# A BILL FOR AN ACT

RELATING TO THE SMALL BUSINESS REGULATORY REVIEW BOARD.

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

1 The purpose of this Act is to ensure the SECTION 1. stability of the small business regulatory review board by: 2 Authorizing the department of business, economic 3 (1)development, and tourism to establish fees pursuant to 4 chapter 91, Hawaii Revised Statutes, to be charged to 5 each agency submitting rules to the small business regulatory review board as part of the agency 7 submission process, with the fees to be used for the expenses of the small business regulatory review 9 board; and 10 Requiring each agency to notify the small business (2) 11 regulatory review board on an annual basis of any 12 rules that affect small business and are required to 13 be amended or repealed to reflect statutory amendments 14 15 or repeals. Section 201M-5, Hawaii Revised Statutes, is 16

17 amended to read as follows:

- 1 "S201M-5 Small business regulatory review board; powers.
- 2 (a) There shall be established within the department of
- 3 business, economic development, and tourism, for administrative
- 4 purposes, a small business regulatory review board to review any
- 5 proposed new or amended rule or to consider any request from
- 6 small business owners for review of any rule adopted by a state
- 7 agency and to make recommendations to the agency or the
- 8 legislature regarding the need for a rule change or legislation.
- 9 For requests regarding county ordinances, the board may make
- 10 recommendations to the county council or the mayor for
- 11 appropriate action.
- (b) The board shall consist of eleven members, who shall
- 13 be appointed by the governor pursuant to section 26-34.
- 14 Nominations to fill vacancies shall be made from names submitted
- 15 by the review board. The appointments shall reflect
- 16 representation of a variety of businesses in the State; provided
- 17 that no more than two members shall be representatives from the
- 18 same type of business, and that there shall be at least two
- 19 representatives from each county.
- (c) All members of the board shall be either a current or
- 21 former owner or officer of a business and shall not be an
- 22 officer or employee of the federal, state, or county government.

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- 1 A majority of the board shall elect the chairperson. The
- 2 chairperson shall serve a term of not more than one year, unless
- 3 removed earlier by a two-thirds vote of all members to which the
- 4 board is entitled.
- 5 (d) A majority of all the members to which the board is
- 6 entitled shall constitute a quorum to do business, and the
- 7 concurrence of a majority of all the members to which the board
- 8 is entitled shall be necessary to make any action of the board
- 9 valid.
- 10 (e) In addition to any other powers provided by this
- 11 chapter, the board may:
- 12 (1) Adopt any rules necessary to implement this chapter;
- 13 (2) Organize and hold conferences on problems affecting
- small business; and
- 15 (3) Do any and all things necessary to effectuate the
- 16 purposes of this chapter.
- 17 (f) The board shall submit an annual report to the
- 18 legislature twenty days prior to each regular session detailing
- 19 any requests from small business owners for review of any rule
- 20 adopted by a state agency, and any recommendations made by the
- 21 board to an agency or the legislature regarding the need for a
- 22 rule change or legislation. The report shall also contain a

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- 1 summary of the comments made by the board to agencies regarding
- 2 its review of proposed new or amended rules.
- 3 (g) The department may establish fees pursuant to chapter
- 4 91, to be charged to each agency submitting rules to the board
- 5 pursuant to section 201M-7, as part of the agency submission
- 6 process. The fees shall be used for the expenses of the board.
- 7 For the purpose of this subsection, "expenses" include
- 8 operating expenses, personnel expenses, cash capital expenses,
- 9 and debt service attributable to the board."
- 10 SECTION 3. Section 201M-7, Hawaii Revised Statutes, is
- 11 amended by amending subsection (a) to read as follows:
- "(a) Each agency having rules that affect small business
- 13 shall submit by June 30 of each odd-numbered year, a list of.
- 14 those rules to the small business regulatory review board [-];
- 15 provided that each agency that is required to amend or repeal
- 16 rules pursuant to statutory amendment or repeal, shall submit by
- 17 June 30 of each year a list of these rules to be amended or
- 18 repealed to the small business regulatory review board. The
- 19 agency shall also submit a report describing the specific public
- 20 purpose or interest for adopting the respective rules that
- 21 affect small business and any other reasons to justify [its]
- 22 their continued implementation."

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## S.B. NO. 2739 S.D. 1

- 1 SECTION 4. Statutory material to be repealed is bracketed
- 2 and stricken. New statutory material is underscored.
- 3 SECTION 5. This Act shall take effect on July 1, 2012.

### Report Title:

Small Business Regulatory Review Board; Administrative Rules; Fees

### Description:

Authorizes the department of business, economic development, and tourism to establish fees pursuant to chapter 91, Hawaii Revised Statutes, to be charged to each agency submitting rules to the small business regulatory review board as part of the agency submission process; requires the fees to be used for the expenses of the board; requires each agency to notify the board on an annual basis of any rules that affect small business to be amended or repealed to reflect a statutory amendment or repeal. (SD1)

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