

Honolulu, Hawaii

MAR 02 2007

RE: S.B. No. 990
S.D. 2

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 990, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PETROLEUM INDUSTRY
MONITORING,"

begs leave to report as follows:

The purpose of this measure is to clarify and strengthen the Public Utilities Commission's authority under the Petroleum Industry Information and Reporting Act.

This measure further makes an appropriation into and out of the petroleum industry monitoring, analysis, and reporting special fund.

Your Committee received comments in support of this measure from the Public Utilities Commission.

Your Committee finds that the Public Utilities Commission has been granted extensive authority pursuant to chapters 486H and 486J, Hawaii Revised Statutes, to oversee the petroleum industry in order to provide true and effective transparency of the petroleum industry's pricing methods and practices. Chapter 486J, Hawaii Revised Statutes, in particular, requires the Public Utilities Commission to gather vast amounts of data on every aspect of the petroleum industry's distribution and marketing practices, to analyze the data collected, and make the information available to the public.



Your Committee strongly favors allowing the Public Utilities Commission to exercise this grant of authority to protect Hawaii's petroleum consumers. The Public Utilities Commission should have the discretion to decide what financial data and records should be divulged by all the players in the petroleum industry, thus allowing the Public Utilities Commission to require maximum disclosure by the petroleum industry of all the information needed, without diminishing the legislative intent contained in title 26, Hawaii Revised Statutes, as it relates to the petroleum industry.

With respect to chapter 486B, Hawaii Revised Statutes, which defines and prohibits unfair trade practices by the petroleum industry, your Committee notes that, while the Attorney General may bring suits in equity to enjoin or restrain any person from engaging in any violations of the chapter, there is no department or agency responsible for overseeing that law.

Upon further consideration, your Committee has amended this measure by:

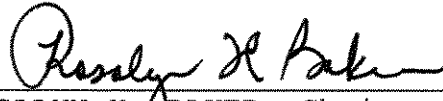
- (1) Adding a new section to chapter 486B, Hawaii Revised Statutes, requiring the Public Utilities Commission to refer to the Attorney General any violations of chapter 486B, Hawaii Revised Statutes, of which it becomes aware through the exercise of its duties, pursuant to chapters 486H and 486J, Hawaii Revised Statutes;
- (2) Amending section 486J-1, Hawaii Revised Statutes, by adding a new definition for "major fuel user" and amending the definitions of "distributor", "major marketer", "major oil producer", "major oil storer", and "major oil transporter";
- (3) Amending sections 486J-3 and 486J-4, Hawaii Revised Statutes, allowing the Public Utilities Commission to require and not simply request additional information pursuant to those sections; and
- (4) Making technical nonsubstantive changes for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B.



No. 990, S.D. 1, as amended herein, and recommends that it pass
Third Reading in the form attached hereto as S.B. No. 990, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,




ROSALYN H. BAKER, Chair



The Senate
Twenty-Fourth Legislature
State of Hawaii

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SB 990 CDI</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">CPH, WAM</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">2/28/07</div>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
FUKUNAGA, Carol	/			
HOOSER, Gary L.	/			
KIM, Donna Mercado	/			
MENOR, Ron	/			
TOKUDA, Jill N.	/			
HEMMINGS, Fred	/			
WHALEN, Paul				/
TOTAL	10	0	0	1
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: <div style="font-size: 1.5em; font-family: cursive; margin-top: 10px;">  </div>				
<div style="display: flex; justify-content: space-between; font-size: 0.8em;"> <div>Distribution: Original File with Committee Report</div> <div>Yellow Clerk's Office</div> <div>Pink Drafting Agency</div> </div>				

*Only one measure per Record of Votes