

GM 689

Measure Title: Submitting for consideration and confirmation to the State Board of Public Accountancy, Gubernatorial Nominee, DARRYL KOMO, for a term to expire 06-30-2021.

Report Title: State Board of Public Accountancy

Description:

Companion:

Package:

Current Referral: CPH

Introducer(s):



DAVID Y. IGE
GOVERNOR
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TO THE SENATE COMMITTEE ON
COMMERCE, CONSUMER PROTECTION, AND HEALTH

TWENTY-NINTH LEGISLATURE
Regular Session of 2017

Friday, April 7, 2017
9:00 a.m.

TESTIMONY ON GOVERNOR'S MESSAGE NO. 689.

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

My name is Lauren Kai, Executive Officer for the Board of Public Accountancy ("Board"), Department of Commerce and Consumer Affairs ("Department"). The Department appreciates the opportunity to testify on Governor's Message No. 689, regarding the **reappointment** of Darryl Komo to the Board. The Department supports the confirmation of Mr. Komo's reappointment to the Board.

Mr. Komo has served on the Board since September 4, 2013, and is being considered for reappointment as a Certified Public Accountant ("CPA") member. As statutorily required, he is one of seven members who hold current CPA licenses and current permits to practice public accountancy, and who are in active practice.

Licensed as a CPA in Hawaii since October 7, 1977, Mr. Komo is a principal with

the CPA firm of Robert H.Y. Leong & Company, CPAs Inc., and has over 30 years of professional experience with the firm. Mr. Komo's CPA license and individual permit to practice are current, active, and in good standing, as is his firm's permit to practice.

Mr. Komo is a reliable Board member and has attended 41 out of 42 meetings since his appointment. He is conscientious in his preparation for the meetings, and by sharing valuable insights and expertise that he has gained over his many years of professional experience in certified public accounting, Mr. Komo contributes to the depth and breadth of information that the Board finds invaluable when making its decisions.

The Board recognizes and acknowledges Mr. Komo's expertise and contributions to the profession and to the Board, and has appointed him to key committee positions throughout his first term of service. Mr. Komo currently serves as the Board's Vice-Chairperson. During his years of professional experience, Mr. Komo has served in various leadership positions for the Hawaii Association of Public Accountants and the Hawaii Society of Certified Public Accountants; as a member of the Public Accountancy Advisory Committee of the Regulated Industries Complaints Office; and as a member of the Public Advisory Committee at the University of Hawaii at Manoa, School of Accountancy. In all his endeavors, Mr. Komo has demonstrated his strong commitment to protecting the interests of the consumers of public accounting services, and raising and maintaining professional standards.

The Department strongly supports the confirmation of Mr. Komo to the Board of Public Accountancy, and thanks you for the opportunity to provide testimony.

JEFFREY E. J. LEE
1136 12TH AVENUE SUITE 240
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Re: Public Hearing on the Reappointment of Darryl T. Komo to the State Board of Accountancy

Monday, April 3, 2017

GM 689
Relating to Public Accountancy

Testimony of Jeffrey Lee:

The State Board of Public Accountancy serves an essential role in regulating the public accountancy profession, thereby protecting the public interest. It is critical that individuals of competence, experience, and integrity are selected to serve on this board.

I therefore urge support the reappointment of Darryl Komo to the State Board of Public Accountancy.

I have known Darryl for many years, and have served with him on various committees of the Hawaii Association of Public Accountants (HAPA) for approximately 20 years. During this time, I have always found him to be knowledgeable, fair, and conscientious. Over the years, he has devoted a significant amount of volunteer time to HAPA, helping to provide its members with quality educational and developmental programs.

I believe Darryl Komo has been, and would continue to be, a great asset to the State Board of Public Accountancy.

I thank you for this opportunity to testify.

Respectfully submitted,

Jeffrey E. J. Lee

GM689

Derryl Komo: Board of Public Accountancy

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

I have been serving on the Board for a few years. I would like to continue with assisting in the ongoing programs that the Board is currently working on. One of the major programs is the implementation of the mandatory peer review program.

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

I believe that the general role and responsibilities of a member of the Board as follows:

- Rulemaking authority (defining the scope of practice)
- Licensing authority, to grant and deny conditions of licensing
- Decision making authority on disciplinary actions

These responsibilities should be defined by those that are involved with the profession to ensure that these rules and decisions are fair to members of the profession and to the public. Our goal should be to maintain high ethical standards in servicing the public.

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

I have been in the practice of public accounting for over 30 years. As a practitioner I understand the concerns of my clients, which are the businesses and individuals of the state. Additionally we interact with various government agencies. The background provides me with the knowledge to keep the interest of the consumer in mind.

(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 a practice public accountant in Hawaii for over 30 year. I have served on the Board of Directors and been an officer of both the HSCPA and HAPA. As a member of these Boards I have been involved with coordinating Continue Professional Education (CPE) and have spoken to student groups the various Hawaii colleges about the public accounting profession. Therefore I am familiar with many of the issues currently affecting the public accounting profession in this state.

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

As mentioned in question 1, I hope to continue to contribute in the implementation of the mandatory peer review program. The Board anticipates that there will be many issue from practitioners.

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

Three qualities that describes me are:

- Willing to work hard
- Good Listener
- Fair

Members of the Board must be willing to devote time and energy to researching issue affecting the profession. I am willing to devote time and energy to these projects. Listening is an important skill, since members of the Board must be able to listen objectively to different positions of a dispute and make a decision based upon this information.

Each Board member must attempt to be fair and impartial in their decision.

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

I believe that my past experience on the Board as well as my experience as a practitioner and member of the professional accounting organizations is beneficial.

(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?

No, I do not see any possible conflicts of interest that may arise. If it does occur, I will recuse myself from discussion and voting on that issue. If need by I will resign from the Board if the conflict cannot be resolved.