

Honolulu, Hawaii

MAR 04 2016

RE: S.B. No. 2776
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2776, 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 address issues relating to service as a Commissioner on the Public Utilities Commission.

More specifically, this measure:

- (1) Authorizes the attendance of Commissioners of the Public Utilities Commission at hearings, other than contested case hearings, by teleconference or videoconference for:
 - (A) Commissioners that reside on an island other than Oahu to attend hearings held on Oahu; and
 - (B) Commissioners that reside on Oahu to attend hearings held on islands other than Oahu;
- (2) Clarifies public notice and quorum requirements with respect to public hearings held by teleconference or videoconference;



- (3) Provides for per diem compensation for Commissioners that reside on an island other than Oahu for the days on which actual service is rendered; and
- (4) Authorizes the use of a person's island of residence as a criterion when determining the person's qualification to serve as a Commissioner.

Your Committee received written comments in support of this measure from the Division of Consumer Advocacy within the Department of Commerce and Consumer Affairs and Hawaii Energy Policy Forum. The Public Utilities Commission submitted written comments on the measure.

Your Committee finds that each island has certain unique needs and interests relating to public utilities. Accordingly, it may benefit the Public Utilities Commission to have other islands be represented. Your Committee believes that allowing a person's island of residence to be used as a criterion in selecting Commissioners of the Public Utilities Commission can help provide such broad representation.

Your Committee also finds that some individuals who reside on neighbor islands may be discouraged from serving on the Public Utilities Commission because of the costs associated with inter-island travel. Allowing Commissioners to attend Public Utilities Commission hearings by teleconference or videoconference, and providing per diem compensation, can alleviate these financial concerns.

Should a standing committee in the House of Representatives decide to hear this measure, your Committee respectfully requests that the committee and the Public Utilities Commission consider certain issues regarding the measure. Specifically, your Committee requests the consideration of:

- (1) What constitutes "actual service" for a Commissioner to receive per diem compensation;
- (2) What distinguishes "actual service" by a Commissioner who does not reside on Oahu versus service performed by a Commissioner who resides on Oahu with respect to the right to receive per diem compensation; and



- (3) Whether a Commissioner who participates in Commission hearings on an island other than that on which the Commissioner resides should receive per diem compensation for "actual service" performed.

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. 2776, S.D. 1, and recommends that it pass Third Reading.

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

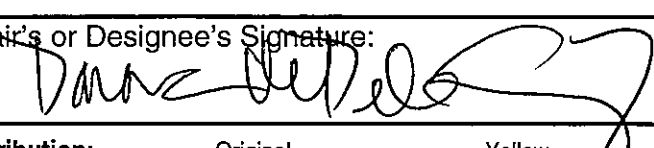


JILL N. TOKUDA, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 2776, SD 1	Committee Referral: CPH/SOL, WAM	Date: 2/25/16		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani				/
GALUTERIA, Brickwood				/
HARIMOTO, Breene	/			
INOUYE, Lorraine R.	/			
RIVIERE, Gil	/			
TANIGUCHI, Brian T.				/
WAKAI, Glenn				/
SLOM, Sam	/			
TOTAL	7			4
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes