

GM762

Measure Title: Submitting for consideration and confirmation to the State Board Of Public Accountancy, Gubernatorial Nominee, TERRENCE ARATANI, for a term to expire 06-30-2019.

Report Title: State Board Of Public Accountancy

Description:

Companion:

Package:

Current Referral: CPH

Introducer(s):



DAVID Y. IGE
GOVERNOR
SHAN S. TSUTSUI
LT. GOVERNOR

STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
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CATHERINE P. AWAKUNI COLÓN
DIRECTOR
JO ANN M. UCHIDA TAKEUCHI
DEPUTY DIRECTOR

**PRESENTATION OF THE
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

TO THE SENATE COMMITTEE ON
COMMERCE, CONSUMER PROTECTION, AND HEALTH

TWENTY-EIGHTH LEGISLATURE
Regular Session of 2016
Wednesday, April 13, 2016
9:30 a.m.

TESTIMONY ON **GOVERNOR'S MESSAGE NO. 762**, SUBMITTING FOR CONSIDERATION AND CONFIRMATION TO **THE STATE BOARD OF PUBLIC ACCOUNTANCY**, GUBERNATORIAL NOMINEE, **TERRENCE ARATANI**, FOR A TERM TO EXPIRE 6-30-2019.

TO THE HONORABLE ROSALYN H. BAKER, CHAIR,
AND MEMBERS OF THE COMMITTEE:

My name is Catherine Awakuni Colón, Director of the Department of Commerce and Consumer Affairs ("Department"). The Department appreciates the opportunity to provide testimony in support of Governor's Message No. 762, nominating Mr. Terrence Aratani for membership on the State Board of Public Accountancy ("Board") for a term to expire June 30, 2019.

Mr. Aratani is currently chief executive officer for Koolauloa Health Center, but gained a wealth of experience dealing with a broad spectrum of issues previously working at the State Capitol. He served as Office of the Senate President Chief of Staff in 2013

and 2014 and also worked for Senator Brian Taniguchi as a staff attorney, committee clerk and aide from 2001 to 2013.

In addition, Mr. Aratani serves on various boards. He has been with Honolulu Community Action Program since 2001, including time as board chairman. He also formerly served as vice president for Waikiki Health, and is currently board secretary to the Hawaii State Federal Credit Union. With his years of experience leading and serving on multiple community boards, Mr. Aratani is aware of and capable of handling the demands of board service.

Given Mr. Aratani's background in helping to address a myriad of issues and his continued service on other community boards, the Department believes that he is in a good position to positively contribute to the Board.

Thank you for the opportunity to submit these comments in support of Mr. Aratani's nomination to the State Board of Public Accountancy.



Chamber of Commerce HAWAII
The Voice of Business

**Testimony to the Senate Committee on Commerce, Consumer Protection, &
Health**

**Wednesday, April 13, 2016 at 9:30 A.M.
Conference Room 229, State Capitol**

**RE: GOVERNOR'S MESSAGE NO. 762 CONSIDERATION AND CONFIRMATION
TO THE STATE BOARD OF PUBLIC ACCOUNTANCY, GUBERNATORIAL
NOMINEE, TERENCE ARATANI**

Chair Baker, Vice Chair Kidani, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") is in **support** of Terrence Aratani's confirmation and appointment to the State Board of Public Accountancy.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

Currently residing as the CEO of Koolauloa Health Center, Mr. Terrence Aratani possesses over 25 years of government service experience at the Legislature and Hawaii Insurance Division. He served on the Waikiki health board of directors and currently sits on the board of directors for Honolulu Community Action Program, Liahona Youth Empowerment and the Hawaii State FCU. Mr. Aratani's record shows great expertise and knowledge and he will serve the State Board of Public Accountancy well.

We appreciate the opportunity to provide our support for this nomination of Mr. Terrence Aratani to the State Board of Public Accountancy.

TESTIMONY BY ROBERT N.E. PIPER
TO
THE SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION,
AND HEALTH
ON
GM 762: SUBMITTING FOR CONSIDERATION AND CONFIRMATION TO THE STATE
BOARD OF PUBLIC ACCOUNTANCY,
GUBERNATORIAL NOMINEE, TERRENCE ARATANI,
FOR A TERM TO EXPIRE 06-30-2019.

Conference Room 229, State Capitol
9:30 a.m.
April 13, 2016

Chairperson Baker, Vice-Chairperson Kidani and Members of the Senate Committee on Commerce, Consumer Protection, and Health:

Aloha mai kākou. My name is Robert N.E. Piper, Esq., MBA, Executive Director at the Honolulu Community Action Program, Inc. (“HCAP”), and I thank you for the opportunity and honor to submit this written testimony on behalf of Terrence H. Aratani, Esq., for consideration and confirmation to the State Board of Public Accountancy, as a Gubernatorial Nominee, for a term to expire 06-30-2019.

I have known Mr. Aratani for well over twenty (20) years in both a professional capacity as well as personally. In all of those years, Mr. Aratani has displayed high integrity, professional responsibility and competency, and a deep dedication to the community.

I have served with Mr. Aratani as a fellow board member of HCAP, and as well as in my capacity as Executive Director of HCAP. I’ve also worked closely with Mr. Aratani during his many years in the Legislature.

With over 25 years of government service at the Legislature and in the Hawaii Insurance Division, as well as his five years on the board of directors of Waikiki Health, Mr. Aratani is very capable of serving as a member on the Board of Public Accountancy. As an attorney for the insurance division, he was instrumental in establishing its health insurance section which since its inception has been protecting patients’ rights. He is a graduate of the University of Hawaii at Manoa (B.S.), Pepperdine University School of Law (J.D.) and Georgetown University Law Center (LL.M.). He currently sits on the board of directors for HCAP, Liahona Youth Empowerment and the Hawaii State FCU.

I wholeheartedly support Mr. Aratani’s confirmation to the Board. Thank you for the opportunity to testify.



HPCA

HAWAII PRIMARY CARE ASSOCIATION

Senate Committee on Commerce, Consumer Protection, and Health

The Hon. Rosalyn H. Baker, Chair

The Hon. Michelle N. Kidani, Vice Chair

Testimony in Support of GM762

Submitted by Robert Hirokawa, CEO

April 13, 2016, 9:30 am, Room 229

The Hawai'i Primary Care Association, which represents community health centers in Hawai'i, **strongly supports** the nomination of Terrence Aratani to the State Board of Public Accountancy.

Mr. Aratani has been a vital addition to the Hawaii health system since transition two years ago from the state legislature to the post of CEO at the Ko'olauloa Health Center. Since assuming said position, he has been a tireless advocate for both the patients and community of Kahuku, working to foster relationships and identify efficient, pragmatic solutions to concerns along the leeward coast.

Under the leadership of Mr. Aratani, the Ko'olauloa Health Center has not only been able to expand the first school based health clinic in the state, but has been able to make those services available to the community-at-large as well. With a service area encompassing an enormous swath of the windward coast and North Shore areas, he has ensured the health center remains an omnipresent provider of care in rural communities.

Prior to coming to assuming the CEO position at Ko'olauloa Health Center, Mr. Aratani obtained his degree at the University of Hawaii before earning his J.D. from Pepperdine and an LL.M. from Georgetown University. After that he returned to Oahu as a staff attorney in the Hawaii Insurance Division before transitioning to the state legislature where he held a variety of posts, culminating with Chief of Staff for the Senate President.

Combined, these experiences make Mr. Aratani a well-rounded candidate with a deep understanding of what the Board of Public Accountancy hopes to attain and the communities their decisions will impact. For these reasons, the HPCA strongly supports his nomination and thanks you for the opportunity to testify.

THE SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH
TWENTY-EIGHTH LEGISLATURE Regular Session of 2016
Wednesday, April 13, 2016 9:30 a.m.

TESTIMONY ON 762, Submitting for consideration and confirmation to the State Board of Public Accountancy, Gubernatorial Nominee, Terrence Aratani, for a term to expire 06-30-2019.

TO THE HONORABLE ROSALYN H. BAKER, CHAIR, AND MEMBERS OF THE COMMITTEE:

I have served with Terrence Aratani on the Audit Committee for Honolulu Community Action Program for a number of years. Terrence would be an excellent choice to serve on the Board of Accountancy . He has extensive experience in dealing with Certified Public Accountants and would provide great input on the issues that the Board faces.

His legal background would serve the Board well....

Thank you for the opportunity to testify.

Alan Kobayashi
Managing Partner
KKDLY CPAs LLC
Honolulu, Hawaii

N I W A O
— & —
R O B E R T S

Certified Public Accountants, A Professional Corporation

**Before the Senate Committee on Commerce,
Consumer Protection, and Health
Wednesday, April 13, 2016 at 9:30 a.m.
Conference Room 229**

**Re: GM762 – Strong Support of Terrence H. Aratani
to the Hawaii State Board of Public Accountancy**

To the Honorable Roselyn H. Baker, Chair, and Members of the Committee:

Our firm testifies in strong support of GM 762, and we respectfully urge you to confirm the appointment of Terrence H. Aratani to the Hawaii State Board of Public Accountancy.

I am a CPA, an attorney, and the president of Niwao & Roberts, CPAs, a P. C., a Maui CPA firm. Previously I served as State President of the Hawaii Association of Public Accountants. In that capacity, I had the opportunity to meet with Mr. Aratani many times to discuss legislative matters pertaining to the public accounting profession while he was serving as Committee Clerk for Senator Brian Taniguchi. In those meetings I found Mr. Aratani to be very knowledgeable, intelligent and analytical - all valuable skills for a public member serving on the Board of Public Accountancy.

Across the nation, the regulatory environment for CPAs is becoming increasingly complex. This changing landscape forces members of the Board of Public Accountancy to be knowledgeable about regulatory frameworks and their practical implementation. With years of legislative experience, an LL.M (Master of Laws) degree from Georgetown University Law Center, a J.D. law degree from Pepperdine University School of Law, and a B.S. Degree from the University of Hawaii at Manoa, Mr. Aratani possesses the education and experience to help the Board of Public Accountancy make informed decisions for the protection of the public.

Voluntary public service is the foundation of Hawaii's various boards and commissions, and Mr. Aratani has a strong track record of actively volunteering his time and expertise to the community. He currently sits on the board of directors for the Honolulu Community Action Program, Liahona Youth Empowerment and the Hawaii State Federal Credit Union. As a result, not only has he demonstrated the dedication and will to serve the public, he also brings the perspective of being a consumer of public accounting services.

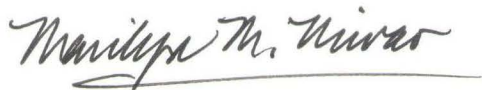
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Mr. Aratani would be an asset to any public board, and I firmly believe that the public would be well served if he is appointed to the Board of Public Accountancy. I strongly urge you to support GM762 and the confirmation of Terrence Aratani to the Hawaii Board of Public Accountancy.

Thank you for your consideration of this matter.

Respectfully submitted,

A handwritten signature in cursive script that reads "Marilyn M. Niwao". The signature is written in black ink and is positioned above a horizontal line.

Marilyn M. Niwao, M.S.P.H., J.D., CPA, CGMA
President

From: mailinglist@capitol.hawaii.gov
To: [CPH Testimony](#)
Cc: [Lon Paresa](#)
Subject: Submitted testimony for GM762 on Apr 13, 2016 09:30AM
Date: Friday, April 08, 2016 10:23:13 AM

GM762

Submitted on: 4/8/2016

Testimony for CPH on Apr 13, 2016 09:30AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Lon Paresa	Individual	Support	No

Comments: I support Terrance Aratani for GM762. Thank you.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

(1) Why do you want to be a member of the Board?

Regulatory boards are very important and establish policies to protect the public. I want to be a member of the Board so that I can bring my experience and knowledge to better the Board's service to the public. As a former government employee, I want to continue serving the public good.

(2) What do you perceive are the roles and responsibilities of a member of the Board?

I have been serving on several board of directors for nonprofit organizations. The primary duty of a board is to establish policies and provide direction to those responsible for implementing policies. The Board also serves as the body to determine if a professional has violated state laws or rules and determine the appropriate sanction or remedy. As a member of the board, I will always remember when making decisions that my decisions must always be in the best interests of the public.

(3) In what ways do you feel that you can help protect the consumer?

I worked several years at the Hawaii Insurance Division. My work made me realize that many consumers are at a disadvantage because they do not have sufficient information when dealing with those that provide products and services. As a former legislative aide, I have the ability to read laws and rules to ensure that the language is carrying out the intent of the law or rule. If I sit on the Board, I would be public member and as a consumer of accounting services, I can bring my experiences and those of others to analyze what is before the board before making a decision.

- (4) Given your understanding of the roles and responsibilities of a Board member, why do you believe that you are qualified for the position? Please include a brief statement of your skills, expertise and knowledge that would aid you as a member of the Board.**

I have been sitting on a board of directors where I have been the Audit Committee chair for several years. The primary role of the committee is to select and recommend to the board of directors for its audit. The committee works with the CPA. I had good and bad experiences with some of our auditors and will be able to use these experience with an objective view. As a former regulatory and legislative attorney, I bring my years of analytical legal work to assist the board. My current experience as a chief executive officer provides me with understating of financial matters including audits.

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

I plan to accomplish contributing to making decisions which are objective and in the best interests of the public.

- (6) Name three qualities that best describe you and how these qualities will benefit the Board.**

My three qualities are honesty, ability to listen, and ability to bring compromise. Being honest will benefit the board as I will disclose all information including potential conflicts of interest. Working at the Legislature, I learned to listen before making any recommendations as there are always to sides to a story. This will benefit the Board as I will not make a decision until I receive all information. The last quality, my ability to bring compromise was also developed at the Legislature as many times, the only solution may be to compromise. This quality will benefit the Board as the other members come from the profession and they may not be able to clearly see that a compromise may be needed.

- (7) Name a previous experience you've had that will be beneficial as a Board member.**

A previous experience is my participation on boards' Audit Committees where I participated in selecting an auditor which required an understanding of financial audits.

(8) Can you foresee any possible conflicts of interest that could arise during your service on the Board? How would you overcome conflicts of interest?

There may be potential conflicts of interests as a certified public accountant or firm that my company or nonprofit organization used may be before the Board on an issue. The best way to overcome this conflict is to disclose this conflict to the Board and let the Board decide if the conflict is of significance that I should recuse myself from any decision related to the conflict.