

JAN 26 2022

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# A BILL FOR AN ACT

RELATING TO THE PUBLIC UTILITIES COMMISSION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1       SECTION 1. The legislature finds that the public utilities  
2 commission has an important role in serving the public by  
3 overseeing and regulating utilities to ensure utilities are  
4 providing reliable service at fair and reasonable rates.  
5 Commissioners play a key role in regulating utilities and  
6 keeping Hawaii on track to reach its goals to completely  
7 transfer to clean, renewable energy by 2045. As nonrenewable  
8 resources are increasingly depleted, the commissioner's  
9 independent role in overseeing public utilities continues to  
10 expand. Many public utilities commissions in other states have  
11 higher wages for their public utilities commissioners, each of  
12 whom are assigned personal staff to assist with their work. To  
13 remain competitive with other public utilities commissions and  
14 ensure that high-caliber commissioners remain in Hawaii, the  
15 legislature finds that the State's public utilities  
16 commissioners should receive a salary increase and be assigned  
17 individual staff.



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1 The purpose of this Act is to:

2 (1) Align public utilities commissioners' salaries with  
3 the established pay tiers of deputy attorney general  
4 positions;

5 (2) Clarify the ability of the commissioners to appoint  
6 and employ officers, assistants, and other employees;  
7 and

8 (3) Require the executive officer of the public utilities  
9 commission to appoint staff for each commissioner.

10 SECTION 2. Section 269-2, Hawaii Revised Statutes, is  
11 amended as follows:

12 1. By amending subsection (b) to read:

13 "(b) Effective July 1, ~~[2005,]~~ 2022, the chairperson of  
14 the commission shall be paid a salary ~~[set at eighty seven per~~  
15 ~~cent of the salary of the director of human resources~~  
16 ~~development,]~~ equal to the highest pay tier of the first deputy  
17 attorney general of the department of the attorney general, and  
18 each of the other commissioners shall be paid a salary equal to  
19 ~~[ninety five per cent of the chairperson's salary.]~~ the lowest  
20 pay tier of the first deputy attorney general of the department  
21 of the attorney general. The commissioners shall be exempt from



1 chapters 76 and 89 but shall be members of the state  
2 [{}employees'{}] retirement system and shall be eligible to  
3 receive the benefits of any state or federal employee benefit  
4 program generally applicable to officers and employees of the  
5 State, including those under chapter 87A."

6 2. By amending subsections (d) through (g) to read:

7 "(d) Notwithstanding section 26-35(a)(1) to the contrary,  
8 the commission may communicate directly with the governor or the  
9 legislature [~~as determined by the chairperson~~]; provided that  
10 the department of commerce and consumer affairs may represent  
11 the commission in communications with the governor or the  
12 legislature upon request by the chairperson of the commission  
13 and agreement by the department of commerce and consumer  
14 affairs.

15 (e) Notwithstanding section 26-35(a)(5) to the contrary,  
16 the commission's operational expenditures, such as the purchase  
17 of supplies, equipment, furniture, dues and subscriptions,  
18 travel, consultant services, and staff training, shall be  
19 determined by the [~~chairperson~~] commission and may be delegated  
20 to the executive officer appointed and employed pursuant to



1 section 269-3; provided that such expenditures shall be subject  
2 to all applicable procurement laws and procedures.

3 (f) Notwithstanding section 26-35(a)(6) to the contrary,  
4 the utilization, allocation, renovation, or other use of space  
5 or spaces to be occupied by the commission shall be determined  
6 by the [~~chairperson~~] commission and may be delegated to the  
7 executive officer appointed and employed pursuant to section  
8 269-3.

9 (g) Determinations made under subsection (d), (e), or (f)  
10 by the [~~chairperson~~] commission or the executive officer as  
11 delegated by the [~~chairperson,~~] commission, may be reviewed by  
12 the director of commerce and consumer affairs for completeness  
13 and for compliance and conformance with applicable  
14 administrative processes and procedures of the department of  
15 commerce and consumer affairs."

16 SECTION 3. Section 269-3, Hawaii Revised Statutes, is  
17 amended to read as follows:

18 "**S269-3 Employment of professional staff; assistants.** (a)  
19 The [~~chairperson of the~~] public utilities commission may appoint  
20 and employ professional staff and other assistants for the  
21 public utilities commission as the [~~chairperson~~] commission



1 finds necessary for the performance of the commission's  
2 functions and may define their powers and duties.  
3 Notwithstanding section 26-35(a)(4) to the contrary and subject  
4 to applicable personnel laws, the employment, appointment,  
5 applicable salary schedules, promotion, transfer, demotion,  
6 discharge, and job descriptions of all officers and employees of  
7 or under the jurisdiction of the commission shall be determined  
8 by the [~~chairperson~~] commission and [~~may~~] shall be delegated to  
9 the executive officer appointed and employed pursuant to  
10 subsection (b); provided that determinations concerning  
11 personnel matters made by the [~~chairperson~~] commission or the  
12 executive officer, as delegated by the [~~chairperson~~],  
13 commission, may be reviewed by the director of commerce and  
14 consumer affairs for completeness and for compliance and  
15 conformance with applicable administrative processes and  
16 procedures of the department of commerce and consumer affairs.  
17 The executive officer shall ensure that each commissioner is  
18 provided sufficient access to staff resources as is necessary to  
19 fulfill the professional and decision-making responsibilities of  
20 the commission. The [~~chairperson~~] commission may appoint and,  
21 at pleasure, dismiss a chief administrator and attorneys as may



1 be necessary, and who shall be exempt from chapter 76. The  
2 ~~[chairperson]~~ commission may also appoint other staff, including  
3 a fiscal officer and a personnel officer, with or without regard  
4 to chapter 76.

5 (b) The ~~[chairperson of the]~~ commission shall appoint,  
6 employ, and dismiss, at pleasure, an executive officer who shall  
7 be responsible for managing the operations of the commission.  
8 The responsibilities of the executive officer shall include  
9 oversight of all divisions, offices, and branches of the  
10 commission; management and recruitment of personnel[7]; budget  
11 planning and implementation[7]; strategic planning and  
12 implementation[7]; procurement and contract administration[7];  
13 and implementation of administrative programs and projects. The  
14 executive officer shall be exempt from chapter 76.

15 (c) The executive officer shall appoint an administrative  
16 assistant, a research assistant, and legal counsel to assist  
17 each of the members of the commission. Staff appointed under  
18 this subsection shall report to the commissioner to whom they  
19 are assigned and, notwithstanding any law to the contrary, the  
20 executive officer shall not dismiss or re-assign any assigned



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1 staff member without prior written approval of the affected  
2 commissioner.

3       ~~[(e)]~~ (d) Notwithstanding section 91-13, the commission  
4 may consult with its officers, assistants, and employees  
5 appointed under authority of this section in any contested case  
6 or agency hearing concerning any issue of facts. Neither the  
7 commission nor any of its assistants shall in such proceeding  
8 consult with any other person or party except upon notice and an  
9 opportunity for all parties to participate, save to the extent  
10 required for the disposition of ex parte matters authorized by  
11 law."

12       SECTION 4. Statutory material to be repealed is bracketed  
13 and stricken. New statutory material is underscored.

14       SECTION 5. This Act shall take effect upon its approval.

15  
INTRODUCED BY: 



# S.B. NO. 3199

**Report Title:**

Public Utilities Commission; Commissioners; Executive Officer;  
Salaries; Employees

**Description:**

Aligns public utilities commissioners' salaries with the established pay tiers of deputy attorney general positions. Clarifies the ability of the commissioners to appoint and employ officers, assistants, and other employees. Requires the executive officer of the public utilities commission to appoint staff for each commissioner.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

