

STAND. COM. REP. NO.

211

Honolulu, Hawaii

Feb 11, 2011

RE: H.B. No. 980

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 Economic Revitalization & Business, to which was referred H.B. No. 980 entitled:

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

begs leave to report as follows:

The purpose of this bill is to ensure that administrative rules are reviewed and updated to remain current by:

- (1) Requiring the Small Business Regulatory Review Board (Board) to work with state agencies to identify rules that need to be amended or repealed to conform to the repeal or amendment of underlying statutes, and to ensure that statutory references in rules are current; and
- (2) Directing the Governor to work with the Board and other state agencies to develop internal processes to expedite rulemaking actions that consist solely of amendments to, and repeal of, rules to conform to the amendment or repeal of statutes.

The Department of Business, Economic Development, and Tourism and Ocean Tourism Coalition supported this bill. Two concerned individuals submitted comments.

HB980 HD1 HSCR ERB HMS 2011-2049



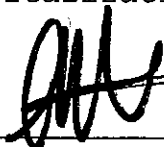
Your Committee respectfully requests your Committee on Finance to consider resources that may be available to assist the Board in addressing the issue of the impact that statutory changes has on rules.

Upon further consideration and in light of issues raised during the public hearing, your Committee has amended this measure by:

- (1) Deleting the provision requiring the Board to work with state agencies to identify rules and, instead, requiring each state agency having rules affecting small business to submit an annual report to the Board containing certain information relating to statutory changes that impact the rules affecting small business;
- (2) Requiring the Governor to direct each state agency to work with the Board to develop internal processes to expedite rulemaking actions for rules that affect small business and require amendment or adoption, due to a change in the applicable law;
- (3) Changing its effective date to July 1, 2112, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Revitalization & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 980, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 980, H.D. 1, and be referred to the Committee on Judiciary.

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



ANGUS L.K. MCKELVEY, Chair



