STAND. COM. REP. NO. 211 Honolulu, Hawaii Feb N, 2011 RE: H.B. No. 980 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committee on Economic Revitalization & Business, to which was referred H.B. No. 980 entitled:

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

begs leave to report as follows:

The purpose of this bill is to ensure that administrative rules are reviewed and updated to remain current by:

- (1) Requiring the Small Business Regulatory Review Board (Board) to work with state agencies to identify rules that need to be amended or repealed to conform to the repeal or amendment of underlying statutes, and to ensure that statutory references in rules are current; and
- (2) Directing the Governor to work with the Board and other state agencies to develop internal processes to expedite rulemaking actions that consist solely of amendments to, and repeal of, rules to conform to the amendment or repeal of statutes.

The Department of Business, Economic Development, and Tourism and Ocean Tourism Coalition supported this bill. Two concerned individuals submitted comments.



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Your Committee respectfully requests your Committee on Finance to consider resources that may be available to assist the Board in addressing the issue of the impact that statutory changes has on rules.

Upon further consideration and in light of issues raised during the public hearing, your Committee has amended this measure by:

- (1) Deleting the provision requiring the Board to work with state agencies to identify rules and, instead, requiring each state agency having rules affecting small business to submit an annual report to the Board containing certain information relating to statutory changes that impact the rules affecting small business;
- (2) Requiring the Governor to direct each state agency to work with the Board to develop internal processes to expedite rulemaking actions for rules that affect small business and require amendment or adoption, due to a change in the applicable law;
- (3) Changing its effective date to July 1, 2112, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Revitalization & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 980, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 980, H.D. 1, and be referred to the Committee on Judiciary.

HB980 HD1 HSCR ERB HMS 2011-2049

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

ANGUS L.K. MCKELVEY, Chair

State of Hawaii

State of Hawaii House of Representatives The Twenty-sixth Legislature

## Record of Votes of the Committee on Economic Revitalization& Business

Bill/Resolution No.:Committee Referral:Date:HB980BRBJUDFIN				
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold   Pass short form bill with HD to recommit for future public hearing (recommit)				
ERB Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	V			
2. CHOY, Isaac W. (VC)	$\checkmark$			· · · ·
3. AWANA, Karen L.	$\checkmark$			
4. BROWER, Tom	$\checkmark$			
5. EVANS, Cindy	$\checkmark$			
6. HASHEM, Mark J.	V			
7. NISHIMOTO, Scott Y.				
8. TOKIOKA, James Kunane				~
9. TSUJI, Clift				
10. MARUMOTO, Barbara C.	V		·	
11. PINE, Kymberly Marcos	V			
TOTAL (11)	10	$ $ $\otimes$ $ $	×	1
The recommendation is: Adopted I Not Adopted did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				