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# A BILL FOR AN ACT

RELATING TO THE SMALL BUSINESS REGULATORY FLEXIBILITY ACT.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 201M-2, Hawaii Revised Statutes, is  
2 amended by amending subsection (b) to read as follows:  
3           "(b) If the proposed rules affect small business, the  
4 agency shall consider creative, innovative, or flexible methods  
5 of compliance for small businesses and prepare a small business  
6 impact statement to be submitted with the proposed rules to the  
7 departmental advisory committee on small business and the board  
8 when the rules are essentially complete [~~and before the rules~~  
9 ~~are submitted to the governor for approval for public hearing~~].  
10 The board shall submit any comments on the proposed rules to the  
11 governor within ten days after the rules are submitted to the  
12 governor for approval for public hearing. The statement shall  
13 provide a reasonable determination of the following:  
14           (1) The businesses that will be directly affected by, bear  
15           the costs of, or directly benefit from the proposed  
16           rules;



- 1           (2) Description of the small businesses that will be  
2           required to comply with the proposed rules and how  
3           they may be adversely affected;
- 4           (3) In dollar amounts, the increase in the level of direct  
5           costs such as fees or fines, and indirect costs such  
6           as reporting, recordkeeping, equipment, construction,  
7           labor, professional services, revenue loss, or other  
8           costs associated with compliance;
- 9           (4) The probable monetary costs and benefits to the  
10          implementing agency and other agencies directly  
11          affected, including the estimated total amount the  
12          agency expects to collect from any additionally  
13          imposed fees and the manner in which the moneys will  
14          be used;
- 15          (5) The methods the agency considered or used to reduce  
16          the impact on small business such as consolidation,  
17          simplification, differing compliance or reporting  
18          requirements, less stringent deadlines, modification  
19          of the [~~finer schedule,~~] schedule of fines,  
20          performance rather than design standards, exemption,  
21          or any other mitigating techniques;



- 1           (6) How the agency involved small business in the
- 2           development of the proposed rules; and
- 3           (7) Whether the proposed rules include provisions that are
- 4           more stringent than those mandated by any comparable
- 5           or related federal, state, or county standards, with
- 6           an explanation of the reason for imposing the more
- 7           stringent standard."

8           SECTION 2. Statutory material to be repealed is bracketed  
9 and stricken. New statutory material is underscored.

10          SECTION 3. This Act shall take effect on July 1, 2038.



**Report Title:**

Small Business Regulatory Flexibility Act; Small Business Impact Statement

**Description:**

Extends the time given to an agency to submit a small business impact statement to the Departmental Advisory Committee on Small Business and the Small Business Regulatory Review Board. Gives the Board the opportunity to submit comments to the Governor within ten days after the proposed rules are submitted to the Governor for approval for public hearing. (HB75 HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

