



Chamber of Commerce HAWAII

The Voice of Business

**Testimony to the Senate Committee on Commerce and Consumer Protection
Tuesday, February 7, 2023, at 9:15 A.M.
Conference Room 229 & Videoconference**

RE: SB 1577 Relating to The Department of Commerce and Consumer Affairs

Aloha Chair Keohokalole, Vice Chair Fukunaga, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **strongly supports** SB 1577, which requires the Department of Commerce and Consumer Affairs to make all business registration applications available online. Requires all applications to contain certain contact information.

The Chamber believes that making all business registration applications available online is a vital step in streamlining the process of registering new businesses in our state. By providing businesses with the ability to register online, we can reduce the amount of paperwork and time spent in the process of registering a new business. Additionally, this bill will make the process of registering a business simpler and more accessible.

The state of Hawaii is committed to creating an environment that is conducive to business growth and success. By providing businesses with the ability to register online, we can ensure that businesses have the resources they need to succeed and can quickly and easily obtain all of the necessary information to do business in our state.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ 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.

Based on feedback from our membership and the business community, the Chamber strongly supports this bill.

Thank you for the opportunity to testify.



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Amended Testimony of the Department of Commerce and Consumer Affairs

Before the
Senate Committee on Commerce and Consumer Protection
Tuesday, February 7, 2023
9:15 a.m.
Via Videoconference

On the following measure:
S.B. 1577, RELATING TO DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

Chair Keohokalole and Members of the Committee:

My name is Nadine Ando, and I am the Director of the Department of Commerce and Consumer Affairs (Department). The Department submits its amended testimony on this bill to clarify that because of the concerns previously raised in testimony submitted to the committee for the February 7, 2023 hearings, the Department opposes S.B. 1577. The Department's prior testimony is incorporated by reference herein.

S.B. 1577, with no stated purpose, seeks to amend section 26-9 of the Hawaii Revised Statutes (HRS), relating to the general organization of the State of Hawaii's executive and administrative departments, by requiring: (1) the Director of the Department to make all business registration applications available online, and (2) all applications to contain the name and contact information, including the phone number, email address, and mailing address, of the registering entity.

Regarding the first requirement, the Department finds it is vague and unnecessary, because the Department's Business Registration Division (BREG) neither

requires nor provides “business registration applications” to register a business entity in the State. Therefore, it is unclear as to what is meant by the term “business registration applications.”

BREG already provides a wide variety of forms (official and unofficial) to the public to register a business entity in the State’s business registry, and a majority of BREG’s forms (blank and completed) are on its website for the public to use and review, and thus, are already “available online.” In addition, BREG is currently in the process of making all of its forms (official and unofficial) “available online,” and anticipates that all forms (blank and completed) will be “available online” via its website by January 2024. In fact, nearly 90% of all filings with BREG are already submitted online. Therefore, the first requirement is unnecessary.

For the same reasons, the Department also opposes the second requirement because it is unclear as to whether it applies to all applications submitted to any division within the Department by a registering entity. In addition, there may be potential violations of personal privacy interests by making “available online” certain contact information that otherwise would be protected from disclosure to the public, particularly where it is unknown whether such contact information will be used in a manner that is consistent with the conditions or reasonable expectations of use and disclosure under which the registering entity provided its information to the Department.

Thank you for the opportunity to testify on this bill.