# DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804 Web site: www.hawaii.gov/dbedt Telephone: (808) 586-2355 Fax: (808) 586-2377

Statement of LUIS P. SALAVERIA Director Department of Business, Economic Development and Tourism before the SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TOURISM, AND TECHNOLOGY Wednesday, March 15, 2017 1:15 p.m. State Capitol, Conference Room 414

### in consideration of HB587 HD1 RELATING TO SMALL BUSINESS.

Chair Wakai, Vice Chair Taniguchi and Members of the Senate Committee on Economic Development, Tourism, and Technology. The Department of Business, Economic Development and Tourism (DBEDT) supports HB587 HD1, Relating to Small Business, which appropriates funds to DBEDT to provide additional resources for the Small Business Regulatory Review Board (SBRRB), as long as this initiative does not replace our priorities in the Executive Budget.

The Legislature established the SBRRB in 1998 and reaffirmed its belief in its importance by making it a permanent body in 2001. Since its inception, it has been perhaps the single most important voice within government for the 96% of the State's employers with fewer than 100 employers; these employers face a significant burden in complying with the administrative rules that regulate so many aspects of business today.

The SBRRB meets monthly and its volunteer business owner/officer members spend many unpaid hours reviewing existing, new, and modified administrative rules that affect small business. They analyze hundreds of pages of proposed rules to determine if there are better ways to make them less complex and costly for smaller firms. The SBRRB is also statutorily required to review requests from small business owners for reviews of any rules adopted by a state agency and to organize and hold conferences on problems affecting small business.

In order to create a stronger public awareness about this Board to assist those small businesses in need of regulatory relief to concur with Chapter 201M, HRS, sufficient funds for the SBRRB's outreach and operating expenses are requested.

Thank you for the opportunity to offer testimony in support of HB587 HD1.

DAVID Y. IGE GOVERNOR

LUIS P. SALAVERIA DIRECTOR

MARY ALICE EVANS DEPUTY DIRECTOR



### Testimony to the Senate Committee on Economic Development, Tourism and Technology Wednesday, March 15, 2017 at 1:15 P.M. Conference Room 414, State Capitol

### RE: HOUSE BILL 587 HD1 RELATING TO SMALL BUSINESS

Chair Wakai, Vice Chair Taniguchi, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **strongly supports** HB 587 HD1, which appropriates funds to the Department of Business, Economic Development, and Tourism to provide additional resources to the Small Business Regulatory Review Board.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 1,600+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

The Small Business Regulatory Review Board is an integral part in getting input from the small business community on rules and regulations that may affect them. As you know, many small business owners do not have the time to track all the rules, which is where laws are put to force in detail. We believe that this appropriation will help the agency be more effective in serving the business community.

Thank you for the opportunity to testify.



David Y. Ige Governor

Luis P. Salaveria Director, DBEDT

#### Members

Anthony Borge Chair Oahu

Harris Nakamoto Vice Chair Oahu

Kyoko Kimura 2<sup>nd</sup> Vice Chair Maui

Robert Cundiff Oahu

Nancy Atmospera-Walch Oahu

Garth Yamanaka Hawaii

Director, DBEDT Voting Ex Officio

## SMALL BUSINESS REGULATORY REVIEW BOARD

Department of Business, Economic Development & Tourism No. 1 Capitol District Bldg., 250 South Hotel St. 5<sup>th</sup> Fl., Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804 Email: <u>dbedt.sbrrb@hawaii.gov</u> Website: dbedt.hawaii.gov/sbrrb Tel 808 586-2594

### **MEMORANDUM**

TO: Chair Wakai, Vice Chair Taniguchi, and Members of the Committee on Economic Development, Tourism, and Technology – Room 414 at 1:15 p.m.

FROM: Anthony Borge, Chairperson Anthony Borge Small Business Regulatory Review Board

DATE: Wednesday, March 15, 2017

SUBJECT: HB587 HD1, Relating to Small Business – Strong Support

On behalf of the Small Business Regulatory Review Board (SBRRB), I am providing testimony in <u>strong support</u> of HB587 HD1, Relating to Small Business. This measure appropriates funds to DBEDT to provide additional resources for the SBRRB as there is no budget reserved in DBEDT for the SBRRB's operations.

The SBRRB is required to review requests from small business owners for review of any rule adopted by a state agency, and organize and hold conferences on problems affecting small business. Statutorily, the board is required to have "at least one representative from each county," which requires adequate travel and transportation costs.

Without a budget, the SBRRB volunteers have been unable to provide sufficient outreach to the small business community to provide a valuable, needed service to promote and defend the continued growth of small businesses in Hawaii. Annual expenses for travel alone approximate \$15,000. In addition, postage and supplies and training would represent the bare minimum required to sustain the SBRRB's operations.

While I am proud of the accomplishments of this very hardworking and dedicated group of volunteers, the SBRRB has only had a moderate level of success reducing expensive impacts on small business, which would greatly improve with sufficient funds for marketing and outreach to the small business community.

Thank you for allowing the SBRRB to provide testimony in strong support of HB587 HD1.

Signature: Dori Palcourich

Email: dori.palcovich@hawaii.gov



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March 15, 2017

### HEARING BEFORE THE SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TOURISM, AND TECHNOLOGY

#### TESTIMONY ON HB 587 HD1 RELATING TO SMALL BUSINESS

Room 414 1:15 PM

Aloha Chair Wakai, Vice Chair Taniguchi, and Members of the Committee:

I am Randy Cabral, President of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,900 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interests of our diverse agricultural community.

The Hawaii Farm Bureau **strongly supports HB 587 HD1**, which appropriates funds to DBEDT to provide additional resources for the small business regulatory review board.

Over the years, our farmer and rancher members have benefited from the Board's conscientious review of rules and its work to ensure that proposed rules are necessary and appropriate.

The work of the Board provides the checks and balances to assure the timely adoption of sound administrative agency rules, while assuring that farmers, ranchers, and other small businesses remain viable.

Unfortunately, one of the many obstacles hindering the growth and success of small businesses in Hawaii is the burdensome, duplicative, costly, and often unnecessary administrative rules that disproportionately impact small businesses. The SBRRB protects and fosters the viability of small business by providing input and recommendations to agencies on rules that may otherwise have a detrimental impact on these businesses.

These volunteer members provide an invaluable service to our State economy and productivity yet the Board has never been adequately funded. We respectfully urge you to provide sufficient funds to meet the needs of the SBRRB. While we don't know exactly what that amount would be, we believe that it should be at the very least \$50,000, the sum identified in the original bill.

Thank you for the opportunity to support this measure.



The Hawaii Business League

1188 Bishop St., Ste. 1003, Honolulu, Hawaii 96813 Phone: (808) 533-6819 Facsimile: (808) 533-2739

March 15, 2017

- Testimony To: Senate Committee on Economic Development, Tourism, and Technology Senator Glenn Wakai, Chair
- Presented By: Tim Lyons, President

Subject: H.B. 587, HD 1 - RELATING TO SMALL BUSINESS.

Chair Wakai and Members of the Committee:

I am Tim Lyons, President of The Hawaii Business League, a small business service organization. We support this bill.

In consideration of the importance of small business in Hawaii and its large contribution to the overall economic well being of the State of Hawaii we think that appropriate funds in order to enable the Small Business Regulatory Review Board is hardly too much to ask. Based on the important function that this Board serves and could serve even better if it was properly funded, we highly recommend your favorable support.

Thank you.



#### HEARING BEFORE THE SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TOURISM, AND TECHNOLOGY HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 414 WEDNESDAY, MARCH 15, 2017 AT 1:15 P.M.

To The Honorable Glenn Wakai, Chair; The Honorable Brian T. Taniguchi, Vice Chair; and Members of the Committee on Economic Development, Tourism, and Technology

### TESTIMONY IN SUPPORT OF HB 587 HD1 APPROPRIATING FUNDS TO THE SMALL BUSINESS REGULATORY REVIEW BOARD

Aloha, my name is Pamela Tumpap and I am the President of the Maui Chamber of Commerce representing approximately 600 businesses and 16,000 employees. I am writing share our support of HB 587 HD1.

We feel that the Small Business Regulatory Review Board is extremely important to protect small businesses in our state and needs adequate funding. They have a large number of significant duties to conduct such as reviewing new rules and regulations from new legislation and state agencies as well as working with small businesses. It is essential they have the appropriate funding to complete these duties.

In addition to adequate funding, we would like to see the Small Business Regulatory Review Board given more authority to have more teeth. With more teeth, they would be able to ensure that when they give comments back to a state agency or department, they must follow their suggestions.

We appreciate the opportunity to testify on this matter and therefore ask that this bill be passed.

Mahalo for your consideration of our testimony and we hope you will move this bill forward.

Sincerely,

Pamela Jumpap

Pamela Tumpap President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

From:	mailinglist@capitol.hawaii.gov
Sent:	Saturday, March 11, 2017 1:03 PM
То:	ETT Testimony
Cc:	mendezj@hawaii.edu
Subject:	*Submitted testimony for HB587 on Mar 15, 2017 13:15PM*

#### <u>HB587</u>

Submitted on: 3/11/2017 Testimony for ETT on Mar 15, 2017 13:15PM in Conference Room 414

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Javier Mendez-Alvarez	Individual	Support	No

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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