

STAND. COM. REP. NO.

108

Honolulu, Hawaii

FEB 10 2017

RE: S.B. No. 240
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health, to which was referred S.B. No. 240 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 require the individuals employed as or in the role of the chief counsel and chief legal and regulatory advisor to the Public Utilities Commission to annually file a disclosure of financial interests with the State Ethics Commission.

Your Committee received testimony in support of this measure from one individual. Your Committee received testimony in opposition to this measure from the Public Utilities Commission. Your Committee received comments on this measure from the Hawaii State Ethics Commission and Life of the Land.

Your Committee finds that important matters and key policies at the Public Utilities Commission are often discussed amongst the Public Utilities Commissioners and senior staff members. This measure increases transparency by requiring a senior staff member of the Public Utilities Commission who has a significant impact on the decisions made by the Commissioners to file an annual financial disclosure.

Your Committee has heard the concerns expressed by the Public Utilities Commission that this measure would require a non-



decision making staff member to be subject to a financial disclosure requirement, a requirement that is not imposed on non-decision making staff of other state boards and commissions. Your Committee understands these concerns but notes that, due to the unique nature and operations of the Public Utilities Commission, the situation with senior staff of the Commission is not analogous to senior staff of other state boards and commissions. Your Committee notes that during discussions with the Public Utilities Commission at the public hearing on this measure, the Commission indicated that it would be amenable to requiring the Executive Officer of the Commission to file a financial disclosure statement.

Accordingly, your Committee has amended this measure by:

- (1) Specifying that the individual employed as or in the role of executive officer of the Public Utilities Commission is also required to annually file a disclosure of financial interests with the State Ethics Commission;
- (2) Deleting a reference to an individual employed as or in the role of chief legal and regulatory advisor to the Commission, as the chief counsel is the individual who serves the Commission in this capacity;
- (3) Specifying that the financial disclosures filed by the executive officer and chief counsel shall be made public; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 240, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 240, S.D. 1, and be referred to your Committee on Judiciary and Labor.



Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Health,

Rosalyn H Baker

ROSALYN H. BAKER, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce, Consumer Protection, and Health
CPH

Bill / Resolution No.:* SB 240	Committee Referral: CPH, JDL	Date: 2/2/17		
<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 type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
NISHIHARA, Clarence K. (VC)	/			
CHANG, Stanley	/			
ESPERO, Will	/			
IHARA, Jr., Les	/			
KIDANI, Michelle N.				/
RUDERMAN, Russell E.				/
TOTAL	5			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Clarence K Nishihara</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes