STAND. COM. REP. NO. 374

Honolulu, Hawaii

FEB 1 4 2019

RE: S.B. No. 550

S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health, to which was referred S.B. No. 550 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to allow 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.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Public Utilities Commission, The Alliance for Solar Choice, and one individual.

Your Committee finds that the Public Utilities Commission serves a critical role in providing regulatory oversight for 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 Commissioners, regardless of the island on which they reside.

Your Committee further finds that neighbor island commissioners are not currently provided any reimbursement for their travel expenses, such as airfare, board, lodging, and incidental expenses. In addition to airfare, neighbor island commissioners incur expenses related to lodging, utilities, and transportation to Oahu, which can exceed \$30,000 per year, or more than twenty-five percent of a Commissioner's annual salary. Your Committee notes that there are other similarly situated boards and commissions that are allowed reimbursement for these expenses. Therefore, your Committee finds that it is appropriate for neighbor island commissioners to receive similar reimbursement as necessary to offset the additional costs they incur in furtherance of their duties.

Your Committee has amended this measure by clarifying that a neighbor island commissioner may be reimbursed for actual air travel expenses incurred in carrying out the commissioner's duties.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 550, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 550, S.D. 1, and be referred to your Committee on Ways and Means.

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

ROSALYN H. BAKER, Chair

The Senate Thirtieth Legislature State of Hawai'i

Record of Votes Committee on Commerce, Consumer Protection, and Health CPH

Bill / Resolution No.:*	Committee Referral:			Date:	
SB 550	CPH, WAM			2/11/19	
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)					
CHANG, Stanley (VC)		V			
KEOHOKALOLE, Jarrett		V			
NISHIHARA, Clarence K.		V			
RUDERMAN, Russell E.		V			- iju,
THIELEN, Laura H.		V			
FEVELLA, Kurt					V
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TOTAL		6			1
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
555					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes