

SB 2487

Measure Title: RELATING TO THE SMALL BUSINESS REGULATORY FLEXIBILITY ACT.

Report Title: Small Business Regulatory Flexibility Act; Small Business Regulatory Review Board

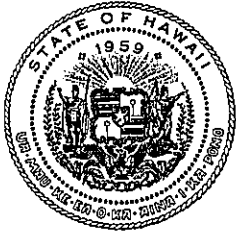
Description: Repeals chapter 201M, Hawaii Revised Statutes, the Small Business Regulatory Flexibility Act.

Companion:

Package: None

Current Referral: CPN

Introducer(s): BAKER, DELA CRUZ, SOLOMON, Chun Oakland, English, Galuteria, Kidani, Nishihara, Wakai



SMALL BUSINESS REGULATORY REVIEW BOARD

Department of Business, Economic Development & Tourism
No. 1 Capitol District Bldg., 250 South Hotel St. 5th Fl., Honolulu, Hawaii 96813
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MEMORANDUM

Neil Abercrombie
Governor

Richard C. Lim
Director, DBEDT

Mary Alice Evans
Deputy Director, DBEDT

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Vice Chair
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Richard C. Lim
Director, DBEDT
Voting Ex Officio

TO: Chair Rosalyn Baker, Vice Chair Taniguchi and Members of the Senate Committee on Commerce and Consumer Protection

FROM: Chu Lan Shubert-Kwock, Chair
Small Business Regulatory Review Board (SBRRB)

DATE: February 19, 2014

SUBJECT: **AMENDED** - Senate Bill 2487 Relating to the Small Business Regulatory Flexibility Act

The members of the Small Business Regulatory Review Board are **strongly opposed** to S.B. 2487 that would repeal chapter 201M, Hawaii Revised Statutes, the Small Business Regulatory Flexibility Act.

Act 168, codified as chapter 201M, Hawaii Revised Statutes established the small business regulatory flexibility act in 1998 which provided for a petition process to an agency for regulatory review, periodic administration review of rules which impacts small business, and the establishment of the independent regulatory review board.

This independent small business regulatory review board, better known as SBRRB, consists of eight pro-bono appointees from across the state each with different business backgrounds, and one designated DBEDT ex officio member, to provide a healthy, homegrown mixed plate representation of the 117,000+ small business entities throughout the state providing over 475,000 jobs.

We are frustrated and perplexed as to the introduction of S.B 2487 and the reasons cited in this bill stating "the legislature also finds that the small business regulatory review board has been going beyond the scope of its powers, as described under chapter 201M Hawaii Revised Statutes and is hindering the same administrative process it was originally intended to help. The legislature further finds that the small business regulatory flexibility act and small business regulatory review board have not functioned as envisioned."

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February 19, 2014
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Since the SBRRB inception, we have reviewed and rendered our advice on over 600 proposed rules and amendments to existing rules and regulations submitted by state and county agencies. We have conducted our reviews of rules, regulations and petitions submitted to the board per the guidelines set forth in Chapter 91, HRS, Chapter 201M, HRS.

As appointed pro bono board members on the SBRRB, we firmly believe we are performing our role as representatives of small businesses: providing input, recommendations, engaging with agencies and small businesses on rules and regulations that may have a negative, detrimental impact that impedes the growth and success of the small businesses within our state. The SBRRB of volunteers provide a valuable, needed service to enhance, promote and defend the continued growth of small businesses to perpetuate a positive, healthy economy and lifestyle for the benefit of our present and future generations here in Hawaii.

On behalf of the member of the Small Business Regulatory Review Board, we thank you for the opportunity to provide testimony in opposition to S.B. 2487 and ask that this bill be held in abeyance.

Thank you.

Respectfully submitted,

Chu Lan Shubert-Kwock, Chair



Chamber of Commerce HAWAII
The Voice of Business

**Testimony to the Senate Committee on Commerce and Consumer Protection
Wednesday, February 19, 2014 at 9:00 A.M.
Conference Room 229, State Capitol**

**RE: SENATE BILL 2487 RELATING TO THE SMALL BUSINESS
REGULATORY FLEXIBILITY ACT**

Chair Baker, Vice Chair Taniguchi, and Members of the Committee:

The Chamber of Commerce of Hawaii ("The Chamber") **opposes** SB 2487 Relating to the Small Business Regulatory Flexibility Act.

The Chamber is the largest business organization in Hawaii, representing over 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

Small businesses are the backbone of Hawaii's economy and they struggle to make ends meet with all the government regulations imposed on them. The Small Business Regulatory Flexibility Act helps review government regulations to ensure that they do not harm small businesses.

Thank you for the opportunity to testify.

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BKA Builders, Inc.

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Vice President

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Michael Watanabe

JW, Inc.

Ryan Engle

Bays Lung Rose & Holma

Stephen Hanson

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**Testimony to the Senate Committee on Commerce and Consumer
Protection
Wednesday, February 19, 2014
9:00 a.m.
State Capitol - Room 329**

RE: S.B. 2487, Relating to the Small Business Regulatory Flexibility Act

Dear Chair Baker, Vice-Chair Taniguchi and members of the Committee:

My name is Gladys Marrone, Government Relations Director for the Building Industry Association of Hawaii (BIA-Hawaii), the Voice of the Construction Industry. We promote our members through advocacy and education, and provide community outreach programs to enhance the quality of life for the people of Hawaii. BIA-Hawaii is a not-for-profit professional trade organization chartered in 1955, and affiliated with the National Association of Home Builders.

BIA-Hawaii **opposes** S.B. 2487, which would repeal chapter 201M, Hawaii Revised Statutes, the Small Business Regulatory Flexibility Act.

Chapter 201M, HRS, established the small business regulatory flexibility act in 1998, which provided for a petition process to an agency for regulatory review, periodic administration review of rules which impacts small business, and the establishment of the independent regulatory review board. This independent small business regulatory review board, better known as the Small Business Regulatory Review Board (SBRRB), consists of eight pro-bono appointees from across the state, each with different business backgrounds, and one designated DBEDT ex-officio member, to provide a healthy representation of the 117,000+ small business entities throughout the state who provide over 475,000 jobs.

The SBRRB is the one check the public has on the administrative rule process and provides real-life feedback on the impact rules may have on small businesses. While the preamble to S.B. 2487 points out certain concerns with the role of the SBRRB, no specifics are provided. The SBRRB has never been funded, yet dedicated volunteers donate their energy and time in carrying out its important mission.

The government has a responsibility to its taxpayers in insuring that the laws passed and rules approved are prudent and ultimately serves in the public's best interest.

We appreciate the opportunity to express our **opposition** to S.B. 2487 and request the bill be **held**.

February 15, 2014

**Testimony to the Senate Committee on Commerce & Consumer Protection
Wednesday, February 19, 2014
Conference Room 229**

Re: S.B. 2487 Relating to the Small Business Regulatory Flexibility Act

Dear Chair Baker, Vice-Chair Taniguchi and Members of the Committee:

As a member of the Small Business Regulatory Review Board I am **strongly opposed to S.B. 2487** that would repeal chapter 201M, Hawaii Revised Statutes, the Small Business Regulatory Flexibility Act.

Act 168, codified as chapter 201M, Hawaii Revised Statutes established the small business regulatory flexibility act in 1998 which provided for a petition process to an agency for regulatory review, periodic administration review of rules which impacts small business, and the establishment of the independent regulatory review board.

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recommendations, engaging with agencies and small businesses on rules and regulations that may have a negative, detrimental impact that impedes the growth and success of the small businesses within our state. The SBRRB of volunteers provide a valuable, needed service to enhance, promote and defend the continued growth of small businesses to perpetuate a positive, healthy economy and lifestyle for the benefit of our present and future generations here in Hawaii.

Thank you for the opportunity to provide **testimony in opposition to S.B. 2487** and ask that this bill be held in abeyance.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Anthony B. Borge', with a long horizontal flourish extending to the right.

Anthony B. Borge
Small Business Regulatory Review Board Member