

TESTIMONY OF RANDY IWASE  
CHAIR, PUBLIC UTILITIES COMMISSION  
STATE OF HAWAII  
TO THE  
SENATE COMMITTEE ON  
COMMERCE, CONSUMER PROTECTION, AND HEALTH

February 2, 2017  
9:00 a.m.

**MEASURE:** S.B. No. 240

**TITLE:** RELATING TO THE PUBLIC UTILITIES COMMISSION

Chair Baker and Members of the Committee:

**DESCRIPTION:**

This measure would require “individuals employed as or in the role of chief counsel and chief legal and regulatory advisor to the public utilities commission” to file annual disclosures of financial interests with the state ethics commission.

**POSITION:**

The Public Utilities Commission (“Commission”) opposes this measure and offers the following comments for the Committee’s consideration.

**COMMENTS:**

The Commission notes that the proposed requirement would make the Public Utilities Commission the only board or commission with a non-decision making staff member subject to such a financial disclosure requirement. There are concerns that imposing such a requirement could discourage qualified candidates from accepting an important position that is already difficult to fill. Because this measure does not provide a clear and strong policy reason to single out these two staff positions at the Commission, we respectfully request that this measure be deferred.

Thank you for the opportunity to testify on this measure.



# HAWAII STATE ETHICS COMMISSION

State of Hawaii • Bishop Square, 1001 Bishop Street, ASB Tower 970 • Honolulu, Hawaii 96813

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Committee: Committee on Commerce, Consumer Protection, and Health  
Bill Number: S.B. 240  
Hearing Date/Time: Thursday, February 2, 2017, 9:00 a.m.  
Re: Testimony of the Hawaii State Ethics Commission with  
**COMMENTS** on S.B. 240, Relating to the Public Utilities  
Commission

Dear Chair Baker and Committee Members:

The Hawaii State Ethics Commission (“Commission”) hereby submits **comments** on S.B. 240, which seeks to add the chief counsel and chief legal and regulatory advisor to the Public Utilities Commission (“PUC”) to the list of state officials required to file an annual financial disclosure.

As a general rule, the Commission supports efforts to increase transparency in government by requiring high-level government officials to submit financial disclosures. Should the Legislature add PUC officials to this list, the Commission is, of course, capable of overseeing those filings.

As currently drafted, this bill would require the designated PUC officials to file financial disclosures; however, those financial disclosures would not be available to the public. Only those officials designated in Hawaii Revised Statutes § 84-17(d) – a total of approximately 300 officials state-wide – have financial disclosure filings that are made available to the public.

Thank you for considering the Commission’s testimony on S.B. 240.

Very truly yours,

Daniel Gluck  
Executive Director and General Counsel



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COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH  
Senator Rosalyn H. Baker, Chair  
Senator Clarence K. Nishihara, Vice Chair

DATE: Thursday, February 2, 2017  
TIME: 9:00 a.m.  
PLACE: Conference Room 229

re: SB 240 Relating to the Public Utilities Commission

**COMMENTS**

Aloha Chair Baker, Vice Chair Nishihara, and Committee Members

Life of the Land is Hawai`i's own energy, environmental and community action group advocating for the people and `aina for 47 years. Our mission is to preserve and protect the life of the land through sound energy and land use policies and to promote open government through research, education, advocacy and, when necessary, litigation.

Key policies at the Public Utilities Commission are often discussed by the three Commissioners and senior staff members.

The Commissioners on the Public Utilities Commission must file annual financial disclosure statement with the Ethics Commission (HRS §84-17 (c)) and these are made available to the public (HRS §84-17 (d)). This serves two purposes. First, because we exist in a democracy and sunshine is the best disinfectant, and second, because the Commission severely lacks the resources to review most filings, while the public community has extensive eyes and ears and a sense of what`s what.

SB240 would require that key senior Public Utilities Commission staff members would have to file annual disclosure statements, but they would be kept confidential.

Life of the Land asserts that there should be consistency between major state regulatory agencies. Any required annual filings by the senior staff at any board or commission should be uniform across all major boards and commissions, as listed in (HRS §84-17 (d)(8)).

if this Committee deems that the financial disclosures should be filed, then they should be made public. Otherwise, the filing would merely saddle the Ethics Commission with more unread documents.

Mahalo,

Henry Curtis  
Executive Director

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, January 26, 2017 12:59 PM  
**To:** CPH Testimony  
**Cc:** mendezj@hawaii.edu  
**Subject:** \*Submitted testimony for SB240 on Feb 2, 2017 09:00AM\*

**SB240**

Submitted on: 1/26/2017

Testimony for CPH on Feb 2, 2017 09:00AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Javier Mendez-Alvarez	Individual	Support	No

Comments:

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.

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