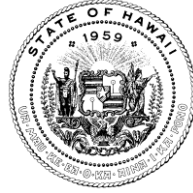


SB550

Measure Title:	RELATING TO THE PUBLIC UTILITIES COMMISSION.
Report Title:	Public Utilities Commission; Commissioners; Travel; Expenses
Description:	Allows public utilities commission members who are residents of a county other than the city and county of Honolulu to receive an allowance of \$225 per day for expenses related to board, lodging, and incidental expenses, in addition to actual air travel expenses, beginning on July 1, 2019.
Companion:	HB268
Package:	None
Current Referral:	CPH, WAM
Introducer(s):	BAKER, S. CHANG



DAVID Y. IGE
GOVERNOR

JOSH GREEN
LT. GOVERNOR

**STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

335 MERCHANT STREET, ROOM 310

P.O. BOX 541

HONOLULU, HAWAII 96809

Phone Number: 586-2850

Fax Number: 586-2856

cca.hawaii.gov

CATHERINE P. AWAKUNI COLÓN
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI
DEPUTY DIRECTOR

Testimony of the Department of Commerce and Consumer Affairs

**Before the
Senate Committee on Commerce, Consumer Protection, and Health
Monday, February 11, 2019
9:30 a.m.
State Capitol, Conference Room 229**

**On the following measure:
S.B. 550, RELATING TO THE PUBLIC UTILITIES COMMISSION**

Chair Baker and Members of the Committee:

My name is Dean Nishina, and I am the Executive Director of the Department of Commerce and Consumer Affairs' (Department) Division of Consumer Advocacy (Division). The Department supports this bill.

The purpose of this bill is to allow Public Utilities Commission (Commission) members who are residents of a county other than the city and county of Honolulu to receive an allowance of \$225 per day for expenses related to board, lodging, and incidental expenses, in addition to actual air travel expenses, beginning on July 1, 2019.

The Commission serves a critical role in providing regulatory oversight over various regulated utility and transportation industries, ensuring that consumers of the regulated services receive reliable services at affordable rates, and overseeing other important public interest matters. Given these responsibilities, it is important that the State attract the most qualified candidates to serve as a commissioner, regardless of which island they may reside. As noted in section 1 of the measure, commissioners

Testimony of DCCA

S.B. 550

Page 2 of 2

who reside on the neighbor islands do not receive additional compensation to offset the additional costs they may incur to serve as commissioners. Thus, the Department supports this measure, as it would increase the likelihood of having the most qualified candidates for the Commission, irrespective of where they live in Hawaii.

Thank you for the opportunity to testify on this bill.

TESTIMONY OF
JAMES P. GRIFFIN, Ph.D.
CHAIR, PUBLIC UTILITIES COMMISSION
STATE OF HAWAII

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

February 11, 2019
9:30 a.m.

Chair Baker and Members of the Committee:

MEASURE: S.B. No. 550

TITLE: RELATING TO THE PUBLIC UTILITIES COMMISSION.

DESCRIPTION: Allows public utilities commission members who are residents of a county other than the city and county of Honolulu to receive an allowance of \$225 per day for expenses related to board, lodging, and incidental expenses, in addition to actual air travel expenses, beginning on July 1, 2019.

POSITION:

The Public Utilities Commission is in **support** of this measure offers the following comments for consideration.

COMMENTS:

The Public Utilities Commission ("Commission") is in support of this measure to provide for travel and other expenses for members of the Commission who are residents of the neighbor islands.

Members of the Commission who are residents of the neighbor islands are not provided any reimbursement for travel expenses, such as airfare, board, lodging, and incidental expenses. For members who are not residents of the City and County of Honolulu, these expenses can be significant, as frequent travel to Oahu is necessary to serve on the Commission. Furthermore, members of the Commission serve full-time, and are prohibited by law from holding any other employment while serving on the Commission.

In addition to airfare, neighbor island Commissioners incur expenses related to lodging, utilities, and transportation on Oahu, which can exceed \$30,000 per year, or more than 25% of a Commissioner's annual salary.

This bill would permit members who are not residents of the City and County of Honolulu to receive an allowance sufficient to cover reasonable expenses related to travel. By permitting an allowance, the State can relieve neighbor island Commissioners from this burden and may be able to attract qualified candidates from neighbor islands and diversify Commission's representation in the future.

Thank you for the opportunity to testify on this measure.



**SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND
HEALTH**

February 11, 2019, 9:30 A.M.
(Testimony is pages long)

TESTIMONY IN SUPPORT OF SB 550

Aloha Chair Baker and Members of the Committee:

The Alliance for Solar Choice (TASC) supports SB 550, relating to the public utilities commission. This bill would authorize a stipend for neighbor island commissioners traveling between islands for work.

Finding qualified candidates to serve on the Public Utilities Commission — with the relevant experience, interest, and familiarity with all parts of Hawaii (including the neighbor islands) — is challenging. Requiring a neighbor island Commissioners to travel frequently to Oahu for work, but not compensating them for this travel, discourages qualified candidates from applying. This measure is an important step towards ensuring a balanced, diverse, and qualified panel of Commissioners.

We urge you to move this bill forward.

Mahalo for the opportunity to testify.

SB-550

Submitted on: 2/9/2019 7:54:47 PM

Testimony for CPH on 2/11/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dylan P. Armstrong	Individual	Support	No

Comments: