

Small Business Regulatory Review Board

MINUTES OF REGULAR MEETING

December 12, 2018

Conference Room 405 - Leiopapa A Kamehameha, State Office Tower, Honolulu, Hawaii

- I. **CALL TO ORDER:** Chair Borge called the meeting to order at 10:05 a.m., with a quorum present.

MEMBERS PRESENT:

- Anthony Borge, Chair
- Robert Cundiff, Vice Chair
- Garth Yamanaka, Second Vice Chair
- Harris Nakamoto
- Nancy Atmospera-Walch
- Mary Albitz
- Mark Ritchie

ABSENT MEMBERS:

- William Lydgate

STAFF: DBEDT

Dori Palcovich
Ashleigh Garcia

Office of the Attorney General

Jennifer Polk-Waihee

II. **APPROVAL OF OCTOBER 17, 2018 MINUTES**

Vice Chair Cundiff made a motion to accept the October 17, 2018 minutes, as presented. Mr. Ritchie seconded the motion, and the Board members unanimously agreed.

III. **APPROVAL OF NOVEMBER 7, 2018 PERMITTED INTERACTIONS WITH MEMBERS, UNDER SECTION 92-2.5(d), HRS**

Vice Chair Cundiff made a motion to accept the November 7, 2018 permitted interactions with members, under Section 92-2.5(d), HRS. Mr. Ritchie seconded the motion, and the Board members unanimously agreed.

- A. Discussion and Action on Proposed Amendments to HAR Title 16 Chapter 17 Captive Insurance Companies, promulgated by Department of Commerce and Consumer Affairs (DCCA)

Mr. Paul Yuen, Supervising Attorney at DCCA's Insurance Division, explained the history of captive insurance companies and what a captive insurance company is, which are insurance companies set up by parent companies. An example is where a business owns a fleet of automobiles, and instead of buying multiple policies for each automobile, a captive insurance company owns and oversees all the vehicles; the parent, in turn, determines a percentage of the policies to be reinvested.

Mr. Yuen further explained that to tighten up the parent company's assets should it become financially distressed, the rule amendments address this issue and ensure that the captive has enough assets to cover its surety (such as bail bonds for construction work projects). While a small business would be affected if it had a claim on a policy and it was issued by the captive insurer, small businesses would not set up a captive insurance company.

Not every state allows captive insurance companies. Hawaii, which is ranked in the top ten of captive insurance companies in the United States in terms of quality and the amount of invested money, has allowed for captive insurance companies since the 1980's. The major benefit of a captive insurance company is the parent's cost-cutting tool as it would no longer need to pay the administrative expenses that private insurance companies pay; Mr. Yuen noted that it is prudent for the captives to buy reinsurance to spread the risk. There are currently 283 captive insurance companies in Hawaii but not all them do surety.

Captives can also loan back profits to the parent, but if the parent runs into financial problems and must close, it would be holding a worthless piece of commercial paper, which DCCA does not want to happen. DCCA has been in touch with the Hawaii Captive Insurance Council regarding the proposed amendments. The council has concurred with the changes as it is within the insurance companies interest that the captive insurance industry remains financially viable.

B. Discussion and Action on Request Received through this Board's "Regulation Review Card" to Review HAR Title 13 Subtitle 11, Part 1 Small Boat Facilities and Provisions Generally Applicable to All State Navigable Waters, Chapter 231, Operation of Boats, Small Boat Harbors, and Use Permits for All Navigable Waters, Sections 50 through 70 to "Open up the Permitting Process for Small Business to Grow and Thrive and to Put Stricter Policies in Place for Current Permit Holders"

Ms. Meghan Statts, DOBOR Oahu District Manager and Mr. Todd Tashima, Legal Fellow, provided background on the permitting process by explaining how the existing rules pertain to permits, issuing of permits, and the length of time it takes to renew permits. Once a permit is issued, which is good up to twelve months, it may be revoked if a violation occurs. To maintain a permit, minimum gross receipts are required; random audits are performed to enforce this requirement.

In September of 2014, Section 13-231-67 was amended to require eleven (11) commercial rent permits. However, prior to going to the Land Board and the Governor for approval of the public hearing, a massive rush of operators requested rent permits. At the time the rule change was made, there were seventeen (17) commercial rent permits available even though the rule allowed for eleven; according to DOBOR's legal counsel, the additional six permits could not be denied. The 17 permits will eventually drop down to the required 11 permits by attrition when permittees do not renew; a business also can buy-out an entity and obtain a permit.

A \$15.00 application fee for a rent permit is paid annually until a permit is offered; the cost of a permit depends on the size of a boat. Per statute, the only types of permits that can be auctioned off are thrillcraft, which pertains only to jet ski operations and parasail permits; every other permit is offered through a "wait list."

Ms. Statts noted that Mr. Wesley Moore from Kona Town Surf Adventures, who submitted a request to this Board to perform surf instructions from the ramp at Keauhou, has a commercial use permit that he pays \$200 per month. Ms. Statts was unclear if Mr. Moore currently has access to a ramp or whether he can bring a boat into the water as some of the areas are restricted as to whether a motorized vessel can be used.

Overall, the rent limitations in Keauhou reduces over-crowding, which has addressed concerns from the community about the excessive commercial activity that was taking place; parking is also extremely limited at the Keauhou boating area. When public hearing was held for Section 13-231, HAR, there were no oppositions against DOBOR's restricted rental numbers. Therefore, if a new business wanted to use a boat ramp it would not legally be possible because it would need to wait for the attrition process of the permits.

Regarding whether DOBOR is planning to consider modifying the existing rules to open the permitting process to be more equitable to all businesses so that a new business may have an opportunity to "get in the door," Ms. Statts stated that can possibly be done. However, the biggest obstacle is the timing, as it must be approved by DLNR's Land Board with the knowledge that there would be heavy opposition to the request, and then proceed to public hearing. In any case, DOBOR will look into this for further consideration.

Mr. Tashima also stated that there is a similar issue currently on Kauai where businesses are requesting that the current four (4) limit permit be increased. While DOBOR is open to increasing the permit count, the stakeholders' and the communities' concerns opposing higher permit limits must be taken into consideration. Reasons for the opposition include parking concerns and the utilization of the ramps. One option for a new business to come in, pursuant to the current rules, is to buy-out another existing company. There have also been a few permits in the past that were opened to the public because the permits were revoked due to violations of the rules.

Ms. Statts and Mr. Tashima were thanked for their input and answering the questions.

ADMINISTRATIVE MATTERS

- A. Discussion and Action on the Board's 2018 Draft 201M-7 Periodic Review; Evaluation Report pursuant to Section 201M-7, HRS

DBEDT staff stated that since the last board meeting, there have been several updates: PUC provided updates on every single rule; DOT updated the rules; many of DCCA's rules were updated; and DOH has not responded. Also, Deputy Attorney General Polk-Waihee contacted the deputy AG's that oversee the departments of agriculture and budget & finance.

- B. Discussion and Action on the Board's Draft 2018 Annual Report Summary for Submission to the Hawaii State Legislature under Section 201M-5(f)

Not applicable.

- C. Update on Changes to the Board's 2019 Meeting Schedule

Due to the lack of a meeting quorum on December 5th, the next board meeting is scheduled for December 12th. DBEDT staff will look to change the meeting venue to conference room 405 at Leiopapa A Kamehameha Building, State Office Tower.

- D. Update on the Board's Upcoming Advocacy Activities and Programs in accordance with the Board's Powers under Section 201M-5, HRS
 - a. Review of Board's Proposed Power Point Presentation for Outreach Purposes

DBEDT staff will add more statistics in Slide 2 regarding women, minorities and small businesses.

IV. OLD BUSINESS – After Public Hearing

- 1. Discussion and Action on Proposed Amendments to HAR Title 16 Chapter 17 Captive Insurance Companies, promulgated by Department of Commerce and Consumer Affairs (DCCA)

Discussion leader Mr. Ritchie stated that the rules are meant to give greater clarity to the captive insurance companies. Testimonies from the Legislative Committee of the Hawaii Captive Insurance Council and Iron Workers' Stabilization Fund provided support of the changes to the rules. In response to the testimonies, Vice Chair Cundiff appreciated the representation of the industry and the small businesses.

Vice Chair Cundiff made a motion to move the proposed rules to public hearing. Second Vice Chair Yamanaka seconded the motion, and the Board members unanimously agreed.

- 2. Discussion and Action on Request Received from this Board's "Regulation Review Card" to Review HAR Title 13 Subtitle 11, Part 1 Small Boat Facilities and Provisions Generally Applicable to All State Navigable Waters, Chapter 231, Operation of Boats, Small Boat Harbors, and Use Permits for All Navigable Waters, Section 50 through 70 to "Open Up the Permitting Process for Small businesses to Grow and Thrive and to Put Stricter Policies in Place for Current Permit Holders"

Chair Borge stated that Mr. Moore, who submitted a regulation review card to this Board, has a valid concern which is to open the permitting process so local small businesses can grow and thrive, and to put stricter policies in place for current permit holders. Chair Borge suggested a more equitable, competitive solution while keeping in line with market demands; he asked if DOBOR had alternatives to the attrition process.

In response, Mr. Underwood, DLNR's DOBOR Administrator, stated that Mr. Moore, who teaches surf lessons on the shore and who is currently on a wait list to use the ocean, can buy someone else's permit. In addition to attrition, he would be able to receive a permit through an auction, because of a statute change, or when a permit has been revoked.

Ms. Meghan Statts, DOBOR District Manager, stated that small businesses must meet the minimum gross receipts. Although there is a current discussion with the deputy attorney general's office as to how much can be charged, each commercial-use permit, of which the owners have a property interest, is charged three percent because the statute specifically states three percent.

As a recap to the discussion, it was stated that the existing rules were written and approved in 2014. Mr. Moore, who is currently on a "wait list," is claiming there is a limited number of permits per location because once a permit is received it cannot be relinquished absent certain factors.

The Board thanked Mr. Underwood and requested that DOBOR submit a written response to this Board about the permitting process that includes the options and steps Mr. Moore may take in obtaining a permit at Kailua-Kona, Hawaii.

A. Discussion and Action on the Small Business Statement After Public Hearing and Proposed Amendments to HAR Title 4 Chapter 186, Petroleum Products Accounting and Inspection, promulgated by Department of Agriculture (DoAg)

Discussion leader Vice Chair Cundiff stated that the rules are after the public hearing. At the hearing, one person showed up to testify and one written testimony was received. As the initial rule changes came from the petroleum industry, which represents small business, this Board should support the rule changes.

Mr. Ritchie made a motion to move the proposed rules to the Governor for adoption. Mr. Nakamoto seconded the motion, and the Board members unanimously agreed.

B. Discussion and Action on the Small Business Statement After Public Hearing and Proposed New HAR Title 18 Chapter 237 General Excise Tax Law, Section 34-13, Persons with a Material Interest in a Tax Return, promulgated by Department of Taxation (DoTax)

Discussion leader Second Vice Chair Yamanaka stated that at the public hearing, the Tax Foundation of Hawaii testified against the rule changes. Mr. Jacob Herlitz, DoTax Administrative Rule Specialist, explained three concerns conveyed by the Tax Foundation. However, DoTax's deputy attorney general determined that the rules are legal and appropriate "as to form" despite the Tax Foundation's claims; DoTax chose to listen to the attorney general's opinion.

In response to the question as to how the public was notified of the public hearing, Mr. Herlitz responded that DoTax followed the law and minimum requirements by publishing the hearing in the various local newspapers for one day; no other forms of publication were made.

Chair Borge understood that DoTax followed the laws in posting the public hearing however he was surprised that no follow-up action was made to the various chambers of commerce. Not getting the small businesses involved is of concern and he requested that, in the future, the small business community be contacted and that the impact statement reflect concerns,

if any, of small businesses. Second Vice Chair Yamanaka attempted to reach out to other small business organizations but had not heard back before the meeting.

Mr. Thomas Yamachika, President of the Tax Foundation, testified that the statute dates to the 1980's and explained how the process works. Currently, although the rules allow tax returns to be seen by contractors, trustees, partners, owners, etc., the filings and tax returns must be appropriately confidential. Mr. Herlitz stated that Mr. Yamachika's sentiments are that the privacy laws are intended to induce candor from taxpayers and these rules are counter to inducing candor.

Chair Borge believed more input and information is needed from the businesses as he hoped there would have been more public involvement. He suggested that a letter be sent to the Governor with the Board's concerns; i.e., not enough input from the stakeholders and privacy concerns. Vice Chair Cundiff concurred, noting that once the rules leave this Board prior to public hearing, there is hope that there is public involvement from the small businesses to bring forth concerns and issues; however, it appears that the process did not allow for this. Thus, overall, this Board does not have enough information from the stakeholders to take a position on the proposal.

Vice Chair Cundiff made a motion to send a memorandum to the Governor stating that more input is needed from the stakeholders and the industry to determine the extent of impact the proposed rules have on small businesses, and that the Board has concern with privacy issues as it relates to the potential lack of confidentiality of tax return information expected by both taxpayers and tax preparers. Mr. Nakamoto seconded the motion, and the Board members unanimously agreed.

C. Discussion and Action on the Small Business Statement After Public Hearing and Proposed Amendments to HAR Title 18 Chapter 237D, Transient Accommodations Tax, promulgated by DoTax, as follows:

- a. Section 4-01 Certificate of Registration
- b. Section 4-02 Display of Registration Certificate
- c. Repeal Sections 4-03 through 4-07
- d. Proposed New Sections 4-08 through 4-35

Discussion leader Second Vice Chair Yamanaka stated that there were two concerns brought up at the public hearing by Tax Foundation of Hawaii. One concern suggested amending the reference to postmarks to allow for the use of private delivery services, which is consistent with Section 231-8(c), HRS. DoTax elected to follow the Tax Foundation's suggestion for consistency.

The second concern suggested providing additional standards in situations where DoTax issues fines more than \$5,000. DoTax did not concur with this suggestion as it was believed that the standards under the proposed rules, as currently drafted, are sufficient because Act 204 requires fines of not less than \$5,000 to third-time violators. Thus, under the proposed rules, DoTax is limited to issuing fines of merely \$5,000 and not more, unless it provides an explanation for higher fines in writing.

Ms. Albitz stated there was lack of involvement and input with the industry. Mr. Ritchie expressed that this Board should be more proactive in reaching the small businesses regarding these and other rules.

Second Vice Chair Yamanaka made a motion to move the proposed rules to go to the Governor for adoption. Mr. Nakamoto seconded the motion, and the Board members unanimously agreed.

D. Discussion and Action on the Small Business Statement After Public Hearing and Proposed Amendments to HAR Title 12, promulgated by Department of Labor and Industrial Relations (DLIR)

- a. Chapter 229 General, Administrative and Legal Provisions
- b. Chapter 230.1 Elevators, Escalators, Dumbwaiters, Moving Walks, and Material Lifts and Dumbwaiters with Automatic Transfer Devices; and
- c. Chapter 240 Elevator Requirements for Individuals with Disabilities

Mr. Bert Yorita, Elevator Supervisor and Mr. Julius Dacanay, Boiler & Elevator Branch Manager at DLIR, explained that the rule changes are mostly housekeeping measures that were excluded in the rule changes a few years ago. Mr. Ritchie noted that prior to public hearing there were no noted impacts to small business; Ms. Albitz concurred, and stated that the industry was in support of the rule changes.

Mr. Ritchie made a motion to move the proposed rules to the Governor for adoption. Mr. Nakamoto seconded the motion, and the Board members unanimously agreed.

E. Discussion and Action on the Small Business Statement After Public Hearing and Proposed Amendments to HAR Title 4 Chapter 71, Plant and Non-Domestic Animal Quarantine Non-Domestic Animal Import Rules, promulgated by DoAg

Vice Chair Cundiff reminded the members that the changes reflect amendments to the existing rules after the public hearings which prohibit the transportation of undomesticated animals and noted that DoAg's major concern relates to public safety. Mr. Jonathan Ho, Acting Manager at DoAg's Plant Quarantine Branch, explained that the first segment of the rules relating to house crickets, tilapia and housekeeping measures were previously reviewed by this Board. The second segment, which relates to prohibition of dangerous wild animals, is before this Board today.

Mr. Ho stated that one business, E.K. Fernandez (E.K.), was the sole, major business impacted by the rules; E.K. brings wild animals to Hawaii for approximately six weeks a year. Chair Borge added that there is a trickle-down effect of the impact on the small businesses.

At the public hearings, which occurred on all the islands, most of the testifiers supported the amendments. Objections included culture and tradition being lost with the banning of wild animals, financial challenges, and that there was no basis for the public welfare of the wild animals. Mr. Ho also stated that there is an overall decline in the industry because of the public's sentiment in viewing the rights of wild animals and that the permitting process is designed to operate safely and very specific to the species.

Testifier, Ms. Donna Smith, Vice President E.K. for the past 38 years, explained that the permitting process proposed in the rules is very specific as it relates to various tests for specific animals. She testified that E.K. has been successful for 115 years but has experienced exponential rising costs over the past few years; the restrictions of the regulations will continue to cut into E.K.'s revenues.

Further, no other business produces the services that E.K. provides. If the rules are adopted the business's services will be gone forever, as Hawaii's unique economic climate creates a barrier to entry in the marketplace that is intrinsic to Hawaii, and which technically makes E.K.'s business irreplaceable. She added that a lot of people enjoy watching wild animals; without the animals these consumers would not attend the shows.

In addition, Ms. Smith explained that the community and nonprofit organizations on Maui depend heavily on E.K.'s participation at the Maui Fair as well as department of education schools which have sponsored carnivals and used the money proceeds for improvements to the schools, student travel, athletic equipment, and numerous other things that the department's funds do not provide these schools.

Ms. Cathy Goeggel, President and founder of Animal Rights Hawaii since 1977, testified in support of the rules banning wild animals. Regarding the small business aspect, she noted that a few years ago Ringling Brother and Barnum & Baily Circus stopped using elephants in the acts and finally closed because it was acknowledged that the business had to change with the times. She added that there are other ways to raise monies for the schools besides animal attractions.

Mr. Tyler Ralston, testified that he witnessed the Tyke incident regarding the elephant that was killed twenty years ago in Hawaii. He questioned whether E.K. was in fact considered a "small business," and stated that there is no correlation in E.K.'s revenue between the years that the wild animals are brought into Hawaii and the years the animals are not brought in. He urged this Board to look at the positive impact the proposed rule changes would have on Hawaii and take the stance that bringing wild animals into Hawaii is not a positive attribute. Ms. Smith clarified that Fernandez Entertainment is the "main" company and is made up of several smaller businesses, of which, E.K. Fernandez is one.

Mr. Keith Dane, Hawaii Policy Advisor for the Humane Society, testified that the public's safety and health is a major concern regarding bringing dangerous, wild animals into Hawaii. Overall, the public is concerned about animal welfare. Many circuses have done away with wild animals; for example, Cirque du Soleil, which is the largest circus in the nation, does not even have animals in its act. As Governor Ige placed a ban in 2015 for permits allowing wild animals to come into Hawaii, Mr. Dane encouraged this Board to recommend approval of the rule changes.

Testifier and chair of the Humane Society, stated that in the past few years, there have not been other businesses or schools impacted by the proposed rules. She claimed there are no impacts to small business; the impact is with the negative publicity that would come from a serious incident. The Humane Society absolutely supports E.K., and it does not want to see E.K. go out of business; however, dangerous wild animals are not needed for E.K. to

thrive. She added that there is a trend where people around the world are claiming they will not come to Hawaii if wild animals are transported into Hawaii.

Mr. Cundiff appreciated the testimonies today and questioned Mr. Ho as to what thought processes were made in making the various exemptions in the rules bringing dangerous, wild animals into Hawaii. Mr. Ho responded that movie filming has an exemption to bring in wild animals as it relates to the public's safety being monumentally reduced. Zoos, however, are not exempted, but can bring in elephants, for example.

Mr. Ho stated that regarding the overall business impact, small businesses during the Maui public hearing, claimed that should E.K. not be allowed to import the animals there would be a negative financial effect on the Maui fairs. Chair Borge noted that people make the decision by buying a ticket or not buying a ticket, and as such, the public decides whether they want to view wild animal shows.

Vice Chair Cundiff stated that in the history of this Board, this is the only time when only one company appears to be impacted by the rules. Mr. Nakamoto, having been born and raised in Hawaii, sees that E.K. has endured tough economic times throughout the years. In the past, there has been competition and now with the change of times, E.K. is the only wild animal circus.

Second Vice Chair Yamanaka added that although it has been recognized that there is a negative impact of shipping in wild animals to Hawaii, there was no testimony from the travel industry. Vice Chair Cundiff stated that the public safety concern of bringing in wild animals becomes cloudy because of the exemption of using wild animals in Hawaii's filming industry, and because no testimony addressed this issue. Further, there needs to be fairness and consistency with the business impact and the animal safety concerns.

Vice Chair Cundiff made a motion to move the proposed amended rules forward to the Governor with reservations, as the Board has determined there is an impact to small businesses; Mr. Nakamoto seconded the motion. Vice Chair Cundiff, Second Vice Chair Yamanaka, Ms. Albitz, Mr. Nakamoto, Ms. Atmospera-Walch, and Mr. Ritchie approved; Chair Borge opposed. Motion carried.

V. NEW BUSINESS – Before Public Hearing

A. Discussion and Action on Proposed Amendments to Title 8 Chapter 101, Rules Governing the Manufacture and Sale of Intoxicating Liquor of the County of Maui, promulgated by Department of Liquor Control, County of Maui

Ms. Albitz indicated that she reviewed the proposed amendments and did not find any ascertainable negative impact to small businesses; on the contrary, the amendments help small businesses.

Ms. Albitz made a motion to move the proposed rules to public hearing. Mr. Ritchie seconded the motion, and the Board members unanimously agreed.

VI. ADMINISTRATIVE MATTERS

- A. Discussion and Action on the Board's 2018 Draft 201M-7 Periodic Review; Evaluation Report for submission to the Hawaii State Legislature under Section 201M-7, HRS

Ms. Albitz made a motion to approve the draft *201M-7 Periodic Review; Evaluation Report* to the Legislature. Mr. Ritchie seconded the motion, and the Board members unanimously agreed.

- B. Discussion and Action on the Board's Draft 2018 Annual Report Summary for Submission to the Hawaii State Legislature under Section 201M-5(f), HRS

Mr. Ritchie made a motion to move the Board's Draft *2018 Annual Summary Report* to the Legislature. Mr. Nakamoto seconded the motion, and the Board members unanimously agreed.

- C. Update on the Board's Upcoming Advocacy Activities and Programs in accordance with the Board's Powers under Section 201M-5, HRS
- a. Review of Board's Proposed Power Point Presentation for Outreach Purposes

The members reviewed the proposed PowerPoint presentation. Vice Chair Cundiff recommended that the slide referencing "Recent Actions Taken by the SBRRB" be amended by omitting "animal rights" and replacing it with "public safety."

- b. Update on the Board's Website Proposal

Chair Borge reminded the members that \$5,000 was previously approved by DBEDT for the preliminary work of the Board's website; the SBRRB was recently budgeted another \$10,000 for a total of \$15,000.

Mr. Ritchie stated that DBEDT staff recently met with HIC (Hawaii Information Consortium) representatives, Ms. Rosie Warfield and Mr. Christopher Conover, who were present at today's meeting.

Ms. Warfield explained that the website's development is broken out into two phases. Phase I is currently in process and is expected to end in March 2019 when Phase II will begin. It was questioned as to how much involvement the Board wants to provide regarding updates to the website. In response, it was suggested that the website committee provide the Board with substantive updates rather than small details every month.

Vice Chair Cundiff made a motion for the website committee, on behalf of the Board, to continue with interactions with the website developer, HIC, and to provide the Board with an update on the website's development when it is 50% completed. Mr. Ritchie seconded the motion, and the Board members unanimously agreed.

c. Review of Board's 2019 Meeting Schedule

The new 2019 meeting dates were reviewed, and it was agreed that the monthly meetings, going forward, will be held on Thursdays rather than Wednesdays.

VII. LEGISLATIVE MATTERS

- A. Update on the Legislative Proposal to Chapter 201M, HRS, for the 2019 Hawaii Legislative Session – Clarify the powers of the Small Business Regulatory Review Board by adding that the Board may consider any request from small business owners for review of a rule that is proposed and amended as well as adopted by a state agency, and to change “ordinance” to “rules” when making recommendations to the county council or the mayor for appropriate action

Chair Borge explained Governor Ige needs to approve this bill for the administration's package.

Also, the Board is still waiting for approval from the Governor on board member nominations from the House of Representatives.

- B. Discussion and Action on the Delegation of Authority to Board Member(s) and/or Staff to Submit Testimony and/or Testify on behalf of the Board during the 2019 Hawaii State Legislative Session

Vice Chair Yamanaka made a motion to recommend that Vice Chair Cundiff, Second Vice Chair Yamanaka and Chair Borge have authority to submit testimony and/or testify on behalf of the Board during the 2019 Hawaii State legislation session. Ms. Albitz seconded the motion, and the Board members unanimously agreed.

VIII. NEXT MEETING – The next meeting is scheduled on Thursday, January 17, 2019, in Conference Room 405, 235 South Beretania Street, Leiopapa A Kamehameha Building (State Office Tower), Honolulu, Hawaii at 10:00 a.m.

IX. ADJOURNMENT – Ms. Atmospera-Walch made a motion to adjourn the meeting and Vice Chair Cundiff seconded the motion; the meeting adjourned at 1:20 p.m.