

Honolulu, Hawaii

MAR 03 2017

RE: S.B. No. 382  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Ninth State Legislature  
Regular Session of 2017  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 382, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE PUBLIC UTILITIES COMMISSION,"

begs leave to report as follows:

The purpose and intent of this measure is to update the structure and operation of the Public Utilities Commission (Commission).

More specifically, this measure:

- (1) Establishes guiding principles of the Commission;
- (2) Requires the Commission to establish a docket review and decision-making process that encourages collaboration;
- (3) Allows a Commissioner to attend a public hearing or meeting, or to work with staff, by teleconference or videoconference in specific situations;
- (4) Requires the Executive Officer, Chief Counsel, Chief of Policy and Research, and any individual employed as or in the role of a hearings officer of the Commission to annually file a disclosure of financial interests with



the State Ethics Commission and requires these disclosures to be public;

- (5) Increases the number of members on the Commission, specifies the composition of Commission members, and ensures that members who are residents of a county other than the City and County of Honolulu receive per diem compensation and travel expenses;
- (6) Requires new Commissioners to attend pertinent educational or training seminars within the first year of the Commissioner's appointment and permits Commissioners and key staff to take advantage of relevant training opportunities;
- (7) Clarifies the ability of the Commissioners to appoint and employ staff;
- (8) Clarifies the roles of the Executive Officer and Chief Counsel to the Commission;
- (9) Requires the Commissioners to work with the Department of Commerce and Consumer Affairs and Department of Human Resources Development to develop clearly defined duties and responsibilities for Commission staff and report the staff duties to the Legislature; and
- (10) Requires a management audit to aid in the Commission's transition to a better functioning entity.

Your Committee received written comments in support of this measure from the Hawaii Government Employees Association and one individual.

Your Committee received written comments in opposition to this measure from the Public Utilities Commission.

Your Committee received written comments on this measure from the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs and the Office of the Auditor.



Your Committee notes that this measure is a work in progress. Your Committee encourages all parties involved to continue to work together in order to resolve the issues of the measure.

Your Committee has amended this measure by changing the effective date of the provisions that amend the composition of the Commission members and provide per diem compensation and travel expenses to members who reside in a county other than the City and County of Honolulu, to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 382, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 382, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,



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JILL N. TOKUDA, Chair



