

JAN 15 2025

A BILL FOR AN ACT

RELATING TO REGULATORY SUNSET REVIEW IN HAWAII.

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

1 SECTION 1. The legislature finds that the proliferation of
2 administrative rules and regulations can lead to inefficiencies,
3 outdated policies, and unnecessary burdens on businesses and
4 residents. The legislature also finds that agencies will often
5 build upon existing administrative rules to add even more rules
6 and complexity. Other states have also faced these issues and
7 have created several structures to deal with runaway rulemaking.
8 For example, the State of Idaho has implemented a successful
9 regulatory review program that ensures periodic evaluation and
10 elimination of unnecessary regulations. To reverse the State's
11 abysmal ranking as a place to do business, the legislature finds
12 that establishing a similar program in the State would help to
13 address one of the biggest factors that impedes businesses and
14 residents--too many rules and fees that may not be legally valid
15 anymore since the authority to establish these rules no longer
16 exists, or is irrelevant.



1 Accordingly, the purpose of this Act is to establish a
2 program in the State to review, streamline, and modernize the
3 Hawaii Administrative Rules by implementing a rolling regulatory
4 sunset and review process.

5 SECTION 2. (a) The department of the attorney general
6 shall oversee a regulatory review program to evaluate all
7 administrative rules adopted by state agencies.

8 (b) Each state agency shall review at minimum, twenty per
9 cent of its administrative rules annually so that all rules are
10 reviewed at least once every five years.

11 (c) The purpose of the review is to:

12 (1) Identify and repeal rules that are no longer
13 necessary, outdated, or duplicative;

14 (2) Identify rules that are not supported by statutory
15 authority;

16 (3) Simplify and streamline rules to reduce regulatory
17 burdens; and

18 (4) Improve clarity and accessibility of administrative
19 rules.

20 SECTION 3. (a) Each state agency shall submit a report
21 annually to the department of the attorney general summarizing:



- 1 (1) The rules the state agency reviewed during the year;
- 2 (2) Recommendations for retention, modification, or repeal
- 3 of each reviewed rule; and
- 4 (3) Justifications for each recommendation.
- 5 (b) The department of the attorney general shall:
- 6 (1) Review agency reports to ensure consistency with
- 7 statutory requirements and state policy;
- 8 (2) Compile an annual regulatory review report summarizing
- 9 findings and recommendations for all state agencies;
- 10 and
- 11 (3) Submit the report to the governor and legislature no
- 12 later than twenty days prior to the convening of each
- 13 regular session.

14 SECTION 4. (a) State agencies shall seek input from
15 stakeholders and the general public as part of the review
16 process by:

- 17 (1) Publishing a list of rules under review on the
- 18 agency's website;
- 19 (2) Accepting public comments for at least sixty days; and
- 20 (3) Hosting public hearings as needed.



1 (b) State agencies shall include a summary of public input
2 in their annual report to the department of the attorney
3 general.

4 SECTION 5. (a) If a state agency fails to comply with the
5 review requirements set forth in this Act, the rules under the
6 state agency's jurisdiction shall be automatically repealed at
7 the end of the five-year review cycle unless specifically
8 extended by the legislature.

9 (b) The department of the attorney general shall notify
10 the governor and legislature of any noncompliance by state
11 agencies.

12 SECTION 6. The department of the attorney general shall
13 adopt rules pursuant to chapter 91, Hawaii Revised Statutes, to
14 implement the regulatory review program established under this
15 Act.

16 SECTION 7. There is appropriated out of the general
17 revenues of the State of Hawaii the sum of \$ or so
18 much thereof as may be necessary for fiscal year 2025-2026 and
19 the same sum or so much thereof as may be necessary for fiscal
20 year 2026-2027 to implement and administer the regulatory review
21 program established pursuant to this Act.



1 The sums appropriated shall be expended by the department
2 of the attorney general for the purposes of this Act.

3 SECTION 8. This Act shall take effect on July 1, 2025.

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INTRODUCED BY: _____

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S.B. NO. 418

Report Title:

AG; Regulatory Review Program; Hawaii Administrative Rules; Reports; Rules; Appropriations

Description:

Establishes a regulatory review program overseen by the Department of the Attorney General to evaluate all Hawaii Administrative Rules adopted by state agencies and identify any rules that should be retained, modified or repealed. Requires each state agency to review 20 per cent of their rules every year and submit a report to the Department of the Attorney General. Automatically repeals administrative rules at the end of each 5-year review cycle for any state agency that fails to comply, unless the review cycle is extended by the Legislature. Requires the Department of the Attorney General to notify the Governor and Legislature of any noncompliance by a state agency, adopt rules, submit annual reports to the Legislature and Governor. Appropriates funds.

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

