STAND. COM. REP. NO.

Honolulu, Hawaii FEB - 9 2010

RE: S.B. No. 2809

S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 2809 entitled:

"A BILL FOR AN ACT RELATING TO UTILITIES REGULATION,"

begs leave to report as follows:

The purpose of this measure is to ensure adequate funding for the Public Utilities Commission and the Division of Consumer Advocacy, including funding to fully implement the reorganization of both agencies mandated by Act 177 and Act 183, Session Laws of Hawaii 2007.

Your Committee received testimony in support of this measure from Hawaii Transportation Association, Blue Planet Foundation, Hawaiian Electric Company, Inc., Hawaii Energy Policy Forum, and the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that this measure will ensure that the Public Utilities Commission and the Division of Consumer Advocacy have sufficient funding to allow those agencies to perform their statutory duties and to fully enact the reorganization plans required by Acts 177 and 183, Session Laws of Hawaii 2007. Your Committee finds that the Public Utilities Commission and the Division of Consumer Advocacy serve an essential function by regulating the electrical, natural gas, telecommunications, water, wastewater, and transportation industries. In addition, the recent implementation of the State's clean energy initiative has

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increased the workload of both agencies while, at the same time, funding and staff positions have been reduced. Your Committee notes that all moneys appropriated by this measure are appropriated from the Public Utilities Commission Special Fund, which is funded by fees paid by regulated industries to offset the costs of their own regulation.

Your Committee has amended this measure by making nonsubstantive, technical changes for the purposes of clarity and consistency in its language.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2809, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2809, S.D. 1, and be referred to the Committee on Ways and Means.

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

ROSALYN H. EXKER, Chair

The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Commerce and Consumer Protection CPN

Bill / Resolution No.:*	Committee Referral:			Date:	
SB 2809	CPN, WAM 2/2/10			/10	
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)					
IGE, David Y. (VC)		2.2			
ESPERO, Will			1		
GREEN, M.D., Josh					
IHARA, Jr., Les					
SAKAMOTO, Norman					
HEMMINGS, Fred					
K C					
TOTAL	X 25	5			2
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes