

STAND. COM. REP. NO.

189

Honolulu, Hawaii

FEB 10 2025

RE: S.B. No. 418
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Government Operations, to which was
referred S.B. No. 418 entitled:

"A BILL FOR AN ACT RELATING TO REGULATORY SUNSET REVIEW IN
HAWAII,"

begs leave to report as follows:

The purpose and intent of this measure is to establish a
Regulatory Review Program overseen by the Department of the
Attorney General to evaluate the Hawaii Administrative Rules,
utilizing a five-year rolling regulatory sunset and review
process.

Your Committee received testimony in support of this measure
from the Grassroot Institute of Hawaii, Maui Chamber of Commerce,
and one individual.

Your Committee received testimony in opposition to this
measure from the Department of the Attorney General, Department of
Commerce and Consumer Affairs, Department of Labor and Industrial
Relations, and Department of Land and Natural Resources.

Your Committee finds that the proliferation of antiquated,
contradictory, or baseless administrative rules unduly hinders
residents and businesses and causes inefficiencies in the State.
Without a mechanism for the regular review of administrative
rules, agencies often build upon existing rules to create a web of



complexity. Fear of the burden of these administrative rules, which have not been subject to the legislative policymaking process, can deter businesses from operating in the State and infringe on residents' personal freedoms. This measure will simplify, modernize, and streamline the Hawaii Administrative Rules by establishing a clearly structured regulatory review process.

While your Committee appreciates the positive response expressed by the Attorney General, it acknowledges the concerns raised in the testimony of the Department of the Attorney General that the review process proposed in this measure may prove too burdensome for state agencies in terms of funds, time, and labor.

Accordingly, your Committee has amended this measure by:

- (1) Making the Department of the Attorney General, rather than the state agencies; responsible for seeking public input on the review process;
- (2) Deleting language that would have required state agencies to:
 - (A) Publish a list of the administrative rules under review to the agency's website;
 - (B) Hold public hearings on the review process; and
 - (C) Include a summary of public input in the agency's annual report to the Department of the Attorney General;
- (3) Deleting language that would have automatically repealed certain rules if a state agency failed to comply with the review requirements of this measure;
- (4) Inserting an effective date of January 1, 2525, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.



As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 418, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 418, S.D. 1, and be referred to your Committees on Ways and Means and Judiciary.

Respectfully submitted on
behalf of the members of the
Committee on Government
Operations,

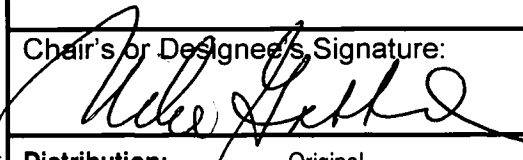


ANGUS L.K. MCKELVEY, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Government Operations
GVO

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|---|---|--|-----|---------|
| Bill / Resolution No.:* <div style="font-size: 1.2em; font-weight: bold;">SB418</div> | Committee Referral: <div style="font-size: 1.2em; font-weight: bold;">GVO, WAM/JDC</div> | Date: <div style="font-size: 1.2em; font-weight: bold;">1-30-25</div> | | |
| <input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____ | | | | |
| The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div> | | | | |
| Members | Aye | Aye (WR) | Nay | Excused |
| MCKELVEY, Angus L.K. (C) | ✓ | | | |
| GABBARD, Mike (VC) | ✓ | | | |
| MORIWAKI, Sharon Y. | ✓ | | | |
| SAN BUENAVENTURA, Joy A. | ✓ | | | |
| FEVELLA, Kurt | | | | ✓ |
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| TOTAL | 4 | — | — | 1 |
| Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div> | | | | |
| Chair's or Designee's Signature: <div style="font-size: 1.5em; font-family: cursive;">  </div> | | | | |
| <div style="display: flex; justify-content: space-between; font-size: 0.8em;"> <div>Distribution:</div> <div>Original</div> <div>Yellow</div> <div>Pink</div> <div>Goldenrod</div> </div> <div style="display: flex; justify-content: space-between; font-size: 0.7em; margin-top: 2px;"> <div>File with Committee Report</div> <div>Clerk's Office</div> <div>Drafting Agency</div> <div>Committee File Copy</div> </div> | | | | |

*Only one measure per Record of Votes