

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

LUIS P. SALAVERIA DIRECTOR

MARY ALICE EVANS DEPUTY DIRECTOR

(808) 586-2355

(808) 586-2377

Telephone:

Fax:

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

Statement of LUIS P. SALAVERIA

Director

Department of Business, Economic Development and Tourism before the

HOUSE COMMITTEE ON FINANCE

Tuesday, February 28, 2017 1:00 p.m. State Capitol, Conference Room 308

in consideration of HB587 HD1 RELATING TO SMALL BUSINESS.

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



SMALL BUSINESS REGULATORY REVIEW BOARD

Tel 808 586-2594

Department of Business, Economic Development & Tourism No. 1 Capitol District Bldg., 250 South Hotel St. 5th Fl., Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Email: dbedt.sbrrb@hawaii.gov/sbrrb
Website: dbedt.hawaii.gov/sbrrb

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Director, DBEDT Voting Ex Officio

MEMORANDUM

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

Committee on Finance – Room 308 at 1:00 p.m.

FROM: Anthony Borge, Chairperson

Small Business Regulatory Review Board

DATE: Tuesday, February 28, 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.

Annual expenses for travel alone approximate \$15,000; in addition, training, postage and supplies would represent the bare minimum required to sustain the SBRRB's operations. Also, 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.

While I am proud of the accomplishments of this very hardworking and dedicated group of volunteers, the SBRRB has 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.

Testimony to the House Committee on Finance Tuesday, February 28, 2017 at 1:00 P.M. Conference Room 308, State Capitol

RE: HOUSE BILL 587 HD1 RELATING TO SMALL BUSINESS

Chair Luke, Vice Chair Cullen, 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.



HEARING BEFORE THE HOUSE OMMITTEE ON FINANCE HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 308 TUESDAY, FEBRUARY 28, 2017 AT 1:00 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 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 Tumpap President

Namela Jumpap

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.



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

February 28, 2017

HEARING BEFORE THE HOUSE COMMITTEE ON FINANCE

TESTIMONY ON HB 587 HD1: RELATING TO SMALL BUSINESS

Room 308 1 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** 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 members protect and foster 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.

From: mailinglist@capitol.hawaii.gov

Sent: Monday, February 27, 2017 12:51 PM

To: FINTestimony

Cc: ashman.janet@gmail.com

Subject: Submitted testimony for HB587 on Feb 28, 2017 13:00PM

HB587

Submitted on: 2/27/2017

Testimony for FIN on Feb 28, 2017 13:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
J Ashman	Individual	Support	No

Comments: This work of this Board is essential to the continued viability of Hawaii's small businesses, including farmers and ranchers. Please fund the Board so that it can accomplish its duties. Thank you.

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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Testimony to the House Committee on Economic Development Tuesday, February 28, 2017 1:00 pm Conference Room 308

RE: HB 587 HD1 – Relating to Small Business

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 H.B. 587 HD1 which proposes to appropriate funds to the Department of Business, Economic Development, and Tourism to provide additional resources to the Small Business Regulatory Review Board.

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.

The aforementioned 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 are in strong support of H.B. 587 HD1 and appreciate the opportunity to express our views on this matter.