

STAND. COM. REP. NO.

1502

Honolulu, Hawaii

March 23, 2007

RE: S.B. No. 188
S.D. 2
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Economic Development & Business Concerns,
to which was referred S.B. No. 188, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE SMALL BUSINESS REGULATORY
FLEXIBILITY ACT,"

begs leave to report as follows:

The purpose of this bill is to improve the procedures by
which rules that impact small businesses are reviewed under the
Small Business Regulatory Flexibility Act by requiring:

- (1) Agencies to submit the small business impact statement when proposed rules are essentially complete and before they are submitted to the Governor for approval for public hearing;
- (2) The Small Business Regulatory Review Board (Board) to review not only rules requested by small businesses, but any new or proposed rule;
- (3) The Ombudsman to be forwarded a copy of small business petitions for review of rules and of all rules affecting small business adopted in the previous five years; and
- (4) The Board to conduct a review every five years, of new rules adopted in the past five years that affect small businesses.

SB188 HD1 HSCR EDB HMS 2007-3364



The Department of Business, Economic Development, and Tourism Small Business Regulatory Review Board, and Hawaii Business League supported this bill. The Office of the Ombudsman provided comments.

Your Committee has amended this bill by:

- (1) Eliminating references to the Ombudsman;
- (2) Requiring the Board to inform small businesses whose complaints have not been upheld, that the business may submit a complaint to the Ombudsman;
- (3) Reinstating the biennial schedule for review of rules affecting small businesses; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 188, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 188, S.D. 2, H.D. 1, and be referred to the Committees on Consumer Protection & Commerce and Judiciary.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Business
Concerns,



KYLE T. YAMASHITA, Chair



