STAND. COM. REP. NO. 1508

Honolulu, Hawaii April 8, 2011

RE: S.B. No. 99 S.D. 2 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 99, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE PUBLIC UTILITIES COMMISSION,"

begs leave to report as follows:

The purpose of this bill is to ensure that the Public Utilities Commission (PUC) represents the interests of the entire State by improving the PUC's structure and operations. Among other things, this bill:

- Expands PUC from three to five members and requires PUC to elect its chairperson from one of its members;
- (2) Establishes specific requirements relating to the professional expertise and geographic representation of PUC members;
- (3) Requires PUC to establish two panels, each with different subject matter jurisdiction, and stipulates that an action by a panel shall constitute an action of PUC;
- (4) Requires PUC to employ an executive officer, in lieu of the chief administrator, with the authority to appoint,

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employ, and define the duties of PUC personnel, subject to the supervision of PUC;

- (5) Establishes specific notice requirements pertaining to applications for certificates of public convenience and necessity for water carriers (certificates);
- (6) Prohibits PUC from making a finding of public convenience and necessity or authorize the operation of a water carrier unless certain specific findings supported by evidence are placed on record; and
- (7) Prohibits PUC from issuing any temporary or interim certificate that does not conform to the Hawaii Water Carrier Act except in response to an emergency.

The Chamber of Commerce of Hawaii, Hawaii Farm Bureau Federation, Kona-Kohala Chamber of Commerce, Hawaii Food Industry Association, Maui County Farm Bureau, and Young Brothers, Limited, supported this bill. A concerned individual opposed this measure. PUC, the Consumer Advocate, and Blue Planet Foundation submitted comments.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 99, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 99, S.D. 2, H.D. 1.

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Respectfully submitted on behalf of the members of the Committee on Finance,

MARCUS R. OSHIRO, Chair





Record of Votes of the Committee on Finance

Bill/Resolution No.: SB99, SD2	Committee Referral: CPC_1FIN	Date	4/1/	
□ The committee is reconsidering its previo	•		-1/0/1	/
	namended (as is) Pas	ss, with amendments (mmit for future public		
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. OSHIRO, Marcus R. (C)				
2. LEE, Marilyn B. (VC)	V		and the second	
3. CHONG, Pono	V			
4. CHOY, Isaac W.				
5. CULLEN, Ty				
6. HAR, Sharon E.	~			
7. HASHEM, Mark J.				
8. ICHIYAMA, Linda				
9. JORDAN, Jo	V			
10. KAWAKAMI, Derek S.K.				
11. LEE, Chris				
12. MORIKAWA, Dee				
13. TOKIOKA, James Kunane				
14. YAMASHITA, Kyle T.			· · · · · · · · · · · · · · · · · · ·	
15. MARUMOTO, Barbara C.	· · · · · · · · · · · · · · · · · · ·			- · · · · ·
16. RIVIERE, Gil	V			
17. WARD, Gene		· · · · · · · · · · · · · · · · · · ·		
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TOTAL (17)	16	/	0	0
The recommendation is: Adopted If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:	Man	103. ã	Lee	
Distribution: Original (White) – Committee	ee Duplicate (Yellow) -	Chief Clerk's Office	Duplicate (P	ink) – HMSO