

Honolulu, Hawaii

FEB 10 2010

RE: S.B. No. 2145  
S.D. 1

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fifth State Legislature  
Regular Session of 2010  
State of Hawaii

Madam:

Your Committees on Economic Development and Technology and  
Commerce and Consumer Protection, to which was referred S.B.  
No. 2145 entitled:

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

beg leave to report as follows:

The purpose of this measure is to ensure the stability of the  
Small Business Regulatory Review Board, by:

- (1) Transferring the Board, with its statutory duties and  
powers, from the Department of Business, Economic  
Development, and Tourism to the Department of Commerce  
and Consumer Affairs;
- (2) Authorizing the Board to employ a small business  
advocate; and
- (3) Authorizing the expenses of the Board to be funded  
entirely from the compliance resolution fund.

Testimony in support of this measure was submitted by the  
Chair and a member of the Small Business Regulatory Review Board  
and two individuals. The Department of Business, Economic  
Development, and Tourism and the Department of Commerce and  
Consumer Affairs submitted testimony in opposition. The National  
Federation of Independent Business and Hawaii Business League  
submitted comments.



Written testimony presented to the Committees may be reviewed on the Legislature's website.

Your Committees find that the Small Business Regulatory Review Board serves a unique and vital role for Hawaii's small businesses, and maintaining a stable "home", staffing, and budget is critical to the continued success of the Board's efforts. Your Committees have heard a number of concerns regarding the transfer of the Board, including the cost of maintaining its operations. Your Committees understand, however, that for several years the Board's operating budget has never been over \$20,000 annually, and in fact the Board addresses the budget annually and has cut back expenses as any prudent business should. Board members are extremely committed to their work, as evidenced by the fact that neighbor island members paid for their flights to one monthly meeting, without reimbursement, after recent budget cuts.

In addition, the Department of Commerce and Consumer Affairs has expressed some concern regarding the Board's responsibilities regarding review of all agency administrative rules, noting that the Department of Commerce and Consumer Affairs' administrative rules would also be reviewed by the Board. Your Committees find, however, that the Department of Business, Economic Development, and Tourism - where the Board currently is administratively housed - also has numerous administrative rules and this has not proven to be an issue of concern for either the Department or the Board.

Your Committees understand the reservations of the two departments regarding the transfer of the Small Business Regulatory Review Board, but your Committees have every expectation that the concerns raised can be addressed successfully, to the benefit of Hawaii's small business community.

Your Committees have amended this measure by:


- (1) Clarifying that the Small Business Regulatory Review Board is attached to the Department of Commerce and Consumer Affairs for administrative purposes only; and
- (2) Authorizing, rather than requiring, the Director of Commerce and Consumer Affairs to include, as part of any other fee charged to a person or organization, an amount with a reasonable nexus to the small business regulatory review activities of the Board.



As affirmed by the records of votes of the members of your Committees on Economic Development and Technology and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2145, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2145, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committees on Economic  
Development and Technology and  
Commerce and Consumer  
Protection,

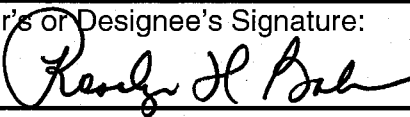
  
ROSALYN H. BAKER, Chair

  
CAROL FUKUNAGA, Chair



The Senate  
Twenty-Fifth Legislature  
State of Hawaii

**Record of Votes**  
**Committee on Economic Development and Technology**  
**EDT**

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SB 2145</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">EDT/CPN, WAM</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">2-3-2010</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
FUKUNAGA, Carol (C)	✓			
BAKER, Rosalyn H. (VC)	✓			
HEE, Clayton				✓
IGE, David Y.				✓
SLOM, Sam	✓			
<b>TOTAL</b>	3	—	—	2
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; margin-top: 10px;">  </div>				
<div style="display: flex; justify-content: space-between; font-size: 0.8em;"> <div><b>Distribution:</b></div> <div>Original</div> <div>Yellow</div> <div>Pink</div> <div>Goldenrod</div> </div> <div style="display: flex; justify-content: space-between; font-size: 0.8em; 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

The Senate  
Twenty-Fifth Legislature  
State of Hawaii

**Record of Votes**  
**Committee on Commerce and Consumer Protection**  
**CPN**

Bill / Resolution No.:* <b>SB 2145</b>	Committee Referral: <b>EDT/CPN, WAM</b>	Date: <b>2/4/2010</b>		
<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
BAKER, Rosalyn H. (C)	✓			
IGE, David Y. (VC)	✓			
ESPERO, Will	✓			
GREEN, M.D., Josh	✓			
IHARA, Jr., Les				✓
SAKAMOTO, Norman	✓			
HEMMINGS, Fred	✓			
<b>TOTAL</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>1</b>
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="text-align: center; margin-top: 10px;"> </div>				
<b>Distribution:</b> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div style="text-align: center;">Original File with Committee Report</div> <div style="text-align: center;">Yellow Clerk's Office</div> <div style="text-align: center;">Pink Drafting Agency</div> <div style="text-align: center;">Goldenrod Committee File Copy</div> </div>				

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