Brian T. (VC)	✓			
GALUTERIA, Brickwood	✓			
GREEN, M.D., Josh	✓			
NISHIHARA, Clarence K.	✓			
SOLOMON, Malama	✓			
SLOM, Sam	✓			
<b>TOTAL</b>	7	0	0	0
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b>				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

\*Only one measure per Record of Votes