STAND. COM. REP. NO. **986**

Honolulu, Hawaii

March 18, 2011

RE: S.B. No. 1498
        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 Economic Revitalization & Business, to which was referred S.B. No. 1498, S.D. 2, 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 enhance the operations of the Small Business Regulatory Review Board (Board) by:

(1)   Transferring the Board from the Department of Business, Economic Development, and Tourism (DBEDT) to the Department of Commerce and Consumer Affairs (DCCA), and authorizing the expenses of the Board to be funded from the Compliance Resolution Fund; and

(2)   Requiring each agency that must amend or repeal rules pursuant to statutory changes to submit a list of these rules to the Board on an annual basis.

A concerned individual supported this bill. DBEDT supported the intent of this measure. The Department of Human Resources Development, DCCA, and Hawaii Farm Bureau Federation submitted comments.
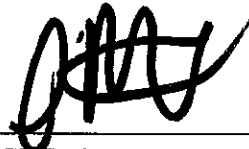
Your Committee has amended this measure by deleting its contents and inserting the substance of House Bill No. 981, H.D. 1, Regular Session of 2011 (H.B. No. 981), which ensures that administrative rules relating to small business are reviewed and updated to remain current with related statutory provisions by requiring:

(1)   Each state agency with rules affecting small businesses to submit an annual report to the Board regarding the statutory changes that impact these rules, and the status of each amended or new rule for which adoption is pending; and

(2)   The Governor to direct state agencies to work with the Board to develop internal processes to expedite rulemaking actions for rules relating to small business that require amendment or adoption, due to a change in applicable law.

Your Committee has incorporated the effective date of H.B. No. 981, July 1, 2112, into this measure. In addition, your Committee has amended this measure by requiring each state agency on an annual basis to notify and provide an explanation to the Board regarding any rules affecting small business that have not been promulgated to reflect changes in applicable law.

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 S.B. No. 1498, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1498, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

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

ANGUS L.K. McKELVEY, Chair

SB1498 HD1 HSCR ERB HMS 2011-3047

State of Hawaii
House of Representatives
The Twenty-sixth Legislature

HSCR 986

Record of Votes of the Committee on Economic Revitalization& Business

Bill/Resolution No.: SB 1498, SD2 (SSCR 528)	Committee Referral: ERB, CPC, FIN	Date: 3/15/11

☐ The committee is reconsidering its previous decision on the measure.

The recommendation is to: ☐ Pass, unamended (as is) ☒ Pass, with amendments (HD) ☐ Hold
☐ Pass short form bill with HD to recommit for future public hearing (recommit)

ERB Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	✓			
2. CHOY, Isaac W. (VC)	✓			
3. AWANA, Karen L.	✓			
4. BROWER, Tom				✓
5. EVANS, Cindy	✓			
6. HASHEM, Mark J.	✓			
7. NISHIMOTO, Scott Y.	✓			
8. TOKIOKA, James Kunane	✓			
9. TSUJI, Clift	✓			
10. MARUMOTO, Barbara C.	✓			
11. PINE, Kymberly Marcos				✓
TOTAL (11)	9	0	0	2

The recommendation is: ☒ Adopted ☐ Not Adopted

If joint referral, _____ did not support recommendation.
committee acronym(s)

Vice Chair's or designee's signature: _____ Dau McElroy _____

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