

JAN 23 2015

S.B. NO. 772

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# A BILL FOR AN ACT

RELATING TO THE PUBLIC UTILITIES COMMISSION.

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

1           SECTION 1. The public utilities commission plays a vital  
2 role in regulating utilities. The three commissioners are full  
3 time employees. Like legislators and judges, they can more  
4 effectively and efficiently perform their duties by having staff  
5 to assist them. At critical times in the past, the work of the  
6 commission has been hampered when a key employee is hired by a  
7 utility company that the commission regulates. This situation  
8 is not in the best interest of the public.

9           There are small water companies which have operated for  
10 decades that have not filed any documents with the commission.

11           Public confidence in the commission will be enhanced by the  
12 posting of financial disclosure statements by employees of the  
13 commission.

14           SECTION 2. Chapter 269, Hawaii Revised Statutes, is  
15 amended by adding a new section to be appropriately designated  
16 and to read as follows:



1           "§269-    Employment of staff. (a) Public utilities  
2 seeking to hire staff members who are currently working for the  
3 public utilities commission, or who have worked for the  
4 commission within the preceding twelve months, shall file a  
5 written notice of contact with the commission within seven days  
6 of contact being made.

7           (b) The written notice of contact shall explain the reason  
8 that the utility was unable to fill the position by hiring  
9 someone who is not currently or was recently employed by the  
10 commission.

11           (c) The commission shall post the notice of contact on its  
12 web-based document management system."

13           SECTION 3. Section 269-3, Hawaii Revised Statutes, is  
14 amended to read as follows:

15           "§269-3 Employment of assistants. (a) The chairperson of  
16 the public utilities commission may appoint and employ  
17 professional staff and other assistants for the public utilities  
18 commission as the chairperson finds necessary for the  
19 performance of the commission's functions and define their  
20 powers and duties. Notwithstanding section 26-35(a)(4) to the  
21 contrary and subject to applicable personnel laws, the



1 employment, appointment, applicable salary schedules, promotion,  
2 transfer, demotion, discharge, and job descriptions of all  
3 officers and employees of or under the jurisdiction of the  
4 commission shall be determined by the chairperson and may be  
5 delegated to the executive officer appointed and employed  
6 pursuant to subsection (b); provided that determinations  
7 concerning personnel matters made by the chairperson or the  
8 executive officer, as delegated by the chairperson, may be  
9 reviewed by the director of commerce and consumer affairs for  
10 completeness and for compliance and conformance with applicable  
11 administrative processes and procedures of the department of  
12 commerce and consumer affairs. The chairperson may appoint and,  
13 at pleasure, dismiss a chief administrator and attorneys as may  
14 be necessary, and who shall be exempt from chapter 76. The  
15 chairperson may also appoint other staff, including a fiscal  
16 officer and a personnel officer, with or without regard to  
17 chapter 76.

18 (b) Each commissioner, other than the chairperson, may  
19 appoint and employ two professional staff people to assist in  
20 the commissioner's duties.



1           ~~[(b)]~~ (c) The chairperson of the commission shall appoint,  
2 employ, and dismiss, at pleasure, an executive officer who shall  
3 be responsible for managing the operations of the commission.  
4 The responsibilities of the executive officer shall include  
5 management and recruitment of personnel, budget planning and  
6 implementation, strategic planning and implementation,  
7 procurement and contract administration, and implementation of  
8 administrative programs and projects. The executive officer  
9 shall be exempt from chapter 76.

10           ~~[(e)]~~ (d) Notwithstanding section 91-13, the commission  
11 may consult with its assistants appointed under authority of  
12 this section in any contested case or agency hearing concerning  
13 any issue of facts. Neither the commission nor any of its  
14 assistants shall in such proceeding consult with any other  
15 person or party except upon notice and an opportunity for all  
16 parties to participate, save to the extent required for the  
17 disposition of ex parte matters authorized by law."

18           SECTION 4. Section 269-5, Hawaii Revised Statutes, is  
19 amended to read as follows:

20           "**§269-5 Annual report and register of orders.** (a) The  
21 public utilities commission shall prepare and ~~[present to the~~



1 ~~governor]~~ post on its website, in the month of January in each  
2 year a report respecting its actions during the preceding fiscal  
3 year. This report shall include summary information and  
4 analytical, comparative, and trend data concerning major  
5 regulatory issues acted upon and pending before the commission;  
6 cases processed by the commission, including their dispositions;  
7 utility company operations, capital improvements, and rates;  
8 utility company performance in terms of efficiency and quality  
9 of services rendered; financing orders issued, adjustments made  
10 to the public benefits fee, and repayments or credits provided  
11 to electric utility customers pursuant to part X or chapter 196,  
12 part IV; a summary of power purchase agreements, including  
13 pricing, in effect during the fiscal year; environmental matters  
14 having a significant impact upon public utilities; actions of  
15 the federal government affecting the regulation of public  
16 utilities in Hawaii; long and short-range plans and objectives  
17 of the commission; together with the commission's  
18 recommendations respecting legislation and other matters  
19 requiring executive and legislative consideration. [~~Copies of~~  
20 ~~the annual reports shall be furnished by the governor to the~~  
21 ~~legislature.]~~



1        (b) The commission shall post on its website, financial  
2 disclosure statements required under section 84-17.

3 Notwithstanding the requirements of section 84-17 to the  
4 contrary, the financial disclosure statement of each  
5 commissioner shall be posted on the commission's website.

6        (c) In addition, the commission shall establish and  
7 maintain a register of all its orders and decisions, which shall  
8 be open and readily available for public inspection, and no  
9 order or decision of the commission shall take effect until it  
10 is filed and recorded in this register."

11        SECTION 5. Section 269-8, Hawaii Revised Statutes, is  
12 amended to read as follows:

13        "**§269-8 Public utilities to furnish information.** (a)  
14 Every public utility or other person subject to investigation by  
15 the commission, shall at all times, upon request, furnish to the  
16 public utilities commission all information that it may require  
17 respecting any of the matters concerning which it is given power  
18 to investigate, and shall permit the examination of its books,  
19 records, contracts, maps, and other documents by the commission,  
20 or any of its members, or any person authorized by it in writing  
21 to make such examination, and shall furnish the commission with



1 a complete inventory of its property in such form as the  
2 commission may direct.


3 (b) Any public utility that is required by law to be  
4 regulated by the public utilities commission but that fails to  
5 file utility rate data or other required documents for twenty-  
6 five years or more will automatically lose its business license  
7 and may be subject to civil and criminal fines."

8 SECTION 6. Statutory material to be repealed is bracketed  
9 and stricken. New statutory material is underscored.

10 SECTION 7. This Act shall take effect upon its approval.

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INTRODUCED BY: 

  
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# S.B. NO. 772

**Report Title:**

Public Utilities Commission; Disclosure Requirements

**Description:**

Requires utilities seeking to hire a public utilities commission employee or recent employee to file a notice of contact.

Requires that commissioners' financial disclosure statements be posted on the commission website.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

