



DAVID Y. IGE
GOVERNOR

JOSH GREEN
LT. GOVERNOR

**STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

335 MERCHANT STREET, ROOM 310
P.O. BOX 541
HONOLULU, HAWAII 96809
Phone Number: 586-2850
Fax Number: 586-2856
cca.hawaii.gov

CATHERINE P. AWAKUNI COLÓN
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI
DEPUTY DIRECTOR

Testimony of the Department of Commerce and Consumer Affairs

**Before the
House Committee on Finance
Monday, February 25, 2019
2:30 p.m.
State Capitol, Conference Room 308**

**On the following measure:
H.B. 1360, H.D. 1, RELATING TO FISCAL BIENNIUM 2019-2021 BUDGET
REQUESTS FOR THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

Chair Luke and Members of the Committee:

My name is Catherine Awakuni Colón, and I am the Director of the Department of Commerce and Consumer Affairs (DCCA or Department). The Department supports this bill.

The purpose of this bill is to establish additional amounts to be appropriated or authorized and additional positions for the fiscal biennium 2019-2021 operating budget of DCCA program IDs CCA-103 (Division of Consumer Advocacy), CCA-107 (Hawaii Post-Secondary Education Authorization Program), CCA-110 (Office of Consumer Protection), CCA-111 (Business Registration Division), CCA-112 (Regulated Industries Complaints Office), and CCA-191 (General Support).¹ H.D. 1 amends appropriations for the PUC to \$1,924,938 for fiscal year (FY) 2020 and \$3,805,538 for FY 2021, to add

¹ With respect to CCA-901, the Public Utilities Commission (PUC), as an independent attached agency, will present testimony separately regarding its budget requests.

funding: (1) to replace some of the PUC's aging information technology equipment; and (2) for the PUC to expend for five new positions within the Division of Consumer Advocacy (DCA).

The DCA is requesting an appropriation out of the PUC Special Fund of \$292,000 for FY 2019-2020 and \$584,000 for FY 2020-2021 to fund five permanent positions in its division: one full-time equivalent (1.0 FTE) attorney; one full-time equivalent (1.0 FTE) administrative specialist; and three full-time equivalent (3.0 FTE) program specialists. These additional positions would increase the total number of DCA positions to 28 and help meet the division's increasing workload, both in terms of volume and complexity, and its cases before the PUC. The DCA requests authorization to expend \$4,520,537 in FY 2020 and \$4,812,537 in FY 2021.

The DCA's reserves and anticipated revenues should be sufficient to cover its base budget and requested additional positions, without affecting the Public Utilities Fee.

Thank you for the opportunity to testify on this bill.

TESTIMONY OF
JAMES P. GRIFFIN, Ph.D.
CHAIR, PUBLIC UTILITIES COMMISSION
STATE OF HAWAII

LATE

TO THE
HOUSE COMMITTEE ON
FINANCE

February 25, 2019
2:30 p.m.

Chair Luke and Members of the Committee:

MEASURE: H.B. No. 1360 HD1

TITLE: RELATING TO FISCAL BIENNIUM 2019-2021 BUDGET REQUESTS
FOR THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS.

DESCRIPTION: Appropriates funds for the fiscal biennium 2019-2021 operating budget of Department of Commerce and Consumer Affairs programs under the purview of the House of Representatives Standing Committee on Consumer Protection and Commerce. (HB1360 HD1)

POSITION:

The Public Utilities Commission is in **support** of this measure offers the following comments for consideration.

COMMENTS:

The purpose of this bill is to establish additional amounts to be appropriated or authorized and additional positions for the fiscal biennium 2019 - 2021 operating budget of DCCA program IDs CCA-103 (Division of Consumer Advocacy), CCA-107 (Hawaii Post-Secondary Education Authorization Program), CCA-110 (Office of Consumer Protection), CCA-111 (Business Registration Division), CCA-112 (Regulated Industries Complaints Office), CCA-191 (General Support), and CCA-901 (Public Utilities Commission).

As an agency administratively attached to the Department of Commerce and Consumer Affairs, the Public Utilities Commission (“Commission”) is in support of this measure.

H.D. 1 amends appropriations for the PUC to \$1,924,938 for fiscal year (FY) 2020 and \$3,805,538 for FY 2021, to add funding: (1) to replace the Commission's Document Management System ("DMS"), (2) to convert two temporary enforcement positions (effective July 1, 2018 for one year by Act 201 SLH 2018) to permanent positions, (3) to replace aging information technology equipment, (4) to fund the fringe assessment pursuant to Finance Memorandum No. 18-16, and (5) to expend funds for five new positions within the Division of Consumer Advocacy.

Thank you for the opportunity to testify on this measure.