Honolulu, Hawaii

, 2014

RE:

S.B. No. 2948

S.D. 1

H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 2948, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to clarify the authority of the chairperson of the Public Utilities Commission concerning operational expenditures and the hiring and retention of agency personnel.

The Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, Hawaii Energy Policy Forum, Hawaii Renewable Energy Alliance, and Life of the Land testified in support of this measure. The Public Utilities Commission and Department of Budget and Finance provided comments on this measure.

Your Committee held a public hearing that included discussion and public testimony on both this measure and S.B. No. 451, S.D.1 (2013). Upon careful consideration, your Committee has amended this measure by adopting the recommendation of the Public Utilities Commission, to replace the contents of this measure with those of S.B. No. 451, S.D.1, and add further amendments.

SB2948 HD1 HSCR CPC HMS 2014-2685



The measure, as amended:

- (1) Specifies that the Public Utilities Commission is transferred from its administrative placement within the Department of Budget and Finance to be a semi-autonomous agency that is administratively attached to the Department of Commerce and Consumer Affairs, which can provide the Commission with the additional administrative support resources it needs;
- (2) Increases the compensation of the chairperson and commissioners of the Public Utilities Commission;
- (3) Clarifies that notwithstanding section 26-35, Hawaii Revised Statutes, the Public Utilities Commission has authority concerning standard administrative practices, including operational expenditures and the hiring of personnel;
- (4) Changes the position title of the Commission's chief administrator to executive officer to reflect the position's increased management responsibilities;
- (5) Enables the chairperson of the Public Utilities
 Commission to appoint, employ, and dismiss a fiscal
 officer and a personnel officer to further support the
 administrative activities of the Commission;
- (6) Establishes the position of executive director of the Division of Consumer Advocacy which shall be the consumer advocate;
- (7) Appropriates funds to assist with the transition of the Public Utilities Commission and for the hiring of an executive officer, a fiscal officer, and a personnel officer within the Public Utilities Commission;
- (8) Provides that the Public Utilities Commission Special Fund shall be used for costs incurred by the Department of Commerce and Consumer Affairs for administrative support services for the Commission;
- (9) Contains an effective date of July, 1, 2112, to encourage further discussion; and

(10) Makes technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2948, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2948, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

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

ANGUS L.K. McKELVEY, Chair

State of Hawaii House of Representatives The Twenty-seventh Legislature



Record of Votes of the Committee on Consumer Protection and Commerce

	e Referral:	Date	e: 3/17/	1/4
☐ 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)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	//			
2. KAWAKAMI, Derek S.K. (VC)				
3. BELATTI, Della Au				
4. BROWER, Tom				
5. CACHOLA, Romy M.				
6. CREAGAN, Richard		Tarka - Paulania Trae Compa	The state of the s	Sheeding State - week to state a specific
7. EVANS, Cindy 8. HAR, Sharon E.				
8. HAR, Sharon E. 9. ITO, Ken				THE RESERVE AND THE RESERVE AN
10. LEE, Chris				
11. NAKASHIMA, Mark M.				
12. OSHIRO, Marcus R.		A A CANALATA		
13. TSUJI, Clift				
14. YAMANE, Ryan I.	prik (), man 1, man (), man	Fig. Policy Relation of the contract of the co		
15. MCDERMOTT, Bob		27 T. Hus		TIMERUN
16. THIELEN, Cynthia				AND THE PROPERTY OF THE PROPER
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TOTAL (16)	12			4
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				