

LINDA LINGLE
GOVERNOR



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STATE OF HAWAII
DEPARTMENT OF ACCOUNTING
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TESTIMONY
OF
RUSS K. SAITO, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
SENATE COMMITTEE
ON
PUBLIC SAFETY
ON
February 26, 2008

RELATING TO CONFIRMATION TO THE WIRELESS ENHANCED 911 BOARD,
GUBERNATORIAL NOMINEE, JOEL K. MATSUNAGA

Chair Espero, and members of the Committee, thank you for the opportunity to testify before you on the confirmation to the Wireless Enhanced 911 Board (the Board), gubernatorial nominee, Joel K. Matsunaga. The Department of Accounting and General Services strongly recommends that Mr. Matsunaga be recommended for confirmation.

HRS Section 138-2 requires that the Board have a member from the current wireline provider of enhanced 911 service. Mr. Matsunaga is the Vice President of External Affairs for Hawaiian Telcom and fulfills the statutory requirement for representation. He is responsible for the company's overall regulatory and governmental affairs. Mr. Matsunaga is chair of the Board's Finance Committee and a contributing member of the Board during his first term.

Thank you for the opportunity to testify on this matter.

GM 416

**GUBERNATORIAL NOMINATION
TO WIRELESS ENHANCED 911 BOARD**

**TESTIMONY OF
JOEL K. MATSUNAGA**

TO SENATE PUBLIC SAFETY COMMITTEE

FEBRUARY 26, 2008

Chair Espero and Members of the Senate Public Safety Committee, thank you for allowing me this opportunity to present information on myself in support of my confirmation to the Wireless Enhanced 911 Board ("Board"). I believe I have the necessary background and qualifications to serve responsibly and effectively on the Board.

I am a lifelong resident of Hawaii having grown up in east Honolulu and currently living in windward Oahu. Following graduation from Kalani High School, I attended the University of Hawaii at Manoa and received a Bachelor of Business Administration degree, majoring in accounting, and subsequently a Masters in Business Administration. I am also a certified public accountant.

In addition to my educational background, I have extensive work experience in telecommunications and with emergency enhanced calling services which I hope to utilize to the benefit of the Board and the residents of Hawaii. I have over 29 years of experience working in the telecommunications industry. During that time, I have developed a good base of knowledge regarding the policies and operation of emergency calling services such as the wireline enhanced 911 ("E911") system. In

addition to familiarity with wireline E911, I also have an understanding of the policies and operation of wireless E911 services. I have served on the working group that developed the Legislative Reference Bureau report, Wireless Enhanced 911 Working Group: Report of Proceedings, that studied the implementation of wireless E911 service in Hawaii and resulted in the legislation that established this Board. I have also served an initial term on the Board since its establishment which has provided me valuable insight into the deployment needs for wireless E911.

I also have experience working with others on community-wide programs for the public through my service on the boards of a number of civic, business and community organizations such as the: Hawaii Council on Economic Education; Goodwill Industries of Hawaii; Chamber of Commerce of Hawaii; Enterprise Honolulu; Honolulu Japanese Chamber of Commerce; and UH Rainbow Baseball Boosters.

I respectfully request that this committee consider my nomination to the Wireless Enhanced 911 Board favorably. I look forward to the opportunity to continue to serve on the Board and helping to bring a valuable public safety service to all residents and visitors of Hawaii.

Thank you for allowing me this opportunity to testify.

February 22, 2008

The Honorable Will Espero, Chair
Senate Committee on Public Safety
State Capitol, Room 207
Honolulu, HI 96813

Re: Nomination to the Wireless Enhanced 911 Board

Dear Senator Espero:

In anticipation of the hearing scheduled on GM 416, scheduled for February 26th, and in response to your letter dated February 19, 2008, the following information is being offered in support of my nomination to the State of Hawaii Wireless Enhanced 911 Board.

(1) A resume with a list of references.

Please see the attached resume.

(2) A written statement that addressed the following questions:

(a) Why do you wish to be a member of the Wireless Enhanced 911 (E911) Board?

I am currently a member of the Board and as a result have observed the benefits that wireless enhanced 911 service can provide to the residents of Hawaii. By being a member of the Board, I hope to facilitate the full deployment of wireless E911 statewide so that all residents can benefit from the enhanced public safety that it provides.

(b) How do you perceive the role and responsibilities of a member of the Wireless Enhanced 911 Board?

The roles and responsibilities of the Wireless Enhanced 911 Board members are to administer the Wireless Enhanced 911 Fund to facilitate the deployment and operation of wireless E911 service in Hawaii. Included within those responsibilities would be: establishing policies and procedures for operation of the Board; guidelines for reimbursing wireless providers and public safety answering points from the fund; budgeting and planning to ensure an appropriate level of funding for deploying wireless E911, etc.

- (c) Given your understanding of the role and responsibilities of a member of the Wireless Enhanced 911 Board, why do you believe that you are qualified for the position? Please include a brief statement of your skills, expertise, or knowledge that would aid in your decision-making ability as a member of the Wireless Enhanced 911 Board.

I have 29 years in the telecommunications industry which provides me with a in-depth knowledge of the telecommunications industry in general and a strong working knowledge of E911 and other public safety services specifically. My years within the telecommunications industry provides me with expertise regarding several areas critical to wireless E911 such as: wireless service in general; wireline service; wireline E911 systems; both wireless and wireline E911 infrastructure; etc.

- (d) What do you hope to accomplish during your term of service?

As stated previously, as a returning member of the Board, I would like to ensure that the deployment of wireless E911 service continues until it is available statewide, is operating effectively and is understood and used by the public to enhance public safety.

- (e) Name three qualities that best describe you and that would make you stand out. How would these qualities benefit the Wireless Enhanced 911 Board?

The three qualities that I believe describe me best are: team player; dedicated; and resourceful. These qualities would benefit the Board as it is a group which must work together as a team in order to be effective. As a volunteer Board, members must be dedicated to the goal of providing an important public safety service to residents and being resourceful to address the types of challenges that typically arise when rolling something out for the first time in Hawaii.

- (f) Name one previous experience that would make you stand out. How would this benefit the Wireless Enhanced 911 Board?

During my 29 years of experience in the telecommunications industry, I was previously involved during the deployment of wireline E911 in Hawaii. That experience is very useful to the Board as the basic concepts and features of wireless E911 are very similar as wireline E911.

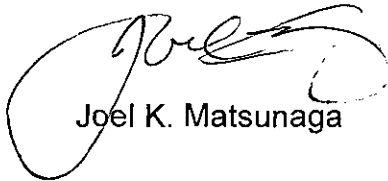
The Honorable Will Espero, Chair
February 22, 2008
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- (g) Can you foresee any possible conflicts of interests that could arise during your service on the Wireless Enhanced 911 Board? How would you overcome any possible conflicts of interest?

As a reappointment to the Board, I can say from first-hand experience that I have not had any conflicts of interest while on the Board. As an employee of the wireline telecommunications provider, Hawaiian Telcom, my company is not eligible for any reimbursements from the wireless E911 fund. Also any decisions to allow reimbursement for costs that Hawaiian Telcom may bill to the public safety answering points and/or wireless service providers, must be approved by the entire Board, of which I would represent a single vote. Strong rules of governance for the Board should adequately eliminate the risks of conflicts of interest.

Hopefully the information above provides the Senate Committee on Public Safety with the information necessary to approve my appointment to the Wireless Enhanced 911 Board. Should any additional information be required, please let me know.

Sincerely,



Joel K. Matsunaga

Joel K. Matsunaga
45-521 Mokulele Drive
Kaneohe, Hawaii 96744

I. EDUCATION

- 1983 University of Hawaii at Manoa, Honolulu, Hawaii -- Masters of Business Administration
- 1977 University of Hawaii at Manoa, Honolulu, Hawaii -- Bachelors of Business Administration

II. EMPLOYMENT HISTORY

- Present Hawaiian Telcom -- Vice President External Affairs
Responsible for all regulatory, governmental and community activity and relations in Hawaii at the federal, state and county level. Including: developing enterprise strategies, business plans and goals; shaping the regulatory and political climate to realize strategic and business plans; marketing plans, new product and business development; developing and directing advocacy programs; evaluating and analyzing business development opportunities; regulatory compliance; and creating strategic partnerships with unions, government and in the community.
- Examples of ongoing activities:* Reposition Hawaiian Telcom from a heavily regulated utility to a less regulated competitor; strategize new products and services development; create community and union partnerships; manage organizational and cultural change with change in ownership; and implement new systems and processes to streamline operations to reduce cost and improve efficiency.
- 1998 - 2000 GTE Hawaiian Telephone Company -- Director Regulatory
Lead all regulatory and governmental activities in support of business units including: regulatory compliance; building relationships with regulators and government officials; directing legislative programs; developing rate case and other regulatory proceedings' timing, strategies and implementation; and support revenue plans.
- Examples of activities:* Obtain all regulatory approvals for merger with Bell Atlantic; manage organizational and cultural change following merger; obtain key legislation that reduced company tax and operational costs; and move Company's International operations to "non-dominant" status to obtain regulatory flexibility.
- 1996 - 1998 GTE Hawaiian Telephone Company -- Manager Regulatory Planning and Management
Manage all regulatory programs and compliance including: monitoring reports and complaints; financial and economic analysis; advocacy activities; regulatory data base and systems management; and company-wide management of resources in regulatory proceedings.

Examples of activities: Lead national and state organization to obtain rate case results on budget and on time; institute organizational and morale improvements to improve Company performance; and lead \$30 million multi-functional project to improve image and service in rural areas served.

1995 - 1995 GTE Hawaiian Telephone Company – Network Construction Manager – Project Management

Direct and manage resources for all large complex network construction projects to achieve schedule, budget and service objectives.

Examples of activities: Overhauled project management team to utilize standardized software applications; establish uniform project teaming and templates; and modify group composition to improve efficiency and effectiveness. Modernize network to digital technology.

1979 - 1994 GTE Hawaiian Telephone Company – Various positions in Marketing, Revenues & Earnings, and Regulatory areas of increasing responsibility

- Capital recovery planning and programs
- Marketing support of product costing and pricing
- Revenue planning
- Financial and economic analysis
- Service cost studies and pricing
- Strategic planning

Examples of activities: Developed models for new service costing and pricing; modeled and evaluated business acquisitions and new service and product introductions; and improve capital recovery through adoption and regulatory approval of new depreciation methods.

1977 - 1978 Blackfield Hawaii Corporation – Accountant

General accounting duties for various condominium and shopping center properties managed by the Company including: accounts receivables; accounts payable; cash receipts and disbursements; and general ledger responsibilities.

III. PROFESSIONAL LICENSES

Certified public accountant

IV. COMMUNITY ACTIVITIES (current or past membership on following organizations' Board of Directors, including in positions of leadership)

- Chamber of Commerce of Hawaii
- Enterprise Honolulu
- Goodwill Industries of Hawaii
- Hawaii Council on Economic Education
- Honolulu Japanese Chamber of Commerce
- State of Hawaii Wireless Enhanced 911 Board (appointee of Governor)
- State of Hawaii Broadband Task Force (appointee of Governor)
- University of Hawaii Rainbow Baseball Grand Slam Club

V. MEMBERSHIPS

- Hawaii Telecommunications Association
- American Institute of Certified Public Accountants
- Hawaii Society of Certified Public Accountants
- Japan America Society of Hawaii
- Japanese Cultural Center of Hawaii

VI. REFERENCES

Russ Saito	Comptroller, State of Hawaiian Telcom
James Tollefson	President & CEO, Chamber of Commerce of Hawaiian Telcom
Keith Amemiya	Executive Director, Hawaii High School Athletic Association
Laura Robertson	CEO, Goodwill Industries of Hawaii