STAND. COM. REP. NO. 1502

Honolulu, Hawaii

Monh 23, 2007

RE: S.B. No. 188

S.D. 2 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Sir:

Your Committee on Economic Development & Business Concerns, to which was referred S.B. No. 188, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE SMALL BUSINESS REGULATORY FLEXIBILITY ACT,"

begs leave to report as follows:

The purpose of this bill is to improve the procedures by which rules that impact small businesses are reviewed under the Small Business Regulatory Flexibility Act by requiring:

- (1) Agencies to submit the small business impact statement when proposed rules are essentially complete and before they are submitted to the Governor for approval for public hearing;
- (2) The Small Business Regulatory Review Board (Board) to review not only rules requested by small businesses, but any new or proposed rule;
- (3) The Ombudsman to be forwarded a copy of small business petitions for review of rules and of all rules affecting small business adopted in the previous five years; and
- (4) The Board to conduct a review every five years, of new rules adopted in the past five years that affect small businesses.

SB188 HD1 HSCR EDB HMS 2007-3364

The Department of Business, Economic Development, and Tourism Small Business Regulatory Review Board, and Hawaii Business League supported this bill. The Office of the Ombudsman provided comments.

Your Committee has amended this bill by:

- (1) Eliminating references to the Ombudsman;
- (2) Requiring the Board to inform small businesses whose complaints have not been upheld, that the business may submit a complaint to the Ombudsman;
- (3) Reinstating the biennial schedule for review of rules affecting small businesses; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 188, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 188, S.D. 2, H.D. 1, and be referred to the Committees on Consumer Protection & Commerce and Judiciary.

Respectfully submitted on behalf of the members of the Committee on Economic Development & Business Concerns,

KYLE T. YAMASHITA, Chair

State of Hawaii House of Representatives The Twenty-fourth Legislature



Record of Votes of the Committee on Economic Development & Business Concerns

Bill/Resolution No.:	Date:	Date:			
SB 188 SD2 (SSCR953)		March 22, 2007			
Committee Referral: EDB, CPC/JUD	☐ The com previou	☐ The committee is reconsidering its previous decision on the measure.			
The recommendation is to: Pass, unamended	Pass, with amendments				
☐ Hold	 Pass, with amendments, for recommittal for further consideration 				
EDB Members	Ayes	Ayes (WR)	Nays	Excused	
1. YAMASHITA, Kyle T. (C)	V _				
2. WAKAI, Glenn (VC)					
3 BERG, Lyla B., Ph.D.					
4. BROWER, Tom					
5. CHANG, Jerry L.					
6. HANOHANO, Faye P.					
7. HERKES, Robert N.	V				
8. MANAHAN, Joey	V/				
9. TSUJI, Clift	//				
10. YAMANE, Ryan I.					
11CHING, Corinne W.L.				V	
12MARUMOTO, Barbara C.	<u> </u>			1	
TOTAL	9	Ø	Ø	3	
The recommendation is: Adopted Not Adopted If joint referral, co Vice Chair's or designee's signature: Distribution: Original (White) – Committee	mmittee acronym(did not suppo (s) w) – Clerk's Office	ort recommendation	1.	