# **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

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Statement of LUIS P. SALAVERIA Director Department of Business, Economic Development and Tourism before the HOUSE COMMITTEE ON FINANCE Thursday, March 30, 2017 2:00 PM State Capitol, Conference Room 308

# in consideration of SB908, SD1, HD1 RELATING TO THE SMALL BUSINESS REGULATORY FLEXIBILITY ACT

# Chair Luke, Vice Chair Cullen and Members of the House Committee on Finance.

The Department of Business, Economic Development, and Tourism supports SB908, SD1, HD1, Relating to the Small Business Regulatory Flexibility Act, but prefers SB908, SD1, which adopts a more explicit definition of "small business," clarifies the powers of the Small Business Regulatory Review Board (SBRRB), and increases the number of board members from nine to eleven. The measure also clarifies when reporting by the agencies is required for submission to the board and for submission by the board to the Legislature.

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, the SBRRB has enjoyed many successes and is perhaps the single most important voice on regulations within government for the 96% of the State's employers with fewer than 100 employers.

Overall, the changes will add clarity and effect to the SBRRB's powers, increase the number of board members to help with meeting and voting quorum, and ensure the stability of the SBRRB by clarifying the Regulatory Flexibility Act.

Thank you for the opportunity to offer testimony in support of and preference to SB908, SD1.

# DAVID Y. IGE LUIS P. SALAVERIA

DIRECTOR MARY ALICE EVANS DEPUTY DIRECTOR

GOVERNOR

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# DAVID Y. IGE LUIS P. SALAVERIA

DIRECTOR MARY ALICE EVANS DEPUTY DIRECTOR

GOVERNOR



# Testimony to the House Committee on Finance Thursday, March 30, 2017 at 2:00 P.M. Conference Room 308, State Capitol

# RE: SENATE BILL 908 SD1 HD1 RELATING TO THE SMALL BUSINESS REGULATORY FLEXIBILITY ACT

Chair Luke, Vice Chair Cullen, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** SB 908 SD1 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 SBRRB is essential to a healthy and nurturing environment for Hawaii's small businesses as it is the one check the public has on the administrative rule process by providing reallife feedback on the impact rules may have on small businesses, their employees, and their family members. Prior to each of their monthly meetings, this volunteer board spends countless hours reviewing rules and regulations to assess the impact they could have on small businesses in Hawaii. Hawaii's small businesses account for 96% of all employers in the state and employ over half of the state's private workforce. To date, the SBRRB has reviewed over 630 rules/regulations since its 1998 inception.

We also note that this effort should be funded appropriately to allow this volunteer Board to conduct its essential review of government regulations. An appropriation would provide this important board with a budget for staff support and travel expenses for their appointees from across the State, helping to increase their efficiency and allowing them to focus their attention on safeguarding small businesses throughout the State.

We support this bill and appreciate the opportunity to express our views on this matter.



#### HEARING BEFORE THE HOUSE COMMITTEE ON FINANCE HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 308 THURSDAY, MARCH 30, 2017 AT 2:00 P.M.

To The Honorable Sylvia Luke, Chair; The Honorable Ty J.K. Cullen, Vice Chair; and Members of the Committee on Finance

# TESTIMONY IN SUPPORT OF SB 908 RELATING TO THE SMALL BUSINESS REGULATORY FLEXIBILITY ACT

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 SB 908.

We feel that the Small Business Regulatory Review Board is extremely important to protect small businesses in our state. 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. By appropriating funds to provide additional resources to the Small Business Regulatory Review Board, they will be able to continue to help small businesses.

In addition to the changes in the proposed bill, 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.



The Hawaii Business League

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

March 30, 2017

- Testimony To: House Committee on Finance Representative Sylvia Luke, Chair
- Presented By: Tim Lyons, President
- Subject: S.B. 908, SD 1, HD 1 RELATING TO THE SMALL BUSINESS REGULATORY FLEXIBILITY ACT.

Chair Luke and Members of the Committee:

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

Any financial resources you can find to help this Board do its job is much appreciated and a testament to your support of the small business community.

Based the above, we support this bill and respectfully request your favorable consideration.

Thank you.



The Voice for Hawaii's Ocean Tourism Industry 1188 Bishop St., Ste. 1003 Honolulu, HI 96813-3304 (808) 537-4308 Phone (808) 533-2739 Fax timlyons@hawaiiantel.net

<u>COMMITTEE ON FINANCE</u> Rep. Sylvia Luke, Chair Rep. Ty J.K. Cullen, Vice Chair

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#### NOTICE OF HEARING

DATE:Thursday, March 30, 2017TIME:2:00 P.M.PLACE:Conference Room 308

# TESTIMONY OF THE OCEAN TOURISM COALTION SPEAKING IN SUPPORT SB908,SD1,HD1

Chair Luke, Vice Chair Cullen and Members of FIN:

My name is James E. Coon, President of the Ocean Tourism Coalition (OTC). The OTC represents over 300 small ocean tourism businesses state wide. Most of these are family businesses which are locally owned and operated. Many of them have been in business for several decades and are an important and valued part of their respective communities. Most of these businesses operate from State Boating Facilities. These businesses are already highly regulated by the Federal, State, and County laws. These regulations continue to increase year after year.

It is very important to the small business community to have a review board such as the Small Business Regulatory Review Board that functions as a potential buffer to vet out unreasonable new regulations that may be promulgated.

Please pass SB 908, SD1, HD1 so that this valuable board may continue to operate more effectively helping the small business community of our State.

Sincerely,

James E. Coon, President, OTC



P.O. Box 253, Kunia, Hawai'i 96759 Phone: (808) 848-2074; Fax: (808) 848-1921 e-mail info@hfbf.org; www.hfbf.org

March 30, 2017

# HEARING BEFORE THE HOUSE COMMITTEE ON FINANCE

# TESTIMONY ON SB 908 SD1 HD1: RELATING TO THE SMALL BUSINESS REGULATORY FLEXIBILITY ACT

Room 308 2:00 PM

Aloha Chair Luke, Vice Chair Cullen, 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** SB 908 SD1 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.

Thank you for the opportunity to support this measure.



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#### Testimony to the House Committee on Finance Thursday, March 30, 2017 2:00 pm Conference Room 308

#### RE: S.B. 908 SD1 HD1, Relating to the Small Business Regulatory Flexibility Act

Chair Luke, Vice-Chair Cullen, and members of the committee:

My name is Gladys Quinto Marrone, CEO of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii.

BIA-HAWAII is in strong support of S.B. 908 SD1 HD1, which proposes to adopt a more explicit definition of "small business," clarify the powers of the Small Business Regulatory Review Board (SBRRB), increase the number of board members from nine to eleven, and clarify when reporting by the agencies is required for submission to the board and for submission by the board to the Legislature.

The SBRRB is essential to a healthy and nurturing environment for Hawaii's small businesses as it is the one check the public has on the administrative rule process by providing real-life feedback on the impact rules may have on small businesses, their employees, and their family members. Prior to each of their monthly meetings, this volunteer board spends countless hours reviewing rules and regulations to assess the impact they could have on small businesses in Hawaii. Hawaii's small businesses account for 96% of all employers in the state and employ over half of the state's private workforce. To date, the SBRRB has reviewed over 630 rules/regulations since its 1998 inception.

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We are in strong support of S.B. 908 SD1 HD1, and appreciate the opportunity to express our views on this matter.

From:	mailinglist@capitol.hawaii.gov		
Sent:	Wednesday, March 29, 2017 2:00 PM		
То:	FINTestimony		
Cc:	ashman.janet@gmail.com		
Subject:	*Submitted testimony for SB908 on Mar 30, 2017 14:00PM*		

# <u>SB908</u>

Submitted on: 3/29/2017 Testimony for FIN on Mar 30, 2017 14:00PM in Conference Room 308

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
J Ashman	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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