

Honolulu, Hawaii

FEB 18 2011

RE: S.B. No. 1498  
S.D. 1

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Economic Development and Technology, to which was referred S.B. No. 1498 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to require the Small Business Regulatory Review Board to:

- (1) Identify rules that shall be amended or repealed to conform to related statutes as those statutes are amended or repealed; and
- (2) Work with state agencies to develop a procedure for expediting the amendment or repeal of rules when the changes are required only to comply with the repeal or amendment of statutes.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism. Your Committee received comments on this measure from one individual.

Your Committee finds that due to limited resources, the Small Business Regulatory Review Board may be unable to meet the requirements of this measure, and that the intent of this measure may be achieved by requiring agencies to report annually to the



Board when rules require amendment or repeal to reflect statutory amendments or repeals.

Your Committee has also discussed with the Department of Business, Economic Development, and Tourism a proposal before the Legislature during the 2010 Regular Session to transfer the Board to the Department of Commerce and Consumer Affairs. It has been reported to your Committee that the two departments are in general agreement regarding the proposed transfer and are currently in discussions as to the logistics of the transfer.

Your Committee has amended this measure accordingly, by deleting its contents and inserting language to:

- (1) Transfer the Small Business Regulatory Review Board, with its statutory duties and powers, from the Department of Business, Economic Development, and Tourism to the Department of Commerce and Consumer Affairs, and authorize the expenses of the Board to be funded from the Compliance Resolution Fund; and
- (2) Require each agency to notify the Small Business Regulatory Review Board on an annual basis of any rules to be amended or repealed to reflect statutory amendments or repeals.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1498, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1498, S.D. 1, and be referred to the Committees on Commerce and Consumer Protection and Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Economic  
Development and Technology,



CAROL FUKUNAGA, Chair



