

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

David Y. Ige
Governor

Luis P. Salaveria
Director, DBEDT

Members

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Chair
Oahu

Harris Nakamoto
Vice Chair
Oahu

Kyoko Kimura
2nd Vice Chair
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Hawaii

Director, DBEDT
Voting Ex Officio

TO: Chair Nakashima, Vice Chair Keohokalole, and
Members of the Committee on Economic Development
& Business – Room 309

FROM: Anthony Borge, Chairperson
Small Business Regulatory Review Board

DATE: February 10, 2017

SUBJECT: HB587 – Relating to Small Business - Support

On behalf of the Small Business Regulatory Review Board (SBRRB), I am providing testimony in support of HB587, Relating to Small Business. This measure appropriates funds to DBEDT to provide additional resources for the SBRRB as there is no budget reserved in DBEDT for the SBRRB's operations.

The SBRRB is required to review requests from small business owners for review of any rule adopted by a state agency, and organize and hold conferences on problems affecting small business. Statutorily, the board is required to have "at least one representative from each county," which requires adequate travel and transportation costs.

Annual expenses for travel alone approximate \$15,000; in addition, training, postage and supplies would represent the bare minimum required to sustain the SBRRB's operations. Also, without a budget, the SBRRB volunteers have been unable to provide sufficient outreach to the small business community to provide a valuable, needed service to promote and defend the continued growth of small businesses in Hawaii.

While I am proud of the accomplishments of this very hardworking and dedicated group of volunteers, the SBRRB has had a moderate level of success reducing expensive impacts on small business, which would greatly improve with sufficient funds for marketing and outreach to the small business community.

Thank you for allowing the SBRRB to provide testimony in support of HB587.



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

DAVID Y. IGE
GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

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Statement of
LUIS P. SALAVERIA
Director
Department of Business, Economic Development and Tourism
before the
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS
Friday, February 10, 2017
9:00 a.m.
State Capitol, Conference Room 309

in consideration of
HB587
RELATING TO SMALL BUSINESS.

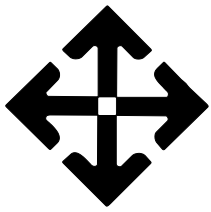
Chair Nakashima, Vice Chair Keohakalole and Members of the Senate Committee on Economic Development & Business. The Department of Business, Economic Development and Tourism (DBEDT) supports HB587, Relating to Small Business, which appropriates funds to DBEDT to provide additional resources for the Small Business Regulatory Review Board (SBRRB), as long as this initiative does not replace our priorities in the Executive Budget.

The Legislature established the SBRRB in 1998 and reaffirmed its belief in its importance by making it a permanent body in 2001. Since its inception, the SBRRB has been perhaps the single most important voice within government for the 96% of the State's employers with fewer than 100 employees regarding the significant burden in complying with the administrative rules that regulate so many aspects of business that these employers face.

The SBRRB meets monthly and its volunteer business owner/officer members spend many unpaid hours reviewing existing, new, and modified administrative rules that affect 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 smaller firms. The SBRRB is also statutorily required to review requests from small business owners for reviews of any rules adopted by a state agency and to organize and hold conferences on problems affecting small business.

In order to create a stronger public awareness about this Board to assist those small businesses in need of regulatory relief to concur with Chapter 201M, HRS, sufficient funds for the SBRRB's outreach and operating expenses are needed.

Thank you for the opportunity to offer testimony in support of HB587.



The Hawaii Business League

1188 Bishop St., Ste. 1003, Honolulu, Hawaii 96813

Phone: (808) 533-6819 Facsimile: (808) 533-2739

February 10, 2017

Testimony To: House Committee on Economic Development & Business
Representative Mark M. Nakashima, Chair

Presented By: Tim Lyons, President

Subject: H.B. 587 - RELATING TO SMALL BUSINESS.

Chair Nakashima and Members of the Committee:

I am Tim Lyons, President of The Hawaii Business League, a small business service organization. We support this bill.

In consideration of the importance of small business in Hawaii and its large contribution to the overall economic well being of the State of Hawaii we think that the paltry sum of \$50,000.00 in order to enable the Small Business Regulatory Review Board is hardly too much to ask. Based on the important function that this Board serves and could serve even better if it was properly funded, we highly recommend your favorable support.

Thank you.



Chamber of Commerce HAWAII

The Voice of Business

**Testimony to the House Committee on Economic Development & Business
Friday, February 10, 2017 at 9:00 A.M.
Conference Room 309, State Capitol**

RE: HOUSE BILL 587 RELATING TO SMALL BUSINESS

Chair Nakashima, Vice Chair Keohokalole, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **strongly supports** HB 587, which appropriates funds to the Department of Business, Economic Development, and Tourism to provide additional resources to the Small Business Regulatory Review Board.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 1,600+ 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 will help the agency be more effective in serving the business community.

Thank you for the opportunity to testify.



COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS

Rep. Mark M. Nakashima, Chair
Rep. Jarrett Keohokalole, Vice Chair

Rep. Daniel Holt Rep. Kyle T. Yamashita
Rep. Aaron Ling Johanson Rep. Lauren Kealohilani Matsumoto
Rep. Roy M. Takumi

A M E N D E D NOTICE OF HEARING

DATE: Friday, February 10, 2017
TIME: 9:00 AM
PLACE: Conference Room 309

TESTIMONY OF THE OCEAN TOURISM COALITION SPEAKING IN SUPPORT HB587

Chair Nakashima, Vice Chair Keohokalole and Members of EDB:

My name is James E. Coon, President of the Ocean Tourism Coalition (OTC). The OTC represents over 300 small ocean tourism businesses state wide. Most of these are family businesses which are locally owned and operated. Many of them have been in business for several decades and are an important and valued part of their respective communities. Most of these businesses operate from State Boating Facilities. These businesses are already highly regulated by the Federal, State, and County laws. These regulations continue to increase year after year.

It is very important to the small business community to have a review board such as the Small Business Regulatory Review Board that functions as a potential buffer to vet out unreasonable new regulations that may be promulgated.

Please pass HB587 so that this valuable board may continue to operate for the next two years.

Sincerely,

James E. Coon, President

**Randall Francisco
P.O. Box 55
Hanapepe, HI 96716**

February 8, 2017

**Testimony
Hawai'i State House of Representatives
Friday February 10 2017 – 9:00 AM
Conference Room 309**

Representative Mark Nakashima, Chair, Committee on Economic Development and Business
Hawai'i State House of Representatives
Honolulu, HI 96813

Dear Honorable Representative Nakashima and members of the Committee:
RE: HB587: Relating to Small Business

My name is Randall Francisco, former President, Kauai Chamber of Commerce and Executive Director, Kauai Filipino Chamber of Commerce. I am writing in **SUPPORT** of HB587 that would provide funds to support the work of the Small Business Regulatory Review Board.

The work of the board and the volunteer members who are from throughout the islands represents an important and small cross section of the state's business communities. As a neighbor island, it is equally important that each of the counties have a representative to provide input into this review board on regulations and other rule-making that impacts businesses. Knowing that there are funds budgeted for the next 2 years are a critical factor in carrying out the important work of this board.

Thank you for your consideration. Should I be of additional assistance, please feel free to contact me at franciscorandall@yahoo.com or cell phone at 635-4130. Aloha.

Sincerely yours,



Randall Francisco
Hanapepe, Kauai, HI



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e-mail info@hfbf.org; www.hfbf.org

February 10, 2017

HEARING BEFORE THE
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT AND BUSINESS

TESTIMONY ON HB 587
RELATING TO SMALL BUSINESS

Room 309
9:00 AM

Aloha Chair Nakashima, Vice Chair Keohokalole, and Members of the Committee:

I am Randy Cabral, President of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,900 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.

The Hawaii Farm Bureau strongly supports HB 587, which appropriates funds to DBEDT to provide additional resources for the small business regulatory review board.

Over the years, our farmer and rancher members have benefited from the Board's conscientious review of rules and its work to ensure that proposed rules are necessary and appropriate.

The work of the Board provides the checks and balances to assure the timely adoption of sound 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 has never been adequately funded. We respectfully urge you to provide sufficient funds to meet the needs of the SBRRB.

Thank you for the opportunity to support this measure.