

## Small Business Regulatory Review Board

### MINUTES OF REGULAR MEETING

May 17, 2017

Conference Room 436 - No. 1 Capitol District Building, Honolulu, Hawaii

- I. **CALL TO ORDER:** Chair Borge called the meeting to order at 10:01 p.m., with a quorum present.

**MEMBERS PRESENT:**

- Anthony Borge, Chair
- Robert Cundiff, Vice Chair
- Garth Yamanaka, 2<sup>nd</sup> Vice Chair
- Harris Nakamoto
- Nancy Atmospera-Walch
- Carl Nagasako

**ABSENT MEMBERS:**

- Kyoko Kimura

**STAFF:** DBEDT  
Dori Palcovich

Office of the Attorney General  
Dawn Apuna

### II. APPROVAL OF APRIL 19, 2017 MINUTES

Mr. Cundiff made a motion to accept the April 19, 2017 minutes, as presented. Mr. Yamanaka seconded the motion, and the Board members unanimously agreed.

### III. NEW BUSINESS

- A. Discussion and Action on Request to Oppose Proposed Increase in Permit Fees for Commercial Ocean Recreation Activities (CORA), by the County of Maui Budget & Finance Department

Chair Borge explained that CORA representatives have once again come to this Board for support, (as it did two years ago), to oppose the County of Maui Budget & Finance Department’s proposed increase (400%+) of CORA permit fees. In order to be in alignment with the Board’s mandates, Chair Borge asked that Deputy Attorney General Apuna explain the Board’s statutory responsibilities and authority in providing comments to CORA’s request.

Deputy Attorney General Apuna stated that Section 201M-5, HRS, says “for requests regarding county ordinances, the board may make recommendations to the county council or the mayor for appropriate action.” Her concern and understanding of the statute is that the intent of this Board’s mandate is to review administrative rules, created under state statutes

and county ordinances. However, there should not be a problem with the Board providing CORA with its recommendation or opinion, and noted that the sentence she read in the statute should either be clarified or deleted during a legislative session.

Mr. Cundiff expressed that although CORA is dealing with a proposed county ordinance, and this Board helps small businesses to grow and succeed, the increase in the fees would still have a significant impact on small business. Further, while this Board may or may not necessarily have authority to comment on an ordinance, the scope of this Board's advisory ability would be based on an advisory opinion and comments with the understanding it has no authority or ability to change the proposal.

Chair Borge concurred with Mr. Cundiff's sentiments and did not see where this Board would be over-reaching its boundaries; but instead noted that the Board would be providing input for the best interests of small business. He added that based on the proposed ordinance, CORA would not only incur additional fees from the County of Maui, but also from the State; i.e., Department of Land and Natural Resources. Overall, it was agreed that this Board's interest is to assist Hawaii small businesses.

It was mentioned that letters were recently sent out on behalf of this Board to all the State legislators who are from Maui, requesting any assistance they may be able to offer. To date, one of the legislators, Representative Angus McElvey, responded that he will pass on the concerns of CORA to the appropriate administration.

Chair Borge made a motion to encourage the Mayor of Maui, Maui's City Council, and the Director of Parks & Recreation to reach out to CORA, and any other stakeholders, to provide input on the impact of the proposed fees and to work in collaboration that is both beneficial and acceptable to the County and respective small businesses. Vice Chair Nakamoto seconded the motion, and the Board members unanimously agreed.

#### **IV. LEGISLATIVE MATTERS**

##### **A. Update on House Bill 1382 HD1, SD1, CD1, Relating to Procurement**

Initiated by the State Procurement Office, this measure creates a small business office. The legislature approved an appropriation of \$250,000 during the session; it is currently with the Governor for approval.

##### **B. Update on House Bill 587 HD1, SD1, Relating to Small Business**

This measure appropriates \$28,000 to DBEDT for a permanent administrative assistant position for this Board, effective January 1, 2018. Staff indicated that a "position description" is being drafted and will be sent to DBEDT's personnel office for review.

##### **C. Update on Senate Bill 908, SD1, HD2, CD1, Relating to the Small Business Regulatory Flexibility Act**

This measure clarifies the Board's statute and increases the number of members from nine to eleven with the two new members nominated by this Board. It is now sitting with the

Governor for signature. When the bill takes effect on July 1, 2017, six members will be required for a meeting quorum.

## V. ADMINISTRATIVE MATTERS

### A. Action and Voting on Board Chair, pursuant to Section 201M-5 (c), HRS, and Election of Vice Chair and Second Vice Chair

Ms. Atmospera-Walch made a motion to nominate Mr. Anthony Borge as this Board's Chair; Mr. Yamanaka seconded the motion, and the Board members unanimously agreed.

Mr. Nakamoto made a motion to nominate Mr. Robert Cundiff as this Board's Vice Chair; Ms. Atmospera-Walch seconded the motion, and the Board members unanimously agreed.

Mr. Nakamoto made a motion to nominate Mr. Garth Yamanaka as this Board's Second Vice Chair; Mr. Cundiff seconded the motion, and the Board members unanimously agreed.

Mr. Larry Anderson, a visitor at the Board meeting, showed an interest in becoming a member of this Board. He was an owner of an accounting firm for thirty years, prior to selling it five years ago, but is still working in the company as an employee. He would bring to this Board knowledge with regards to rules from the department of taxation, and is also aware, through his company, of small businesses' regulatory issues and concerns.

### B. Update on the Board's Upcoming Advocacy Activities and Programs in Accordance with the Board's Powers under Section 201M-5, HRS

#### 1. "Business in Hawaii" Broadcast on June 8, 2017

The members were reminded that the taping of Reg Baker's thinktank.hawaii live-stream show, highlighting this Board, will be taped on Thursday, June 8<sup>th</sup>. Anyone interested in being part of the taping will need to let staff know.

Mr. Baker will meet those members on June 8<sup>th</sup> at 12:30 for lunch at the Plaza Club with broadcasting to begin at 2:00, to be finished by 2:30 p.m. Two members would be an appropriate amount of participants; three would be fine, as well. Last year, Chair Borge, Ms. Kimura, and Mr. Nakamoto participated in the video.

#### 2. Small Business Conference at the Maui Arts and Cultural Center

It was noted that this was the first time the County of Maui put on a small business conference; Ms. Kimura, Mr. Ritchie, and Ms. Palcovich attended. Ms. Pamela Tumpap, Chair of the Maui Chamber of Commerce, who was also in attendance at the conference, is very interested in becoming a member of this Board.

Overall, the conference was educational and a great success. It is the intent of this Board to participate in more of these types of events to get the word out as to what this Board does for small business.

3. May 18<sup>th</sup> Small Business Conference & Expo

Staff will be attending and distributing Board brochures at this small business expo, sponsored by PBN. Next year, Chair Borge would like to be an “exhibitor” at this event. He would also like to have a “tabletop” and/or “banner” created for future events and exhibitions; Ms. Atmospera-Walch offered to assist staff with the design.

Mr. Nagasako indicated that if this Board is interested in purchasing any items before the end of the upcoming fiscal year to give him a list of those items prior to June 30<sup>th</sup>.

Ms. Atmospera-Walch suggested that this Board speak at upcoming events for the Filipino, Korean, and Chinese Chambers of Commerce.

- VI. NEXT MEETING** – The next meeting is scheduled for Wednesday, June 28, 2017, in Conference Room 436, 250 South Hotel Street, Honolulu, Hawaii at 10:00 a.m.
- VII. ADJOURNMENT** – Mr. Yamanaka made a motion to adjourn the meeting and Mr. Cundiff seconded the motion; the meeting adjourned at 10:56 a.m.