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Testimony of the Department of Commerce and Consumer Affairs

**Before the
Senate Committee on Ways and Means
Thursday, February 21, 2019
10:00 a.m.
State Capitol, Conference Room 211**

**On the following measure:
S.B. 1329, S.D. 1, RELATING TO THE SALARY OF THE
PUBLIC UTILITIES COMMISSIONERS**

WRITTEN TESTIMONY ONLY

Chair Dela Cruz and Members of the Committee:

My name is Catherine Awakuni Colón, and I am the Director of the Department of Commerce and Consumer Affairs (DCCA or Department). The Department supports this bill.

The purpose of S.D. 1 is to align the salary of: (1) the Public Utilities Commission (PUC or Commission) chair with the highest pay tier of the first deputy attorney general; and (2) the other PUC commissioners with the lowest pay tier of the first deputy attorney general.

The Commission protects the public interest by overseeing and regulating public utilities to ensure they provide reliable service at reasonable and fair rates. In particular, the PUC: regulates all registered public utility companies operating in the State; reviews and approves rates, tariffs, charges, and fees; determines the allowable rate of earnings

in establishing rates; issues guidelines concerning the general management of utility businesses; and acts upon requests for the acquisition, sale, disposition, or other exchange of utility properties. Given the Commission's complex scope of work, it is important that the State raise the salaries of the PUC chair and commissioners to attract and retain the most qualified candidates for these positions. In addition, this measure would help mitigate the significant travel expenses of candidates who are residents of neighbor islands and who must often travel to Honolulu to carry out their Commission duties. By raising the salaries of the PUC chair and commissioners, the State may be able to attract qualified candidates from neighbor islands and diversify the PUC's representation.

Thank you for the opportunity to testify on this bill.