

Honolulu, Hawaii
April 4, 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 Finance, to which was referred S.B. No. 2948, S.D. 1, H.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 support the mission of the Public Utilities Commission (PUC), ensure the efficient operation of the PUC, and ensure that decisions relating to public utilities continue to be made in the public interest by, among other things:

- (1) Removing the PUC from its administrative placement in the Department of Budget and Finance and establishing it as a semi-autonomous agency that is administratively attached to the Department of Commerce and Consumer Affairs;
- (2) Amending the salaries of the PUC Chairperson and Commissioners to ensure that their salaries remain competitive with other states' public utilities commissions;
- (3) Clarifying that notwithstanding section 26-35, Hawaii Revised Statutes, the PUC has authority concerning standard administrative expenditures, including operational expenditures and the hiring of personnel;



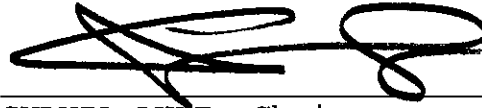
- (4) Changing the position title of the PUC's Chief Administrator to PUC Executive Officer;
- (5) Allowing the PUC Chairperson to appoint, employ, and dismiss a PUC Fiscal Officer and PUC Personnel Officer;
- (6) Establishing the position of Executive Director of the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs;
- (7) Providing that the Public Utilities Commission Special Fund shall be used for costs of the Department of Commerce and Consumer Affairs to provide administrative support services to the PUC; and
- (8) Appropriating funds for Fiscal Year 2014-2015 to enable:
 - (A) The transfer of the PUC from the Department of Budget and Finance to the Department of Commerce and Consumer Affairs; and
 - (B) The PUC Chairperson to appoint and employ an Executive Officer who shall be responsible for managing the operations of the PUC, and a PUC Fiscal Officer and PUC Personnel Officer to support the administrative activities of the PUC.

The Department of Commerce and Consumer Affairs; Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs; Department of Business, Economic Development, and Tourism; and Hawai'i Energy Policy Forum supported this measure. The Department of Budget and Finance, PUC, and Ulupono Initiative commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2948, S.D. 1, H.D. 1, and recommends that it pass Third Reading.



Respectfully submitted on
behalf of the members of the
Committee on Finance,

A handwritten signature in black ink, appearing to read 'Sylvia Lure', written over a horizontal line.

SYLVIA LURE, Chair



