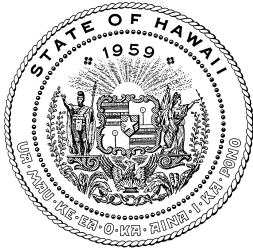


Small Business Regulatory Review Board Meeting
February 20, 2025
10:00 a.m.



SMALL BUSINESS REGULATORY REVIEW BOARD

Department of Business, Economic Development & Tourism (DBEDT)
No. 1 Capitol District Building, 250 S. Hotel Street, Fifth Floor, Honolulu, HI 96813
Mailing Address: P.O. Box 2359, Honolulu, HI 96804
Email: dbedt.sbrb.info@hawaii.gov
Website: sbrb.hawaii.gov

Tel: 808 798-0737

AGENDA

Thursday, February 20, 2025 ★ 10:00 a.m.
No. 1 Capitol District Building
250 South Hotel Street, Conference Room 436
Honolulu, HI 96813

As authorized under Act 220, Session Laws of Hawaii 2021, and Section 92-3.7 Hawaii Revised Statutes (HRS), the public can participate in the meeting either:

A. By attending the in-person meeting at:

**No. 1 Capitol District Building – 250 South Hotel Street, Conference Room 436,
Honolulu, HI 96813; or**

B. Via Video-audio livestream or via Telephone - to join the Video-audio livestream meeting, go to:

<https://us06web.zoom.us/j/88400776199?pwd=4wAvlu4jf7kz65ioBZWDXgpG4KIKJ8.1>

**C. To Join via Telephone: Dial 1-669-900-6833 with
Meeting ID 883 5814 0200 Passcode 066739**

When the Chairperson asks for public testimony during the meeting, you may indicate that you want to provide oral testimony by using the raise hand function or, if calling in by telephone, entering * and 9 on your phone keypad. When recognized by the Chairperson, you will be unmuted. If calling in by phone, you can unmute and mute yourself by pressing * and 6 on your keypad.

Members of the public may also submit written testimony via e-mail to:

DBEDT.sbrb.info@hawaii.gov or mailed to SBRRB, No. 1 Capitol District Building, 250 S. Hotel Street, Room 506, Honolulu, HI 96813, or P.O. Box 2359, Honolulu, HI 96804. The Board requests that written testimony be received by Wednesday, February 19, 2025 so it may be distributed to Board members prior to the meeting. Testimony received after that time will be distributed to the Board members at the meeting.

Copies of the Board Packet will be available on-line for review at: [Agendas & Minutes – Small Business Regulatory Review Board \(hawaii.gov\)](#) and in-person at 250 South Hotel Street, Room 506, Honolulu, HI 96813 during regular business hours. An electronic draft of the minutes for this meeting will also be made available at the same location when completed.

The Board may go into Executive Session under Section 92-5 (a)(4), HRS to Consult with the Board's Attorney on Questions and Issues Concerning the Board's Powers, Duties, Immunities, Privileges and Liabilities.

Josh Green, M.D.
Governor

Sylvia Luke
Lt. Governor

James Kunane
Tokioka
DBEDT Director

Dane K. Wicker
DBEDT Deputy Director

Members

Jonathan Shick
Chairperson
O'ahu

Mary Albitz
Vice Chairperson
Maui

Sanford Morioka
2nd Vice Chairperson
O'ahu

James (Kimo) Lee
Hawai'i

Garth Yamanaka
Hawai'i

Robert Cundiff
O'ahu

Tessa Gomes
O'ahu

Nikki Ige
Kaua'i

Dr. Jennifer Salisbury
Maui

Mark Ritchie for
Director, DBEDT
Voting Ex Officio

I. Call to Order

II. Approval of January 16, 2025 Meeting Minutes

III. Administrative Matters

- A. Update on the Board’s Upcoming Advocacy Activities and Programs in accordance with the Board’s Powers under Section 201M-5, Hawaii Revised Statutes (HRS)
1. Update on Business Revitalization Taskforce’s most recent meeting pursuant to Act 142 (Sessions Lawa Hawaii 2024, Senate Bill 2974 Relating to Economic Development) – Mandates that the Department of Business, Economic Development, and Tourism establish a task force in order to identify methods to improve Hawaii’s general economic Competitiveness and business climate, including the mitigations of regulatory and tax burdens
 2. Update and Discussion on Becker Communications Inc., regarding the Board’s Small Business Outreach
 3. Presentations to Industry Associations
 4. Staff’s Small Business Outreach

IV. Legislative Matters

- A. Update on the following:
1. **House Bill 1024 and Senate Bill 1343 SD1 – Relating to the Small Business Regulatory Review Board** – Amends the quorum requirements to do business and validate acts of the Small Business Regulatory Review Board
 2. Governor’s Message 513 Submitted for Consideration and Confirmation to the Small Business Regulatory Review Board, Gubernatorial Nominee, **James Lee**, for a term to expire June 30, 2028
 3. Governor’s Messages 514 Submitted for Consideration and Confirmation to the Small Business Regulatory Review Board, Gubernatorial Nominee, **Jennifer Salisbury**, for a term to expire June 30, 2028
 4. Governor’s Message 617 Submitted for Consideration and Confirmation to the Small Business Regulatory Review Board, Gubernatorial Nominee, **Nicolle Ige**, for a term to expire June 30, 2028

V. Next Meeting: Thursday, March 20, 2025 at 10:00 a.m., held via Zoom and at 250 South Hotel Street – No. 1 Capitol District Building, Conference Room 436, Honolulu, HI 96813

VI. Adjournment

If you need an auxiliary aid/service or other accommodation due to a disability, contact Jet’aime Ariola at 808 798-0737 and jetaime.k.ariola@hawaii.gov as soon as possible, preferably at least three (3) working days prior to the meeting. Requests made as early as possible have a greater likelihood of being fulfilled.

Upon request, this notice is available in alternate/accessible formats.

II. Approval of January 16, 2025 Meeting Minutes

Small Business Regulatory Review Board

MEETING MINUTES - **DRAFT**

January 16, 2025

- I. **CALL TO ORDER:** Chair Shick called the meeting to order at 10:00 a.m., with a quorum present.

MEMBERS PRESENT:

- Jonathan Shick, Chair
- Mary Albitz, Vice Chair
- Sanford Morioka, 2nd Vice Chair
- Tessa Gomes
- Dr. Jennifer Salisbury
- Mark Ritchie

ABSENT MEMBERS:

- Robert Cundiff
- Garth Yamanaka
- James (Kimo) Lee
- Nikki Ige

STAFF: DBEDT

Jet'aime Ariola
Dori Palcovich

Office of the Attorney General

Alison Kato

II. **APPROVAL of December 12, 2024 MINUTES**

Vice Chair Albitz motioned to approve the December 12, 2024 meeting minutes, as amended. Mr. Ritchie seconded the motion, and the Board members unanimously agreed.

III. **OLD BUSINESS**

- A. Discussion and Action on the Small Business Statement After Public Hearing and Proposed Amendments to HAR Title 12 Subchapter 46, Department of Labor and Industrial Relations – Civil Rights Commission, promulgated by Department of Labor – Civil Rights Commission

Ms. Constance Yonashiro, Chief Council for the Hawaii Civil Rights Commission, explained that this proposal is intended to clarify and make the rules more understandable for the public and for employees. The proposed updated definitions are also more in line with statutory requirements of other agencies.

On November 4, 2024, a statewide public hearing was held and mainly done through Zoom although a meeting room was available for potential in-person testifiers. Eleven people remotely attended the hearing with five written comments and two oral testifiers. Most of the testimonies were focused on the proposed language to amend the reasonable accommodations for individuals with disabilities who use medical cannabis.

After the public hearing, the Civil Rights Commission met on November 9th and 17th to discuss the comments and voted to adopt the proposed rules with non-substantive changes.

The changes, which were reviewed by the Attorney General's Office, confirmed that they were reasonable and non-substantive. In response to Mr. Ritchie's inquiry, Ms. Yonashiro explained that the analysis of the rules regarding reasonable accommodations was not changed by the rule modifications but are instead meant to provide more understanding of the responsibilities and processes.

Regarding the question about the difference between independent contractors and employees posed by Vice Chair Albitz, Ms. Yonashiro responded that the change in the definitions were merely for clarification purposes and are very basic.

Mr. Ritchie motioned to pass the rules on to the Governor for adoption. Dr. Salisbury seconded the motion, and the Board members unanimously agreed.

IV. NEW BUSINESS

- A. Discussion and Action on the Small Business Impact Statement and Proposed New Rules and Regulations Relating to the Use of Parks and Park Facilities by Peddlers and Concessionaires, Part VI – Rules and Regulations Governing the Operation of Concessionaires at the Spouting Horn Park, promulgated by County of Kauai – Department of Parks and Recreation

Mr. Patrick Porter, Director of Parks and Recreation for the County of Kauai, explained that the tourist attraction, Spouting Horn Park located at Kauai's south shore, previously maintained concession stands. These stands were demolished about six or seven years ago due to their poor condition with the intent to rebuild a brand new facility that was completed just prior to the COVID shut down.

Subsequently, City Council for Parks & Recreation recommended that rules and regulations be created for the concessionaires at the Spouting Horn Park as there were only County Codes governing this attraction. As a result, the proposed new administrative rules generally follow the conditions in the Code.

Chair Shick thanked Mr. Porter for bringing these proposed rules to the Board and acknowledged that the content of the rules were transferred from the Kauai Code to administrative rules.

Mr. Morioka motioned to pass the rules on to public hearing. Vice Chair Albitz seconded the motion, and the Board members unanimously agreed.

V. ADMINISTRATIVE MATTERS

- A. Update on the Board's Upcoming Advocacy Activities and Programs in accordance with the Board's Powers under Section 201M-5, Hawaii Revised Statutes (HRS)
 - 1. Update on the Business Revitalization Taskforce's most recent meeting pursuant to Act 142 (Sessions Law Hawaii 2024, Senate Bill 2974 Relating to Economic Development, and Tourism establish a task force in order to identify methods to improve Hawaii's general economic competitiveness and business climate,

including the mitigations of regulatory tax burdens

Ms. Gomes stated that she attended the past (first) meeting of the taskforce that entailed an understanding of what its purview is and what steps are needed to accomplish the required goals.

2. Review of the Board's Proposed 2025 - 2026 Strategic Goals and Discussion and Action on Upcoming 3 – 5 Year Plan

Deferred until the next Board meeting.

3. Update and Discussion on Becker Communications, Inc., regarding the Board's Small Business Outreach

The next meeting scheduled with Becker Communications and DBEDT staff is January 30, 2025.

4. Presentations to Industry Associations

Vice Chair Albitz stated that today is the day that the Hawaii Chamber of Commerce scheduled its “walk around” the State Capitol to meet with State legislators, which she will partake in. Dr. Salisbury is also planning to attend the “walk around” at the Capitol.

Dr. Salisbury is attending the Maui Chamber of Commerce Legislative update luncheon on January 17th.

5. Staff's Small Business Outreach

Ms. Ariola is scheduled to attend the 2025 Women's Legislative Caucus on January 22nd. On January 23rd she will be attending the Hawaii Economic Association (HEA) webinar/meeting for an update on the year's economic forecast. Dr. Salisbury will also be attending the HEA webinar on the 23rd.

VI. NEXT MEETING – Thursday, January 16, 2025 at 10:00 a.m., via Zoom and in Conference room 436 at Capitol Modern Building, 250 S. Hotel Street, Honolulu, HI 96813.

VII. ADJOURNMENT – Vice Chair Albitz motioned to adjourn the meeting and Dr. Salisbury seconded the motion; the meeting adjourned at 10:26 a.m.

III. Administrative Matters

A. Update on the Board's Upcoming Advocacy Activities and Programs in accordance with the Board's Powers under Section 201M-5, Hawaii Revised Statutes (HRS)

1. Update on the Business Revitalization Taskforce's most current meeting pursuant to Act 142 (Sessions Law Hawaii 2024, Senate Bill 2974 Relating to Economic Development) – Mandates that DBEDT establish a task force in order to identify methods to improve Hawaii's general economic competitiveness and business climate, including the mitigations of regulatory and tax burdens
2. Update and Discussion on Becker Communications Inc., regarding the Board's Small Business Outreach –*No Attachment*
3. Presentations to Industry Associations – *No Attachment*
4. Staff's Small Business Outreach – *No Attachment*

Permitted Interaction Groups Duties (draft)

Group 1. Regulations

Group leader: Dean I Hazama, DCCA Deputy Director

Group members:

Sharon Z. Banaag, Maui County, Office of the Mayor

Garth Yamanaka, Small Business Regulatory Board

Blaine Miyasato, Hawaiian Airlines

Constancio Paranal, Filipino Chamber of Commerce

Duties:

- Review existing regulations (fees, business permits/licenses processing, etc.) to reduce administrative burdens on businesses and start-ups.
- What are the best practices from other states?
- Address industry-specific regulatory barriers.
- Propose concrete solutions for Hawai'i.

Group 2. Workforce Development

Group leader: Thomas Chock, DBEDT Creative Industries Division

Group members:

Amy Asselbaye, Honolulu Office of Economic Revitalization

Brian Miyamoto, Hawaii Farm Bureau

Sue Kanoho, HVCB, Kauai Visitor Bureau

David Rodriguez, DLIR Equal Opportunity Officer

Tonga Hopoi, Chamber of Commerce Hawaii

Duties:

- Assess current and future workforce needs and identify skills gaps.
- What are the workforce development programs in the state, and how do these match up with the state's workforce needs?
- Components of high labor cost in Hawai'i.
- Best practices from other states.
- Propose concrete solutions for Hawai'i.

Group 3. Business Cost

Group leader: Seth Colby, DoTAX Tax Research and Planning Officer

Group members:

Alec Sou, Aloun Farms

Jimmy Chan, Hawaiian Chip Company

Roseann Freitas, Building Industry Association of Hawaii

Tina Yamaki, Retail Merchant

Duties:

- Examine the current status of Hawai'i business incentives and tax credits.
- Does Hawai'i's business tax structure including tax credits lead to business growth?
- Best practices from other states.
- Propose concrete solutions for Hawai'i.

Group 4. Access to Capital/ Entrepreneurship/ Growth Prospects

Group Leader: Sandra Fujiyama, UH, Shidler PACE, Executive Director

Group members:

Dennis Lin, Hawaii County, Office of Research and Development Management

Dr. Patrick Sullivan, Oceanit

Kurt Miyashiro, MK Equipment Company

Su Shin, Hawaiian Telcom

Duties:

- Identify and address barriers to accessing capital for businesses and entrepreneurs.
- Examine how to increase entrepreneurship in the state:
 - Startup ecosystem – how to incubate, accelerate, and get these businesses to grow and remain in the state?
 - How to increase available business capital (venture capital, banks, federal government loans)?
 - What are the opportunities to commercialize R&D with current companies or new companies?
- Best practices from other states.
- Propose concrete solutions for Hawai'i.

Group 5. Innovation & Economic Climate

Group leader: Sherry Menor- McNamara, Chamber of Commerce Hawaii, CEO

Group members:

Nathan Prescott, Kauai County Office of Economic Development

Wendy Laros, Kona-Kohala Chamber of Commerce

Lauren Zirbel, Hawaii Food Industry Association

Monty Pereira, Watanabe Floral

Duties:

- How to increase businesses survival rate (currently 50% of businesses fail within 5.5 years)?
- Examine reports issued by other organizations including auditor, state ethics commission, DBEDT, UHERO, and other relevant reports.
- How to attract good businesses to the state (from other locations)?
- How to retain and grow good businesses in the state?
- Best practices from other states.
- Concrete solutions for Hawai'i.

According to several rankings entities evaluating the overall business and economy environments of U.S. states, Hawai'i consistently ranks among the lowest-ranked 10 states. The most commonly employed metrics to rank states for business include business creation and growth rate, business cost, workforce and infrastructure development, access to capital, technology and innovation, and affordability.

As shown in the table below, while Hawai'i was recognized as a state with a moderate level of workforce development, it ranked low in several other categories, including business costs, access to capital, infrastructure development, and innovation. The studies indicate that Hawai'i high cost of doing business, high cost of living, limited access to the finance, and relatively less-developed level of infrastructure and technology have been consistent challenges to the state.

Hawai'i's Business and Economic Environment Ranking by Multiple Entities

Ranking Institution	Description	Year	Overall Ranking	Business/Economy Climate	Business Cost	Workforce	Access to Capital	Cost of Living	Infrastructure	Technology & Innovation
CNBC ¹	American Top States for Business	2024	50	49	50	32	48	48	47	45
US News	Best State Ranking	2024	31	47	49	12	46	41	47	
ITIF ²	State New Economy Index	2020	46	42		32	40		40	47
Forbes	Best States for Business	2019	47	24	50	32		40		
Wallet Hub	Best & Worst State Economies	2024	50	49		50				50
ALEC ³	Economic Outlook	2024	41	42	41					
Tax Foundation	State Business Tax Climate Index	2024	42		42					

Note: Numbers in the table represent ranking, 1 stands for 1st position (best) and 50 stands for 50th position (worst). A reddish hue represents the worst position yellow represents moderate position, and green represents favorable position.

¹ Consumer News and Business Channel
² Information Technology and Innovation Foundation
³ American Legislative Exchange Council

Business Revitalization Task Force

First Meeting Minutes

Meeting was held virtually via Zoom and physical location at 250 South Hotel Street, Room 436,
Honolulu, Hawaii 96813
December 10, 2024
9:00 a.m. – 10:00 a.m.

PRESENT:

State Government:

James Kunane Tokioka, Dean I. Hazama, Dr. Seth Colby, David J. Rodriguez

Small Business Regulatory Review Board:

Garth Yamanaka

County Government:

Amy Asselbaye

Construction Industry:

Roseann Freitas

Agriculture Industry:

Brian Miyamoto

Visitors Industry:

Sue Kanoho

Food Industry:

Jimmy Chan

Retail Industry:

Tina Yamaki, Monty Pereira

High Technology Industry:

Dr. Patrick Sullivan, Su Shin

Regional and Ethnic Chambers of Commerce:

Constancio Paranal, Wendy Laros, Tonga Hopoi

Chamber of Commerce Hawai'i:

Sherry Menor- McNamara

Staff Members:

Department of Business, Economic Development and Tourism (DBEDT): Dane K. Wicker, Dr Eugene Tian, Dr. Joeseeph Roos, Mustafa Shirzad, Dr. Oscar Carvallo Valencia

CALL TO ORDER:

Time lapse: 9:01 a.m. – 9:04 a.m.

DBEDT Director James Kunane Takioka called the meeting to order. 18 members were present.

SUMMARY:

1. Agenda Item 1: Opening by DBEDT Director

Time lapse: 9:04 a.m. – 9:06 a.m.

DBEDT Director stated the objectives of Senate Bill 2974 (Act 142) to establish a task force to identify methods to improve the general economic competitiveness and business climate of Hawai'i, including mitigating regulatory and tax burdens. DBEDT Director designated Dennis Ling (Business Development and Support Division Administrator, DBEDT) as his designee for future meetings.

2. Agenda Item 2: Nomination and Selection of the Task Force Chairperson

Time lapse: 9:06 a.m. – 9:07 a.m.

DBEDT Director called for nominations for chairperson candidates. Dennis Ling (Business Development and Support Division Administrator, DBEDT) was nominated. No other candidates were put forth for nomination. Dennis Ling was then elected by a unanimous vote to become chairperson of the task force.

3. Agenda Item 3: Nomination and Selection of the Task Force Vice Chairperson

Time lapse: 9:07 a.m. – 9:09 a.m.

DBEDT Director called for nominations for the vice-chairperson; Sherry Menor-McNamara (CEO, Chamber of Commerce Hawai'i) was nominated. No other candidates were nominated. Sherry Menor-McNamara was elected by a unanimous vote.

4. Agenda Item 4: Framework of the Task Force

Time lapse: 9:10 a.m. – 9:17 a.m.

Dr. Eugene Tian (Administrator for the Research and Economic Analysis Division of DBEDT) summarized the duties and deliverables of this task force and DBEDT's role in supporting the task force.

Dr. Tian stated that the Research and Economic Analysis Division of DBEDT will be responsible for documentation, including meeting notices, recordings, meeting summaries, and compiling the task force report.

5. Agenda Item 5: Suggestions on Future Meeting Subjects and Contents

Time lapse: 9:18 a.m. – 9:45 a.m.

The DBEDT Director opened the floor for the members to share their ideas on future meeting content and ways to effectively recommend both regulatory and tax strategies to increase Hawai'i economic competitiveness. The major points discussed were:

- a. The task force should be pro-active and conduct efficient meetings focused on specific outcomes related to the Hawai'i general economic competitiveness and business climate.
- b. Private sector entities emphasized the importance of considering private sector concerns and suggestions in proposing recommendations on business climate. They called this task force an opportunity for the state to meaningfully hear from the private sector and further policies to reduce barriers affecting the business climate, reduce regulatory and tax burdens, and propose methods to promote workforce development as well as access to capital and innovation.

6. Concluding Section: Members Introduction

Time lapse: 9:46 a.m. – 10:01 a.m.

DBEDT Director Tokioka opened the floor for members to introduce themselves and the agency they represent.

DECISION POINTS AND ACTION ITEMS

1. The date and time of the next meeting will be sent to all members and made public in accordance with the Sunshine Law. The task force next meeting is expected to be conducted in late January 2025.
2. DBEDT Deputy Director Dane K. Wicker will present DBEDT initiatives related to the business revitalization in Hawai'i at the next meeting.
3. Task force committees will be discussed and formed at the next meeting.
4. All members were asked to provide via email suggestions to the DBEDT supporting team about the task force's next meetings, strategies and.

AJOURNMENT:

The meeting adjourned at 10:01 a.m.

Business Revitalization Task Force
Second Meeting Minutes (draft)

Meeting was held virtually via Zoom and physical location at 250 South Hotel Street, Room 436,
Honolulu, Hawai'i 96813
January 16, 2025
10:00 a.m. – 11:30 a.m.

PRESENT:

State Government:

Director James Kunane Tokioka, Dean I. Hazama, Seth Colby, Sandra Fujiyama

Small Business Regulatory Review Borad:

Garth Yamanaka

County Government:

Amy Asselbaye, Sharon Z. Banaag, Dennis Lin,

Construction Industry:

Roseann Freitas,

Agriculture Industry:

Brian Miyamoto, Alec Sou

Visitor Industry:

Sue Kanoho

Food Industry:

Lauren Zirbel

Retail Industry:

Tina Yamaki, Monty Pereira

Regional and Ethnic Chambers of Commerce:

Constancio Paranal, Wendy Laros, Tonga Hopoi

Chamber of Commerce Hawai'i:

Sherry Menor-McNamara

Staff Members:

Department of Business, Economic Development and Tourism (DBEDT): Dennis Ling, Deputy Director Dane Wicker, Eugene Tian, Joseph Roos, Mustafa Shirzad, Oscar Carvallo Valencia

CALL TO ORDER:

Time lapse: 10:01 a.m. – 10:05 a.m.

Chair Dennis Ling, BDS-DBEDT administrator, called the meeting to order. 19 members were present.

SUMMARY:

1. Agenda Item 1: Approval of December 10, 2024, Meeting Minutes

Time lapse: 10:05 a.m. – 10:07 a.m.

Chair Dennis Ling called for a motion to approve December 10, 2024, meeting minutes. It was moved by Tina Yamaki and seconded by Seth Colby that the last meeting minutes be accepted. The chair called for an anonymous vote and the motion passed.

2. Agenda Item 2: Formation of Permitted Interaction Groups (PIGs)

Time lapse: 10:08 a.m. – 10:56 a.m.

Chair Dennis Ling opened the discussion on formation of permitted interaction groups (PIGs) within the task force. Dennis outlined the scope of each group, the authority of members, and the limitations of their investigation. He also clarified that members could not discuss their investigations with other board members who were not part of their group. The groups were identified as focusing on regulation, workforce development, business costs, access to capital entrepreneurship, and innovation and economic climate. The following PIGs and respective group leaders were identified:

1. Group 1 will be led by Dean Hazama (Deputy Director, DCCA) and aims to reduce administrative burdens on businesses and startups,
2. Group 2 will be led by Thomas Chalk (Creative Industries Division, DBEDT) and focuses on workforce development, assessing current and future workforce needs, and examining workforce development programs in the state,
3. Group 3 will be led by Seth Colby (Tax Research Officer, DoTAX) and examines Hawai'i's business incentives and tax credits as well as the impact of government on businesses,
4. Group 4 will be led by Sandra Fujiyama (PACE, UH Manoa), and aims to identify barriers to accessing capital for businesses and entrepreneurs and increasing entrepreneurship in the state.
5. Group 5 will be led by Sherry Menor-McNamara (CCH) and aims to examine advancing innovation and increasing the number of businesses in the state.

Discussion and Vote on Group 1: Regulation

Chair Dennis Ling opened the discussion on content and addition of new members to Group 1.

Alec Sou, Lauren Zirbel, Roseann Freitas, Tina Yamaki, and Sherry Menor-McNamara were added as new members to this group

Seth Colby stated that reviewing all existing regulations within Hawai'i is a challenging task. He suggested instead to focus on a systematic approach to recognize effective regulations and get rid of ineffective ones.

Dean Hazama responded that the group members will investigate the framework of the existing regulations.

Lauren Zirbel suggested on reducing the administrative delays on businesses and start-ups.

Chair Dennis Ling called for a vote on approving Group 1; the group was approved through anonymous voting.

Discussion and Vote on Group 2: Workforce Development

Chair Dennis Ling opened the discussion on content and addition of new members to Group 2.

Amy Asselbayer highlighted the overlap of this group's efforts and the workforce development initiative led by DLIR proposing concrete solutions for Hawai'i. She mentioned a large working group involving around 90 members are part of the DLIR Workforce Development Initiatives and proposed the revision of certain points to avoid duplications of the efforts.

Thomas Chock stated his role as a central point of information for workforce development efforts in Hawai'i and expressed a strong interest in collaborating with the Department of Labor, nonprofits, and community groups to gain a comprehensive understanding of ongoing efforts. He stressed the importance of addressing duplication across organizations and initiatives to ensure a coordinated and effective approach to workforce development challenges.

Chair Dennis Ling called for a vote on approving Group 2; the group was approved through anonymous voting.

There were no new members added to this group.

Discussion and Vote on Group 3: Business Cost

Chair Dennis Ling opened the discussion on content and addition of new members to Group 3.

Lauren Zirbel was added as a new member to this group.

Seth Colby proposed adding discussion of major costs facing Hawai'i businesses to the scope of this group.

Garth Yamanaka proposed adding the impact of government on businesses in Hawai'i.

Chair Dennis Ling called for a vote on approving Group 3; the group was approved through anonymous voting.

Discussion and Vote on Group 4 Access to Capital/ Entrepreneurship/ Growth Prospects

Chair Dennis Ling opened the discussion on content and addition of new members to Group 4.

Alec Sou, Constancio Paranal, and Sharon Z. Banaag were added as new members to this group.

Sue Kanoho stated concern about the slow process of converting agricultural lands to different uses, which can take up to 5 to 7 years. She suggested that there might be opportunities to expedite this process to promote business activities.

Dennis Lin agreed, citing the example of a lava field being considered agricultural land, which is not best use of the land.

Lauren Zirbel shared her experience of a small family egg business facing similar issues due to land use regulation and zoning requirements.

Chair Dennis Ling called for vote on approving Group 4; the group was approved through anonymous voting.

Discussion and Vote on Group.5 Innovation and Economic Climate

Chair Dennis Ling opened the discussion on content and addition of new members in Group 5.

Tina Yamaki, Constancio Paranal, and Sharon Banaag were added as new members to this group.

Chair Dennis Ling called for vote on approving Group 5; the group was approved through anonymous voting.

Discussion on PIGs Timelines

The PIGs' activities will run from January through March, culminating in a presentation to the full task force in April. During this three-month period, the group will work to address key issues, compile research, and prepare recommendations. Once each PIG presented its findings and recommendation in April, the PIG will be officially dissolved. A follow-up task force meeting will be planned for May, at least six days after the April session, to review the findings and decide on the final report to the legislature.

3. Agenda Item 3: The Economic Landscape of Hawai'i, Presentation by DBEDT-Deputy Director Dane Wicker

Time lapse: 10:56 a.m. – 11:13 a.m.

Deputy Director Dane Wicker discussed the state of Hawai'i's economy and the need for diversification. He highlighted the state's strengths in workforce development and areas of weaknesses, which include business costs, access to finance, infrastructure, and innovation. Deputy Director Dane Wicker also presented DBEDT's framework for Hawai'i economy focusing on three major sectors: tech and innovation, creative industries, and product development. He emphasized the importance of workforce development, infrastructure, policy changes, and incentives to support these sectors. He concluded by outlining the three-phase approach of DBEDT's strategy, which includes research and development, market & scale-up, and export.

Discussion on The Economic Landscape of Hawai'i, Presentation

Seth Colby emphasized the importance of business formation and growth for economic productivity.

Sue Kanoaho highlighted the need for workforce development due to staffing shortages.

DBEDT Director James Tokioka thanked the team for their contributions and encouraged them to send specific requests for data and information to DBEDT.

NEXT STEPS:

- Dennis Ling to send task force members a list of all members with individual contact information.
- Dennis Ling to share the PIGs presentation and the Economic Landscape of Hawai'i presentation with taskforce members.
- Dennis Ling to share DBEDT research team contact information with the taskforce members to facilitate requests for specific data and research documents.
- PIG leaders will contact their group members to discuss future meeting agendas and contents.
- Seth Colby will provide tax-related information upon request.
- All PIGs members to conduct their investigations and prepare findings for presentation that will take place in April 2025.

AJOURNMENT:

The meeting adjourned at 11:24 a.m.

IV. Legislative Matters

A. Update on the following:

1. **House Bill 1024 and Senate Bill 1343 SD1 – Relating to the Small Business Regulatory Review Board** – Amends the quorum requirements to do business and validate acts of the Small Business Regulatory Review Board
2. Governor’s Message 513 Submitted for Consideration and Confirmation to the Small Business Regulatory Review Board, Gubernatorial Nominee, **James Lee**, for a term to expire June 30, 2028
3. Governor’s Messages 514 Submitted for Consideration and Confirmation to the Small Business Regulatory Review Board, Gubernatorial Nominee, **Jennifer Salisbury**, for a term to expire June 30, 2028
4. Governor’s Message 617 Submitted for Consideration and Confirmation to the Small Business Regulatory Review Board, Gubernatorial Nominee, **Nicolle Ige**, for a term to expire June 30, 2028

HB1024



Measure Title: RELATING TO THE SMALL BUSINESS REGULATORY REVIEW BOARD.

Report Title: SBRRB; Small Business; Quorum Requirements

Description: Amends the quorum requirements to do business and validate acts of the Small Business Regulatory Review Board.

Companion: [SB1343](#)

Package: Governor

Current Referral: ECD, JHA

Introducer(s): NAKAMURA (Introduced by request of another party)

Sort by Date

Status Text

1/23/2025	H	Referred to ECD, JHA, referral sheet 3
1/23/2025	H	Introduced and Pass First Reading.
1/21/2025	H	Pending introduction.

S = Senate | **H** = House | **D** = Data Systems | **\$** = Appropriation measure | **ConAm** = Constitutional Amendment

Some of the above items require Adobe Acrobat Reader. Please visit [Adobe's download page](#) for detailed instructions.

HB1024

A BILL FOR AN ACT

RELATING TO THE SMALL BUSINESS REGULATORY REVIEW BOARD.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 201M-5, Hawaii Revised Statutes, is
2 amended by amending subsection (d) to read as follows:

3 "(d) A majority of all the members [~~to which the board is~~
4 ~~entitled~~] currently serving on the board shall constitute a
5 quorum to do business, and the concurrence of a majority of all
6 the members [~~to which the board is entitled~~] currently serving
7 on the board shall be necessary to make any action of the board
8 valid[-]; provided that at least five members are necessary to
9 constitute a quorum to do business and validate any action of
10 the board."

11 SECTION 2. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 3. This Act shall take effect upon its approval.

14

15

INTRODUCED BY: *Nedra K. Rubin*

16

BY REQUEST

JAN 21 2025

H.B. NO. 1024

Report Title:

SBRRB; Small Business; Quorum Requirements

Description:

Amends the quorum requirements to do business and validate acts of the Small Business Regulatory Review Board.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

JUSTIFICATION SHEET

DEPARTMENT: Business, Economic Development, and Tourism

TITLE: A BILL FOR AN ACT RELATING TO THE SMALL
BUSINESS REGULATORY REVIEW BOARD.

PURPOSE: To amend the quorum requirements to do
business and validate acts of the Small
Business Regulatory Review Board (SBRRB) to
account for vacancies.

MEANS: Amend section 201M-5(d), Hawaii Revised
Statutes (HRS).

JUSTIFICATION: The SBRRB has had trouble meeting current
quorum requirements due to vacancies. This
bill will allow a majority of the SBRRB's
currently appointed members to constitute a
quorum to do business and take official
action.

Impact on the public: Authorizing business
to be conducted and actions to be validated
by the majority of actual members will allow
the SBRRB to function without interruption
and thus benefit small business owners.

Impact on the department and other agencies:
Having a flexible quorum requirement that
accounts for vacancies will reduce potential
delays in the rulemaking process caused by
meeting cancellations due to a lack of
quorum.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: BED-142.

OTHER AFFECTED
AGENCIES: None.

EFFECTIVE DATE: Upon approval.

SBI343 SD1



Measure Title: RELATING TO THE SMALL BUSINESS REGULATORY REVIEW BOARD.

Report Title: SBRRB; Small Business; Quorum Requirements

Description: Amends the quorum requirements to do business and validate acts of the Small Business Regulatory Review Board. Effective 7/1/2050. (SD1)

Companion: [HB1024](#)

Package: Governor

Current Referral: EDT, JDC

Introducer(s): KOUCHI (Introduced by request of another party)

<u>Sort by Date</u>	Status	Text
2/12/2025	S	Report adopted; Passed Second Reading, as amended (SD 1) and referred to JDC.
2/12/2025	S	Reported from EDT (Stand. Com. Rep. No. 396) with recommendation of passage on Second Reading, as amended (SD 1) and referral to JDC.
2/6/2025	S	The committee(s) on EDT recommend(s) that the measure be PASSED, WITH AMENDMENTS. The votes in EDT were as follows: 5 Aye(s): Senator(s) DeCoite, Wakai, Fukunaga, Kim, Awa; Aye(s) with reservations: none ; 0 No(es): none; and 0 Excused: none.
2/3/2025	S	The committee(s) on EDT has scheduled a public hearing on 02-06-25 1:15PM; Conference Room 229 & Videoconference.
1/27/2025	S	Referred to EDT, JDC.
1/23/2025	S	Introduced and passed First Reading.
1/21/2025	S	Pending Introduction.

S = Senate | **H** = House | **D** = Data Systems | **\$** = Appropriation measure | **ConAm** = Constitutional Amendment

Some of the above items require Adobe Acrobat Reader. Please visit [Adobe's download page](#) for detailed instructions.

SBI343 SD1

A BILL FOR AN ACT

RELATING TO THE SMALL BUSINESS REGULATORY REVIEW BOARD.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 201M-5, Hawaii Revised Statutes, is
2 amended by amending subsection (d) to read as follows:

3 "(d) A majority of all the members [~~to which the board is~~
4 ~~entitled~~] currently serving on the board shall constitute a
5 quorum to do business, and the concurrence of a majority of all
6 the members [~~to which the board is entitled~~] currently serving
7 on the board shall be necessary to make any action of the board
8 valid[-]; provided that at least five members shall be necessary
9 to constitute a quorum to do business and validate any action of
10 the board."

11 SECTION 2. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 3. This Act shall take effect on July 1, 2050.



Report Title:

SBRRB; Small Business; Quorum Requirements

Description:

Amends the quorum requirements to do business and validate acts of the Small Business Regulatory Review Board. Effective 7/1/2050. (SD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.



GM513



Measure Title: Submitting for consideration and confirmation to the Small Business Regulatory Review Board, Gubernatorial Nominee, JAMES LEE, for a term to expire 06-30-2028.

Report Title: Small Business Regulatory Review Board

Description:

Companion:

Package:

Current Referral: EDT

Introducer(s):

<u>Sort by Date</u>		Status Text
1/23/2025	S	Referred to EDT.
1/23/2025	S	Received.

S = Senate | **H** = House | **D** = Data Systems | **\$** = Appropriation measure | **ConAm** = Constitutional Amendment

Some of the above items require Adobe Acrobat Reader. Please visit [Adobe's download page](#) for detailed instructions.

GM513



GOV. MSG. NO. 513

EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA

January 15, 2025

The Honorable Ronald D. Kouchi, President
and Members of the Senate
Thirty-Third Legislature
Hawai'i State Capitol, Room 409
Honolulu, Hawai'i 96813

Dear President Kouchi and Members of the Senate:

In accordance with the provisions of Article V, Section 6 of the Hawai'i State Constitution, I have the honor to submit herewith for your consideration and confirmation the following nomination:

James Lee
Small Business Regulatory Review Board
Expiration Date: June 30, 2028

Sincerely,

A handwritten signature in black ink that reads "Josh Green M.D." in a cursive style.

Josh Green, M.D.
Governor, State of Hawai'i

GM514



Measure Title: Submitting for consideration and confirmation to the Small Business Regulatory Review Board, Gubernatorial Nominee, JENNIFER SALISBURY, for a term to expire 06-30-2028.

Report Title: Small Business Regulatory Review Board

Description:

Companion:

Package:

Current Referral: EDT

Introducer(s):

<u>Sort by Date</u>		Status Text
1/23/2025	S	Referred to EDT.
1/23/2025	S	Received.

S = Senate | **H** = House | **D** = Data Systems | **\$** = Appropriation measure | **ConAm** = Constitutional Amendment

Some of the above items require Adobe Acrobat Reader. Please visit [Adobe's download page](#) for detailed instructions.

GM514



GOV. MSG. NO. 514

EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA

January 15, 2025

The Honorable Ronald D. Kouchi, President
and Members of the Senate
Thirty-Third Legislature
Hawai'i State Capitol, Room 409
Honolulu, Hawai'i 96813

Dear President Kouchi and Members of the Senate:

In accordance with the provisions of Article V, Section 6 of the Hawai'i State Constitution, I have the honor to submit herewith for your consideration and confirmation the following nomination:

Jennifer Salisbury
Small Business Regulatory Review Board
Expiration Date: June 30, 2028

Sincerely,

A handwritten signature in black ink that reads "Josh Green M.D." in a cursive style.

Josh Green, M.D.
Governor, State of Hawai'i

GM617



Measure Title: Submitting for consideration and confirmation to the Small Business Regulatory Review Board, Gubernatorial Nominee, NIKKI IGE, for a term to expire 06-30-2028.

Report Title: Small Business Regulatory Review Board

Description:

Companion:

Package:

Current Referral: EDT

Introducer(s):

<u>Sort by Date</u>		Status Text
1/23/2025	S	Referred to EDT.
1/23/2025	S	Received.

S = Senate | **H** = House | **D** = Data Systems | **\$** = Appropriation measure | **ConAm** = Constitutional Amendment

Some of the above items require Adobe Acrobat Reader. Please visit [Adobe's download page](#) for detailed instructions.

GM617



GOV. MSG. NO. 617

EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA

January 15, 2025

The Honorable Ronald D. Kouchi, President
and Members of the Senate
Thirty-Third Legislature
Hawai'i State Capitol, Room 409
Honolulu, Hawai'i 96813

Dear President Kouchi and Members of the Senate:

In accordance with the provisions of Article V, Section 6 of the Hawai'i State Constitution, I have the honor to submit herewith for your consideration and confirmation the following nomination:

Nikki Ige
Small Business Regulatory Review Board
Expiration Date: June 30, 2028

Sincerely,

A handwritten signature in black ink that reads "Josh Green M.D." in a cursive style.

Josh Green, M.D.
Governor, State of Hawai'i