



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

DAVID Y. IGE
GOVERNOR

LUIS P. SALAVERIA

MARY ALICE EVANS
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: www.hawaii.gov/dbedt

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
LUIS P. SALAVERIA
Director
Department of Business, Economic Development and Tourism
before the
SENATE COMMITTEE ON WAYS AND MEANS
Monday, April 6, 2015
9:05 AM
State Capitol, Conference Room 211

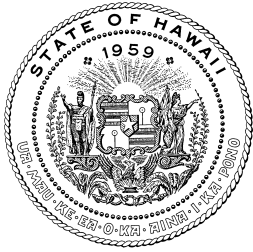
In consideration of
HB774, HD1
RELATING TO SMALL BUSINESS.

Chair Tokuda, Vice Chair Kouchi and Members of the Committee.

The Department of Business, Economic Development and Tourism supports the intent of HB774, HD1, Relating to Small Business, which makes an appropriation for the Small Business Regulatory Review Board to acquire additional staff, provided that its passage does not replace or adversely impact priorities indicated in our Executive Budget.

Should the Legislature be inclined to pass this bill, we prefer that the position count and associated costs be included in the budget.

Thank you for the opportunity to offer these comments.



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
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Tel 808 586-2594

MEMORANDUM

David Y. Ige
Governor

Luis P. Salaveria
Director, DBEDT

Members

Anthony Borge
Chair
Oahu

Wayne Tanaka
Vice Chair
Oahu

Barbara Bennett
2nd Vice Chair
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Kyoko Kimura
Maui

Harris Nakamoto
Oahu

Ashley Leahey
Maui

Director, DBEDT
Voting Ex Officio

TO: Chair Jill N. Tokuda, Vice Chair Ronald D. Kouchi, and Members of the Senate Committee on Ways and Means

FROM: Anthony Borge, Chair
Small Business Regulatory Review Board

DATE: April 6, 2015 – Room 211 at 9:05 a.m.

SUBJECT: **HB 774, HD1 – Relating to Small Business – In Support**

On behalf of the Small Business Regulatory Review Board (SBRRB), I wish to thank you for considering this bill requesting funding to hire staff to assist with the many duties required by the members of this Board. We support HB774, HD1.

I am proud to be the Chairperson of such a hardworking, volunteer board. However, without a budget and sufficient clerical staff, it is extremely difficult to accomplish the SBRRB's statutorily-mandated responsibilities.

As you are aware, the SBRRB members are comprised of small businesses throughout the State that volunteer their time and meet monthly, spending countless hours reviewing existing, new, and modified administrative rules that impact small business. They analyze hundreds of pages of proposed rules to determine if there are better ways to make them less complex and costly for small firms. The SBRRB's mandate creates a tremendous amount of work with much attention to detail, completely overwhelming the one staff member from DBEDT assigned to assist the SBRRB.

Presently, there is no budget reserved for the SBRRB's operations. Statutorily, the SBRRB is required to have "at least one representative from each county." Currently, there is one member from Kauai, two from Maui, and one vacancy from the Big island. Annual expenses, representing the bare minimum required to sustain the SBRRB's operations are as follows: travel - \$15,000; clerical staff (SR-8) - \$26,000; postage & supplies - \$1,000; incidentals - \$1,500.

In addition, without a budget, the SBRRB volunteers have been unable to provide outreach to the small business community to provide a valuable, needed service to enhance, promote and defend the continued growth of small businesses in Hawaii. The SBRRB believes that much more could be accomplished regarding outreach to the small business community with the appropriate staff and funding.

We ask for your support and assistance in securing the funding necessary so that we can better achieve the desired intent of the Statute.

Thank you for your support of this bill and for your efforts throughout this legislative session.

DAVID Y. IGE
GOVERNOR



SARAH ALLEN
ADMINISTRATOR

**STATE OF HAWAII
STATE PROCUREMENT OFFICE**

P.O. Box 119
Honolulu, Hawaii 96810-0119
Telephone: (808) 587-4700
e-mail: state.procurement.office@hawaii.gov
<http://spo.hawaii.gov>

TESTIMONY
OF
SARAH ALLEN, ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE SENATE COMMITTEE
ON
WAYS AND MEANS
APRIL 6, 2015, 9:05 A.M.

HOUSE BILL 774, HD1
RELATING TO SMALL BUSINESS

Chair Tokuda, Vice-Chair Kouchi, and members of the committee, thank you for the opportunity to submit testimony on HB NO. 774, HD1. The State Procurement Office (SPO) **STRONGLY SUPPORTS** this measure.

The small business regulatory review board provides input into the rule-making process and provides vital recommendations to policy makers and state and county agencies in order to aid small businesses. Therefore, SPO supports their role in assisting small businesses in Hawaii.

Thank you.

BIA-HAWAII

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MAILING
P.O. BOX 970967
WAIPAHU, HAWAII
96797-0967

STREET
94-487 AKOKI STREET,
WAIPAHU, HAWAII 96797
P 808.847.4666
F 808.440.1198
E INFO@BIAHAWAII.ORG

WWW.BIAHAWAII.ORG

Testimony to the Senate Committee on Ways and Means Monday, April 06, 2015 9:05 a.m.

Hawaii State Capitol - Conference Room 211

SUBJECT: H.B. 774, H.D. 1, RELATING TO SMALL BUSINESS

Chair Tokuda, Vice-Chair Kouchi, and members of the Committee:

My name is Gladys Marrone, Chief Executive Officer 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 **supports** H.B. 774, H.D. 1, which proposes to make an appropriation to the Department of Business, Economic Development, and Tourism for the Small Business Regulatory Review Board (SBRRB) to hire additional staff.

The SBRRB is essential to a healthy and nurturing environment for Hawaii's small businesses as it is the one check the public has on the administrative rule making process by providing real-life feedback on the impact rules may have on small businesses, their employees, and their family members. Prior to each of their monthly meetings, this volunteer board spends countless hours reviewing rules and regulations to assess the impact they could have on small businesses in Hawaii. Hawaii's small businesses account for 96% of all employers in the state and employ over half of the state's private workforce. To date, the SBRRB has reviewed over 630 rules/regulations since its 1998 inception.

The aforementioned appropriation would provide this important board with a budget for staff support and travel expenses for their appointees from across the State, helping to increase their efficiency and allowing them to focus their attention on safeguarding small businesses throughout the State.

We appreciate the opportunity to share with you our views.



Chamber of Commerce HAWAII
The Voice of Business

**Testimony to the Senate Committee on Ways and Means
Monday, April 6, 2015 at 9:05 A.M.
Conference Room 211, State Capitol**

RE: HOUSE BILL 774 HD1 RELATING TO SMALL BUSINESS

Chair Tokuda, Vice Chair Kouchi, and Members of the Committee:

The Chamber of Commerce of Hawaii ("The Chamber") **strongly supports** HB 774 HD1, which makes an appropriation to the Department of Business, Economic Development, and Tourism for the Small Business Regulatory Review Board to hire additional staff.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 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.

The Small Business Regulatory Review Board is an integral part in getting input from the small business community on rules and regulations that may affect them. As you know, many small business owners do not have the time to track all the rules, which is where laws are put to force in detail. We believe that this appropriation for added staff will help the agency be more effective in serving the business community.

Thank you for the opportunity to testify.



P.O. Box 253, Kunia, Hawai'i 96759
Phone: (808) 848-2074; Fax: (808) 848-1921
e-mail info@hfbf.org; www.hfbf.org

April 6, 2015

HEARING BEFORE THE
SENATE COMMITTEE ON WAYS & MEANS

TESTIMONY ON HB 774 HD1
RELATING TO SMALL BUSINESS

Room 211
9:05 AM

Aloha Chair Tokuda, Vice Chair Kouchi, and Members of the Committee:

I am Christopher Manfredi, President of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,932 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interests of our diverse agricultural community.

HFB strongly supports HB 774 HD1 to provide funding for staff to support the mission and work of the SBRRB. Over the years, our farmer and rancher members have benefited from the Board's conscientious review of rules and its work to ensure that any proposed rules are necessary and appropriate.

The work of the Board provides the checks and balances to assure the timely adoption of appropriate and necessary administrative agency rules, while assuring that farmers, ranchers, and other small businesses remain viable.

Unfortunately, one of the many obstacles hindering the growth and success of small businesses in Hawaii is the burdensome, duplicative, costly, and often unnecessary administrative rules that disproportionately impact small businesses. The SBRRB members protect and foster the viability of small business by providing input and recommendations to agencies on rules that may otherwise have a detrimental impact on these businesses.

These volunteer members provide an invaluable service to our State economy and productivity yet the Board is not adequately funded to continue its work. We respectfully urge you to provide sufficient funds to meet the staffing needs of the SBRRB.

Thank you for the opportunity to support this measure.



TESTIMONY RE: HB 774 HD1 RELATING TO SMALL BUSINESS

HEARING BEFORE THE SENATE COMMITTEE
ON WAYS AND MEANS

Hawaii State Capitol
Conference Room 211
April 6, 2015
9:05 AM

Aloha Chair Tokuda, Chair Kouchi, and Members of the Committee,

The Maui Chamber of Commerce **strongly supports** HB 774 HD1, which makes an appropriation to the Department of Business, Economic Development, and Tourism for the Small Business Regulatory Review Board to hire additional staff.

Here at the Maui Chamber of Commerce, we believe in creating a strong economic environment that supports job growth while also protecting our environment and preserving our quality of life. We support the "triple bottom-line" view of sustainability: economy, environment and social well-being. We have approximately 500 members, 95% of whom are small businesses with 25 or fewer employees.

Many small business owners do not have the time or resources to track the rules. The Small Business Regulatory Review Board (SBRRB) is the voice that provides feedback to agencies on how rules may impact our small business community. We believe that this appropriation for added staff will help the agency be more effective in serving the business community.

Thank you for the opportunity to testify on this important measure.

Sincerely,

Pamela Tumpap
President

MEMORANDUM

TO: **Senate Committee on Ways and Means**

FROM: Barbara Bennett, Individual

DATE: April 6, 2015

RE: **HB 774, HD1, Relating to Small Business, April 6, 2015, Rm. 210, 9:05 AM**

I am Vice Chair of the Small Business Regulatory Review Board (SBRRB), and have been a member since December 2012. I am in **strong support** of HB 774, HD1 "Relating to Small Business."

I am honored to be a member of this important, hard-working board. However, a significant concern regarding the SBRRB is the uncertainty of funding. No funds are allocated to the SBRRB for operating expenses, and the SBRRB is staffed by only one DBEDT employee who shares responsibilities with both DBEDT and this Board. This has proven to be insufficient.

Having operating funds and a full-time clerical staff member will help to assist the SBRRB's ability to become more effective in its overall statutory mission which is to review and track administrative rules and regulations that may impact and burden Hawaii small businesses' growth and existence.

I respectfully urge you to approve House Bill 774, HD1, "Relating to Small Business," and I thank you for the opportunity to provide testimony in strong support of this measure.