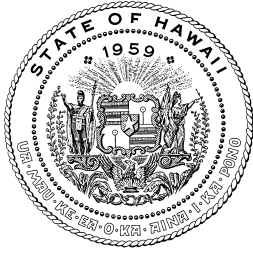


Small Business Regulatory Review Board Meeting

November 21, 2024

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.sbrrb.info@hawaii.gov
Website: sbrrb.hawaii.gov

Tel: 808 798-0737

AGENDA

Thursday, November 21, 2024 ★ 10:00 a.m.
Leiopapa A Kamehameha Building – State Office Tower
235 S. Beretania Street, Conference Room 405
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:
Leiopapa A Kamehameha Building – State Office Tower 235 S. Beretania Steet,
Conference Room 405, 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.sbrrb.info@hawaii.gov or mailed to SBRRB, No. 1 Capitol District Building, 250 S. Hotel Street, Room 508, Honolulu, HI 96813, or P.O. Box 2359, Honolulu, HI 96804. The Board requests that written testimony be received by Wednesday, November 20, 2024 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 4 Diamond Head, 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

Dr. Nancy Atmospera-Walch
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
Director, DBEDT Voting Ex Officio

I. Call to Order

II. Approval of October 17, 2024 Meeting Minutes

III. Old Business

- A. Discussion and Action on the Small Business Statement After Public Hearing and Proposed Amendments to Chapter 82, Rule Section 3-82-38.15, **Unlawful Discrimination**, promulgated by City and County of Honolulu - Liquor Commission – *Discussion Leader – Jonathan Shick*
- B. Discussion and Action on the Small Business Statement After Public Hearing and Proposed Amendments to Hawaii Administrative Rules Title 4 Chapter 72, **Plant and Non-Domestic Animal Quarantine Plant Intrastate Rules**, promulgated by Department of Agriculture – *Discussion Leader – Nikki Ige*

IV. 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. Discussion and Action on the Board’s Draft *2024 Annual Report Summary* for submission to the Hawaii State Legislature under Section 201M-5(f), HRS
 - 2. Update and Discussion on the Business Revitalization Taskforce’s October 29th meeting pursuant to Act 142 (Sessions Law Hawaii 2024, Senate Bill 2974 Relating to Economic Development) – Mandates that the Department of Business, Economic Development, and Tourism to 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
 - 3. Review of the Board’s 2023–2024 Strategic Goals and Discussion and Action on Upcoming 3–5 year Plan
 - 4. Update and Discussion on Becker Communications Inc., regarding the Board’s Small Business Outreach
 - 5. Presentations to Industry Associations
 - 6. Staff’s Small Business Outreach

- V. **Next Meeting:** Thursday, December 12, 2024 at 10:00 a.m., held via Zoom and at Leiopapa A Kamehameha Building – State Office Tower, Conference Room 405, 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 October 17, 2024 Meeting Minutes

Small Business Regulatory Review Board

MEETING MINUTES - **DRAFT**

October 17, 2024

ZOOM Meeting Recording

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

ABSENT MEMBERS:

- Sanford Morioka, 2nd Vice Chair
- Tessa Gomes

STAFF: DBEDT

Jet'aime Ariola
Dori Palcovich

Office of the Attorney General

John Cole

II. **APPROVAL OF September 19, 2024 MINUTES**

Vice Chair Albitz motioned to approve the September 19, 2024 meeting minutes, as presented. Ms. Ige 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 Chapter 4, Planning Commission Rules, Petitions for Interventions, promulgated by Kauai Planning Department County of Kauai

Deputy Director Ms. Jodi Higuchi Sayegusa from Kauai Planning Department explained that no less than three hearings were conducted to discuss opinions and comments from the public and small businesses after public notice was provided via the newspapers and direct notice to interested parties.

On September 10th an additional public hearing was held with very detailed written comments requesting changes to the rule proposal. While many of the suggestions were already made in the rules, other suggestions were determined by management to not be included in the amendments.

Specifically, the public's concerns included the magnitude of the increase for filing fees for petitions to intervene, the change from "may" to "shall" for when the Commission must grant petitions, and the good cause and excusable neglect standards. There were no testimonies from small businesses.

Ms. Sayegusa stated that she will be coming back to this Board in the near future with additional changes to the Kauai Planning Department rules to update the rules and correct ambiguities.

Mr. Cundiff motioned to pass the proposed rules on to the Mayor of Kauai for adoption. Vice Chair Albitz seconded the motion, and the Board members unanimously agreed.

IV. LEGISLATIVE MATTERS

- A. Discussion and Action on proposed legislation "Relating to the Small Business Regulatory Review Board" – clarifies requirements to establish a quorum to do business and validate acts of the Small Business Regulatory Review Board

Chair Shick explained that the proposed change in the Board's statute is due to having trouble meeting quorum each month largely because of current vacancies. The change will allow five members, or a majority of the board's currently appointed members to constitute quorum, to do business and take official action.

Deputy Attorney General Cole noted that this is a positive change to help with quorum issues; at the very least, it will alert the legislators of current vacancies within the Board.

Mr. Ritchie motioned to recommend approval of this legislative proposal for flexibility in meeting monthly quorum. Mr. Cundiff 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. Discussion of location for the 2025 Small Business Regulatory Review Board Meetings

It was agreed to change the monthly board meeting venues beginning in January 2025 to conference room 436 in the Capitol Modern building.

However, in the event a large group of people is anticipated to attend one of the board meetings, it will be scheduled in room 405 at Leiopapa A Kamehameha Building, State Office Tower.

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

DBEDT staff met with Becker Communications a few weeks ago; Becker personnel were informed that they are doing a fabulous job with the Board's social media communications: this includes Facebook, Instagram and Twitter.

3. Presentations to Industry Associations

Ms. Ige recently attended a Kauai Chamber of Commerce event and distributed the Board's brochures.

Mr. Yamanaka received an email this morning explaining that the Business Revitalization Taskforce meeting, pursuant to Act 142 (SLH 2024, SB2974, Relating to Economic Development) is scheduled for October 29th; he is planning to attend remotely.

He reminded the members that the taskforce was created, in part, to identify methods to improve economic competitiveness and business climate including the mitigation of regulatory and tax burdens. He requested that if any board members have suggestions to please send them his way before October 29th.

Mr. Ritchie suggested that Mr. Yamanaka mention at the meeting the enormous amount of time it takes for business permitting to be approved as well as the lack of understanding when permits are needed.

4. Staff's Small Business Outreach

Program Specialist Ms. Ariola and Mr. Ritchie participated in the Small Business Fair at Leeward Community College. It was a successful event with a good turnout.

Ms. Ariola attended Hawaii's Chamber of Commerce's annual meeting where she distributed the Board's brochures. This event was highly attended with 200 to 300 people. At the event, Circus de Soleil's management team highlighted the cultural aspects of the upcoming show and what will be presented; the show is at the Outrigger Waikiki Beachcomber Hotel and opens in December. The panel of speakers at the event discussed leadership versus management.

Next week, Ms. Ariola will be attending PBN's "Women Winning in Business" event at the Richards Street YWCA.

VI. NEXT MEETING – Thursday, November 21, 2024 at 10:00 a.m., via Zoom and in conference room 405 at Leiopapa A Kamehameha Building – State Office Tower – 235 S. Beretania Street, Honolulu, HI 96813.

VII. ADJOURNMENT – Mr. Cundiff motioned to adjourn the meeting and Mr. Ritchie seconded the motion; the meeting adjourned at 10:30 a.m.

III. Old Business

A. Discussion and Action on the Small Business Statement after Public Hearing and Proposed Amendments to Chapter 82, Rule Section 3-82-38.15, Unlawful Discrimination, promulgated by City and County of Honolulu – Liquor Commission

SMALL BUSINESS STATEMENT
“AFTER” PUBLIC HEARING TO THE
SMALL BUSINESS REGULATORY REVIEW BOARD
(Hawaii Revised Statutes (HRS), §201M-3)

Department or Agency: _____

Administrative Rule Title and Chapter: _____

Chapter Name: _____

Contact Person/Title: _____

Phone Number: _____

E-mail Address: _____ Date: _____

A. To assist the SBRRB in complying with the meeting notice requirement in HRS §92-7, please attach a statement of the topic of the proposed rules or a general description of the subjects involved. SEE ATTACHED.

B. Are the draft rules available for viewing in person and on the Lieutenant Governor’s Website pursuant to HRS §92-7?

Yes No SEE ATTACHED.

(If “Yes,” please provide webpage address and when and where rules may be viewed in person. Please keep the proposed rules on this webpage until after the SBRRB meeting.)

I. Rule Description: New Repeal Amendment Compilation

II. Will the proposed rule(s) affect small business?

Yes No (If “No,” no need to submit this form.)

* “Affect small business” is defined as “any potential or actual requirement imposed upon a small business . . . that will cause a direct and significant economic burden upon a small business, or is directly related to the formation, operation, or expansion of a small business.” HRS §201M-1

* “Small business” is defined as a “for-profit corporation, limited liability company, partnership, limited partnership, sole proprietorship, or other legal entity that: (1) Is domiciled and authorized to do business in Hawaii; (2) Is independently owned and operated; and (3) Employs fewer than one hundred full-time or part-time employees in Hawaii.” HRS §201M-1

III. Is the proposed rule being adopted to implement a statute or ordinance that does not require the agency to interpret or describe the requirements of the statute or ordinance?

Yes No

(If “Yes” no need to submit this form. E.g., a federally-mandated regulation that does not afford the agency the discretion to consider less restrictive alternatives. HRS §201M-2(d))

IV. Is the proposed rule being adopted pursuant to emergency rulemaking? (HRS §201M-2(a))

Yes No

(If “Yes” no need to submit this form.)

V. Please explain how the agency involved small business in the development of the proposed rules.

- a. **Were there any recommendations incorporated into the proposed rules? If yes, explain. If not, why not?**

VI. If the proposed rule(s) affect small business, and are not exempt as noted above, please provide the following information:

1. A description of how opinions or comments from affected small businesses were solicited.

2. A summary of the public's and small businesses' comments.

3. A summary of the agency's response to those comments.

4. The number of persons who:
 - (i) Attended the public hearing:
 - (ii) Testified at the hearing:
 - (iii) Submitted written comments:

5. Was a request made at the hearing to change the proposed rule in a way that affected small business?
 Yes **No**
 - (i) If "Yes," was the change adopted? **Yes** **No**
 - (ii) If No, please explain the reason the change was not adopted and the problems or negative result of the change.

Small Business Regulatory Review Board / DBEDT
Phone: (808) 586-2594 / Email: DBEDT.sbrrb.info@hawaii.gov
This statement may be found on the SBRRB Website at:

<http://dbedt.hawaii.gov/sbrrb-impact-statements- pre-and-post-public-hearing>

The second testifier provided oral testimony regarding the total petroleum hydrocarbon limits specified in the proposed rules as compared to the current IWDP which specifies total oil and grease. The testifier wanted to have his company tested for TPH in the future since their business will not have any issues meeting the TPH limits of the proposed rule. In response, CCH confirmed that the proposed rules will be implementing limits for TPH, not total oil and grease. Thus, no changes to the rules based on testimonies at the public hearing were required.

Mr. Morioka motioned to pass the rules on to the Mayor for adoption. Chair Shick seconded the motion, and the Board members unanimously agreed.

IV. NEW BUSINESS

A. Discussion and Action on the Small Business Impact Statement and Proposed Amendments to HAR Chapter 82 Licenses and Permits, General Provisions, Rule Section 3-82-38.15, Unlawful Discrimination, promulgated by City and County of Honolulu – Liquor Commission

Ms. Anna Hirai, Assistant Administrator from the City and County of Honolulu Liquor Commission noted that prior to discussing the current proposed rules, the comprehensive rule amendments that came before this Board in 2022, which went to public hearing, were never completed. The Liquor Commission has subsequently decided not to complete the rules process without completely abandoning the effort. Thus, the Commission is planning to come back in front of this Board in the next few months with a new effort of the comprehensive rules.

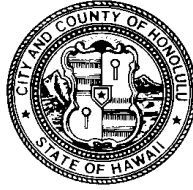
The current proposed amendment will clarify the types of unlawful discrimination that licensees are prohibited from using to refuse, withhold from, or deny the full and equal enjoyment of a licensee's accommodations, facilities, goods, and services. Although this language is duplicative of the language in the statute, it is being put into the rules because licensees have been subject to unlawful discrimination for decades. In addition, the Liquor Commission Chair suggested that the existing anti-discrimination rule be updated and amended to reflect current law which is aligned with the Commission's commitment to diversity and inclusiveness.

Chair Shick noted that in regard to small business impact, there appears to be only operational issues, no financial impact. He expressed the need for when the rule moves forward that it is expressed in a cooperative manner as opposed to a forceful one, which would make it more digestible; he added that there may likely not be a lot of pushback on the change. In response, Ms. Hirai stated that an informal meeting was held regarding this proposal. While no one showed up, the Liquor Commission received 16 pieces of testimony from various organizations; none of the testimonies were from licensees.

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

LIQUOR COMMISSION
KOMIKINA KĀKA'ĀHI WAI 'ONA
CITY AND COUNTY OF HONOLULU

711 KAPI'OLANI BOULEVARD, SUITE 600, HONOLULU, HAWAII 96813-5249
PHONE (808) 768-7300 • FAX (808) 768-7311
WEBSITE: honolulu.gov/liq • E-MAIL: liquor@honolulu.gov



RICK BLANGIARDI
MAYOR
MEIA

JEFFREY HONG
CHAIRPERSON
LĀLĀ

DILLON HULLINGER
VICE CHAIRPERSON
HOPE LĀLĀ

KEVIN SAKAMOTO
COMMISSIONER
KOMIKINA

JOSEPH BOCK
COMMISSIONER
KOMIKINA

EDMUND K.B. HYUN
COMMISSIONER
KOMIKINA

SALVADOR D. PETILOS
ADMINISTRATOR
LUNA

ANNA C. HIRAI
ASSISTANT ADMINISTRATOR
HOPE LUNA

November 6, 2024

Small Business Regulatory Review Board
Department of Business, Economic Development & Tourism
No. 1 Capitol District Building
250 South Hotel Street
Honolulu, Hawaii 96813

Re: Proposed Amendment to Rule §3-82-38.15. Unlawful Discrimination.

Chair Shick and Members:

We submit the following related to the Post-Public Hearing Small Business Statement filed on today's date.

Proposed Agenda Language

Discussion and action on the Post-Public Hearing Small Business Statement and Proposed Amendment to Rules of the Liquor Commission, City and County of Honolulu, Chapter 82, Rule §3-82-38.15, Unlawful Discrimination, promulgated by the Liquor Commission, City and County of Honolulu.

Proposed Amendment Approved at the October 24, 2024 Public Hearing

§3-82-38.15. Unlawful Discrimination. (a) No licensee, whose premises are open for business to the general public, shall refuse, withhold from, or deny to any person, the full and equal enjoyment of any of the licensee's accommodations, advantages, facilities, goods, privileges, or services on the basis of that person's race, color, disability, religion, sex, sexual orientation, gender identity or gender expression, or ancestry.

(b) For purposes of this rule, any licensee that caters, sells, serves, extends, offers, or otherwise makes available to the general public its accommodations, advantages, facilities, goods, privileges, or services, for a fee or charge shall be deemed to be open for business to the general public.

(c) This rule shall not apply to clubs that are not open to the general public, except to the extent that the accommodations, advantages, facilities, goods, privileges, or services of the club are made available to the general public.

(d) Nothing in this rule shall be construed or interpreted to prohibit a licensee from the right to deny service to any person for failure to conform to the usual and regular requirements, standards, and regulations for the licensed premises so long as the denial, requirements, standards, and regulations are uniformly applied to all persons without regard to race, color, disability, religion, sex, sexual orientation, **gender identity or gender expression**, or ancestry.

Related Information

In addition to the statutorily mandated posting and publication requirements for the August 8, 2024 and October 24, 2024 meetings, the proposed amendment was posted in the Liquor Commission offices and website and emailed to licensees.

We look forward to appearing before the Small Business Regulatory Review Board to report on the successful conclusion of the process for the proposed amendment to Rule §3-82-38.15. Unlawful Discrimination.

Sincerely,

Anna C. Hirai
Assistant Administrator

ACH:
Attachments

Proposed Amendment

§3-82-38.15. Unlawful Discrimination. (a) No licensee, whose premises are open for business to the general public, shall refuse, withhold from, or deny to any person, the full and equal enjoyment of any of the licensee's accommodations, advantages, facilities, goods, privileges, or services on the basis of that person's race, color, disability, religion, sex, sexual orientation, **gender identity or gender expression**, or ancestry.

(b) For purposes of this rule, any licensee that caters, sells, serves, extends, offers, or otherwise makes available to the general public its accommodations, advantages, facilities, goods, privileges, or services, for a fee or charge shall be deemed to be open for business to the general public.

(c) This rule shall not apply to clubs that are not open to the general public, except to the extent that the accommodations, advantages, facilities, goods, privileges, or services of the club are made available to the general public.

(d) Nothing in this rule shall be construed or interpreted to prohibit a licensee from the right to deny service to any person for failure to conform to the usual and regular requirements, standards, and regulations for the licensed premises so long as the denial, requirements, standards, and regulations are uniformly applied to all persons without regard to race, color, disability, religion, sex, sexual orientation, **gender identity or gender expression**, or ancestry.

III. Old Business

B. Discussion and Action on the Small Business Statement after Public Hearing and Proposed Amendments to HAR Title 4 Chapter 72, Plant and Non-Domestic Animal Quarantine Plant Intrastate Rules, promulgated by Department of Agriculture

SMALL BUSINESS STATEMENT
“AFTER” PUBLIC HEARING TO THE
SMALL BUSINESS REGULATORY REVIEW BOARD
(Hawaii Revised Statutes (HRS), §201M-3)

Department or Agency: HDOA Plant Quarantine Branch
Administrative Rule Title and Chapter: Title 4, Chapter 72
Chapter Name: Plant and Non-Domestic Animal Quarantine Plant Intrastate Rules
Contact Person/Title: Jonathan Ho, Manager
Phone Number: 808-832-0566 (main line), 808-832-0571 (direct)
E-mail Address: jonathan.k.ho@hawaii.gov **Date:** 11/12/2024

A. To assist the SBRRB in complying with the meeting notice requirement in HRS §92-7, please attach a statement of the topic of the proposed rules or a general description of the subjects involved.

B. Are the draft rules available for viewing in person and on the Lieutenant Governor’s Website pursuant to HRS §92-7?

Yes **No** <https://hdoa.hawaii.gov/blog/main/proposed-administrative-rules/>

(If “Yes,” please provide webpage address and when and where rules may be viewed in person. Please keep the proposed rules on this webpage until after the SBRRB meeting.)

I. **Rule Description:** **New** **Repeal** **Amendment** **Compilation**

II. **Will the proposed rule(s) affect small business?**

Yes **No** (If “No,” no need to submit this form.)

* “Affect small business” is defined as “any potential or actual requirement imposed upon a small business . . . that will cause a direct and significant economic burden upon a small business, or is directly related to the formation, operation, or expansion of a small business.” HRS §201M-1

* “Small business” is defined as a “for-profit corporation, limited liability company, partnership, limited partnership, sole proprietorship, or other legal entity that: (1) Is domiciled and authorized to do business in Hawaii; (2) Is independently owned and operated; and (3) Employs fewer than one hundred full-time or part-time employees in Hawaii.” HRS §201M-1

III. **Is the proposed rule being adopted to implement a statute or ordinance that does not require the agency to interpret or describe the requirements of the statute or ordinance?**

Yes **No**

(If “Yes” no need to submit this form. E.g., a federally-mandated regulation that does not afford the agency the discretion to consider less restrictive alternatives. HRS §201M-2(d))

IV. **Is the proposed rule being adopted pursuant to emergency rulemaking? (HRS §201M-2(a))**

Yes **No**

(If “Yes” no need to submit this form.)

V. Please explain how the agency involved small business in the development of the proposed rules.

Please see attachment 1.

- a. **Were there any recommendations incorporated into the proposed rules? If yes, explain. If not, why not?**

VI. If the proposed rule(s) affect small business, and are not exempt as noted above, please provide the following information:

1. A description of how opinions or comments from affected small businesses were solicited.

2. A summary of the public's and small businesses' comments.

3. A summary of the agency's response to those comments.

4. The number of persons who:
 - (i) Attended the public hearing:

 - (ii) Testified at the hearing:

 - (iii) Submitted written comments:

5. Was a request made at the hearing to change the proposed rule in a way that affected small business?
 Yes **No**
 - (i) If "Yes," was the change adopted? **Yes** **No**

 - (ii) If No, please explain the reason the change was not adopted and the problems or negative result of the change.

Small Business Regulatory Review Board / DBEDT
Phone: (808) 586-2594 / Email: DBEDT.sbrrb.info@hawaii.gov
This statement may be found on the SBRRB Website at:

<http://dbedt.hawaii.gov/sbrrb-impact-statements- pre-and-post-public-hearing>

Attachment 1: SBRRB After Public Hearing Impact Statement for 4-72, HAR

11/21/2024

V. Please explain how the agency involved small business in the development of the proposed rules.

The Hawaii Department of Agriculture (HDOA) met with Industry representatives regarding their concerns after the Hawaii Board of Agriculture's (Board) initial approval to move forward with the rule amendments in February 2023. Industry members were concerned about the rules possibly closing downs nurseries because the proposed rules were unclear/vague. They also had concerns about the change of the decision maker from the "Chief" to the "SPRO". HDOA understood these concerns, which were also brought up during the public hearing in January 2024.

a. Were there any recommendations incorporated into the proposed rules? If yes, explain. If not, why not?

HDOA changed all references of "SPRO" to "Chief" noting that it would be consistent with other existing Administrative Rules overseen by the Plant Quarantine Branch (PQB).

Regarding the proposed rules being unclear/vague, HDOA did not change any language in the proposed rules. HDOA is committed to clarifying its policies and procedures as authorized under the proposed rules as the intent of these proposed rule amendments is to provide HDOA with the ability to take swift regulatory action to prevent the spread of a pest, particularly in instances where the pest is not known to occur in the state or geographic area when discovered, or in instances where there are incipient pest infestations in a particular area. As the individual circumstances around pest infestations can be highly variable, ensuring the rules have the flexibility to allow HDOA to take decisive action was necessary. HDOA understands the concerns raised by potentially affected industry members on how these rules are currently drafted. However, HDOA has and will always be committed to working with affected industry members and continues its policy of education before regulation.

VI. If the proposed rule(s) affect small business, and are not exempt as noted above, please provide the following information:

1. A description of how opinions or comments from affected small businesses were solicited.

The HDOA met with various industry groups to discuss the proposed rules after the Board preliminarily approved them in February 2023.

Industry members were notified of the Statewide Public Hearing via a Notice of Public Hearing was published on December 27, 2023, in the Honolulu Star-Advertiser, The Garden Island, Hawaii Tribune-Herald, West Hawaii Today, and The Maui News for statewide circulation to the City and County of Honolulu, County of Kauai, County of Hawaii, and County of Maui. A notice of public hearing was also posted on the Hawaii Department of Agriculture's (HDOA) website.

Industry members were also notified of the Board's meeting on October 22, 2024, for final approval of the proposed amendments to 4-72, HAR.

2. A summary of the public's and small businesses' comments.

Public Hearing comments:

The public was generally supportive of the proposed rule changes, particularly those that will enable HDOA to act much more quickly to prevent the sale and movement of certain invasive species and infested commodities intra and inter island. Some public comments stated the proposed rules did not go far enough to prevent the spread of pests and suggested banning importation of ornamental plants or Christmas trees, eliminating sections that allowed the movement of infested materials under certain circumstances, or to require inspections and certifications for all growers or sellers of plants and mulch.

Some industry members raised concerns about how or when a quarantine would be implemented; which pest pests would trigger a shutdown of a business; and a need for addressing the possibility that a site could be quarantined indefinitely. There were issues with the changes from "Chief" to "SPRO", including the concern the designation of the SPRO can eliminate HDOA's regulatory oversight; what were the qualifications to be designate as the SPRO; and no justification indicating a need to change the decision-making authority from the Chief to the SPRO. These

members felt that the decision making should be deferred until additional consultation with industry could occur.

Other industry members were in support of the proposed rule's intent to increase biosecurity and address the spread of pests and noted that HDOA needs to be properly funded to conduct the tasks that are stated in the proposed rules, including providing support and advisement from HDOA to properly manage pests and diseases to prevent spread. They questioned the potential for criminal liability should a pest be discovered on their property or in their plants. They also had comments about the "SPRO" including requesting clear requirements to be the "SPRO"; how to ensure the SPRO remains within HDOA; and concerns that the SPRO could be a designee as opposed to a permanent Hawaii State employee.

October 22, 2024, Board Meeting:

At the Board's meeting, in addition to prior concerns that were raised at the public hearing, industry members suggested that the HDOA provide written guidelines addressing how/when a quarantine would be implemented. The Board Members were supportive of this and requested that the PQB provide ongoing updates to the Board at their monthly meetings to ensure that affected stakeholders are aware of the guidelines and progress development.

3. A summary of the agency's response to those comments.

The public comments were mostly supportive of the proposed amendments to 4-72, HAR, with all testifiers recognizing the intent of the proposed changes to minimize the spread of pests throughout the State.

Despite the questions raised by industry, HDOA believes that the rules as drafted provide the flexibility to enable quick regulatory action and is committed to continuing to work with affected parties to take actions that are reasonable and achievable, while simultaneously implementing needed permanent restrictions, such as those regarding CRB host material to minimize the likelihood of CRB spreading to uninfested areas in the State.

At the Board's October 2024 meeting, as a result of Industry's proposals to provide written guidelines regarding quarantines, PQB staff are in the process of drafting the written guidelines so industry members can better

understand the intent of the rules and provide additional certainty as to how the HDOA will interact with them prior to taking regulatory actions, such as quarantines and/or criminal penalties.

4. Was a request made at the hearing to change the proposed rule in a way that affected small business?

Yes. As described earlier there were some comments provided by the public such as banning the importation of ornamental plants or Christmas trees; eliminating sections that allowed the movement of infested materials under certain circumstances; or requiring inspections and certifications for all growers or sellers of plants and mulch. The proposed bans on importation of agricultural commodities are outside the scope of these rules and were not considered. Preventing the movement of infested materials, even within an area infested by the pest, would preclude HDOA or partners in doing their own work, such as research, but would also require treatments of all commodities found to be infested, even within an infested area. The intent of these rules is to prevent spread, and requiring treatments prior to movement in an area where a particular pest is already widespread does not enhance the proposed rules' ability to prevent spread and provides unnecessary burdens on industry members. Lastly, the requirement to inspect and license all growers and sellers of plants or mulch are changes far too significant to add and were not considered for implementation.

While not a direct impact to industry, their concerns about the use of "SPRO" were addressed by changing all references of "SPRO" to "Chief". While no changes were made regarding the potential for quarantines and possibility of criminal penalties, HDOA is working on providing additional clarification via a guidance document on the quarantines to industry members prior to enacting of regulatory actions so industry members have a clear understanding on implementing the intent of the proposed changes to 4-72, HAR.

Mr. Kishimoto explained that the beetles and the mosquitos will be used for biocontrol of invasive weeds, which will allow them to be placed on the restricted animals list, Part A, for their import and release. The male mosquitos will be infected with a bacteria that forms a symbiotic relationship with its host insect preventing the males to transfer this bacteria; there is no genetic modification involved. The ultimate goal is to reduce the mosquito population in the area and prevent the spread of any type of malaria.

Mr. Lydgate was pleased with the rule proposals and questioned what other hosts there are. In response, Mr. Kishimoto stated that host range testing was performed on 60 different Hawaii-based plant species but that this beetle is very specific to only a few species invasive to Hawaii. This is the same with the butterfly as it is very specific to only a few species. He noted that the Board of Agriculture is responsible for placing species on the restricted list due to its responsibility in importing non-domestic animals, of which, insects are a part of; it is a long process to place species on the list. In terms of creating any possible ultimate consequences, it was noted that DoAG has come a long way in performing host range testing to assure near-accurate results.

Dr. Helmet Rogg, Administrator at the Plant Industry Division at DoAG, explained that there is a plant and animal advisory committee that scientifically reviews the submissions that are sent out to various subcommittees for review. After the review, commentary is sent back to DoAG, which is used to either approve or deny the recommendations of the subcommittees' submissions to the advisory committee.

Testifier Ms. Christy Martin, Program Manager & Information Officer at UH PCSU / Coordinating Group on Alien Species, is in favor of these biocontrol additions, which are tested for numerous years before they are included on the Restricted Animal List. Testifier Ms. Christy Gusman is also in support of the changes to the rules as she is concerned with the transportation of these species.

Second Vice Chair Shick motioned to move the proposed rules to public hearing. Mr. Lee seconded the motion, and the Board members unanimously agreed.

B. Discussion and Action on the Proposed Amendments to HAR Title 4 Chapter 72, Plant and Non-Domestic Animal Quarantine Plant Intrastate Rules, promulgated by DoAG

Mr. Jonathan Ho, Acting Manager at the Plant Quarantine Branch, explained that the rule amendments represent a substantial overhaul and involve the movement of plants and plant-parts within the state. The small business impact largely entails the changes to codify the costs for inspection performed off-sight; the inclusion of permitting fees; and the specific restrictions relating to the movement of the host material coconut rhinoceros beetle.

Mr. Ho added that these changes are both new and not new because although the inspection fees were mandated in 2010 and not added to the actual rules, the increase has been incurred since that time; and because the permitting fees are currently free, these are now added to the rule proposal. Specifically, the permitting fee structure includes a single movement fee of \$20 for one shipment within the course of one year or \$100 for unlimited

shipments within the course of one year. They are in-line with permitting fees for non-domestic animals and restricted plants. Currently, the biggest movers in regard to permits are coffee, green beans, and for host material for plants in soil and certain logs.

The coconut rhinoceros beetle quarantine is presently only found on Oahu. There is an interim rule right now restricting its movement with the intent to codify the spread of this beetle to other islands as it is a very devastating pest to coconut and other large palm species. Not only do these beetles attack these species but their movement would be very detrimental to tourism. The biggest impact is for those movers moving green waste and mulch because these are where the beetles reproduce. The remaining changes to the rules are non-substantive in nature and do not have major impacts on small business.

Chair Cundiff noted that several written testimonies in support of these proposed changes were received and reviewed. Back-up discussion leader Mr. Lee spoke with some of the Big Island farmers who conveyed support of the proposals, and although they were not opposed to paying more fees they are wondering how the extra funds will be used.

Mr. Lee motioned to move the proposed rule amendments to public hearing. Mr. Morioka seconded the motion, and the Board members unanimously agreed.

C. Discussion and Action on the Proposed Amendments to HAR Title 4 Chapter 71A, Plant and Non-Domestic Animal Quarantine, Microorganism Import Rules, promulgated by DoAG

Mr. Jonathan Ho, Acting Manager for DoAG's Plant Quarantine Branch, explained that this rule is very similar in structure to Chapter 4-71 (above) in that the plant quarantine regulates the importation of known cultures of microorganisms into the state. There are various lists that determine who is eligible to import and for what uses. This request is to move a particular strain of a specific fungus from the restricted A list and to have it replaced on the non-restricted microorganisms list. This would allow for the general importation for use within a biopesticide. It was noted that these changes also go through a thorough review process similar to Chapter 4-71.

With regard to the effect on small business, because these microorganisms are on the Restricted A List to be used as a microbial product, such as a biopesticide, it is currently not allowed. However, placing it onto the list of non-restricted microorganisms allow for products that contain this particular strain of Bavaria to be imported and sold, and gives those who import and sell another tool for pest control. Mr. Lydgate added that the more tools that are given the farmers, the better.

Testifier Silvia Todorova, President, Anatis Bioprotection is in support of this rule and stated that this Bavaria strain is highly selective and was largely tested in the fields and in the laboratory.

Second Vice Chair Shick motioned to move the proposed rules to public hearing. Mr. Morioka seconded the motion, and the Board members unanimously agreed.

- VI. NEXT MEETING** - Thursday, June 15, 2023 at 10:00 a.m. in conference room 405 at Leiopapa A Kamehameha Building – State Office Tower – 235 S. Beretania Street, Honolulu, HI 96813.

- VII. ADJOURNMENT** - Second Vice Chair Shick motioned to adjourn the meeting and Mr. Morioka seconded the motion; the meeting adjourned at 11:43 a.m.

Amendment and Compilation of Chapter 4-72
Hawaii Administrative Rules

Date (month day, year)

1. Chapter 4-72, Hawaii Administrative Rules entitled "Plant and Non-Domestic Animal Quarantine Plant Intrastate Rules, Chapter 72, Hawaii Administrative Rules", is amended and compiled to read as follows:

"HAWAII ADMINISTRATIVE RULES

TITLE 4 DEPARTMENT OF AGRICULTURE

SUBTITLE 6 DIVISION OF PLANT INDUSTRY

CHAPTER 72

PLANT AND NON-DOMESTIC ANIMAL QUARANTINE

PLANT AND PEST HOST MATERIAL INTRASTATE RULES

Subchapter 1 General Provisions

- §4-72-1 Objective
- §4-72-2 Definitions
- §4-72-3 Inspectional requirements
- §4-72-4 Prohibited transportations
- ~~§4-72-4.5 Designation of infested areas; expansion]~~
- §4-72-5 Prohibition on movement of infested material
- §4-72-6 Restrictions on transport, harboring, rearing, or breeding of pests
- §4-72-7 User permit and site inspection fees
- §4-72-8 Inspection fees
- §4-72-9 Economic loss or damages

DRAFT

<u>§4-72-10</u>	<u>Designation of infested areas; expansion</u>
<u>§4-72-11</u>	<u>Penalties</u>
<u>§4-72-12</u>	<u>Scientific and common names</u>
<u>§4-72-13</u>	<u>Severability</u>
<u>§4-72-14</u>	<u>(Reserved)</u>

Subchapter 2 Intrastate Restrictions

<u>§4-72-15</u>	Examples of regulated pests
<u>§4-72-16</u>	Restrictions on sugar[-]cane
<u>§4-72-17</u>	Restrictions on soil, sand, and animal manure
[§4-72-8]	Restrictions on transport, harboring, rearing, or breeding of pests]
<u>§4-72-18</u>	Restrictions on dasheen and taro[-corns]
<u>§4-72-19</u>	Restrictions on papaya and cucurbit
<u>§4-72-20</u>	Restrictions on banana
<u>§4-72-21</u>	Restrictions on coffee
<u>§4-72-22</u>	Quarantine restrictions on ohia and soil from rapid ohia death infested areas
<u>§4-72-23</u>	<u>Quarantine restrictions on coconut rhinoceros beetle and host material</u>

Historical note: Chapter 72 of Title 4 is based substantially upon Regulation 4 [E]entitled "Concerning Transportation of Plant or Parts of Same, Plant Materials and Plant Products Between the Hawaiian Islands," of the Division of Entomology, Board of Commissioners of Agriculture and Forestry [Eff 12/12/41 as Reg 14; ren Reg 4 8/30/47; R 7/13/81]; Regulation 4.1 [E]entitled "Concerning Transportation of Plants or Parts of Same, Plant Materials or Plant Products from Oahu to Other Islands of the Hawaiian Group," of the Division of Entomology, Board of Commissioners of Agriculture and Forestry [Eff 12/12/41 as §2 of Reg 14; ren Re 4.1 8/30/47; R 7/13/81]; Regulation 4.2 [E]entitled "Concerning the Transportation of Soil, Earth or Sand from the Islands of Oahu, Hawaii, Lanai and Kauai to Other Islands of the Hawaiian Group," of the Division of Entomology, Board of Commissioners of Agriculture

and Forestry [Eff 12/12/41 as §§4 and 5 of Reg 14; ren Reg 4.2 8/30/47; R 7/13/81]; Regulation 4.3 [E]ntitled "Concerning the Movement of Fern Plants or Parts Thereof Between the Islands of the Hawaiian Group," of the Division of Entomology, Board of Commissioners of Agriculture and Forestry [Eff 12/12/41 as Reg 15; ren Reg 4.3 8/30/47; R 7/13/81]; Regulation 4.4 [E]ntitled "Concerning the Giant African Snail (*Achatina Fulica* Bowdich)," of the Division of Plant Industry, Department of Agriculture [Eff 7/1/42 as Reg 18; ren Reg 4.4 8/30/47; am 5/26/64; R 7/13/81]; and Regulation 4.7 [E]ntitled "Concerning the Transportation of Cactus or Cactaceous Plants or Parts Thereof from the Island of Hawaii to Other Islands of the Hawaiian Group," of the Division of Entomology, Board of Commissioners of Agriculture and Forestry. [Eff 7/13/81; comp 9/19/91; am 4/13/1998; comp 2/24/12]. (Auth: HRS §§141-2, 150A-9) (Imp: HRS §§ 141-2, 150A-8)

SUBCHAPTER 1

GENERAL PROVISIONS

§4-72-1 Objective. The objective of this chapter is to implement the requirements of chapters 141 and 150A, Hawaii Revised Statutes, by restricting or prohibiting the interisland and intransisland transportation of plant pests and ~~[their plant or commodity hosts]~~ infested or infected pest host material to prevent the spread and establishment of plant pests detrimental to agriculture, horticultural industries and forest lands on uninfested islands and in uninfested localities of the State. [Eff 7/13/81; comp 9/19/91; am 4/13/1998; comp 2/24/12; am and comp] (Auth: HRS §§141-2, 150A-9) (Imp: HRS §§141-2, 150A-8)

§4-72-2 Definitions. As used in this chapter:

"Advisory Committee" means the advisory committee on plants and animals;

"Animal manure" means manure from poultry or livestock;

"Board" means the board of agriculture;

~~["Department" means department of agriculture;]~~

"Chief" means chief of the plant quarantine branch;

"Compliance agreement" means a written agreement between the department and a person who carries out commercial activities that includes any terms or conditions the chief determines will slow or prevent the spread of a pest. A compliance agreement between the department and a person is a permit issued by the department to that person for the purposes of section 150A-8, HRS.

"Department" means the department of agriculture;

"Infested" means harboring a pest;

"Infested area" means an island or locality within the State where a specific pest is known to be established; ~~[and]~~

"Person" means any individual, firm, corporation, association, partnership, or other entity, including a governmental or not-for-profit entity;

"Pest" means any animal, insect, disease agent or other organism in any stage of development that is detrimental or potentially harmful to agriculture, or horticulture, or animal or public health, or natural resources including native biota or has an adverse effect on the environment as determined by the board;

"Pest host material" means any plant, propagative plant part, non-propagative plant part, soil, or any other thing that is found to be transporting or harboring an insect, disease, or pest;

"Restricted area" means an island or locality within the State where a specific pest is not known to be established or where an eradication or control project for a specified pest is being conducted by the ~~[plant pest control branch.]~~department;

"Soil" means that part of the upper layer of earth in which plants can grow; this material may or

may not contain organic matter and includes such planting media as deteriorated peat; and

"State" means the State of Hawaii. [Eff 7/13/81; comp 9/19/91; am and comp 2/24/12; am and comp] (Auth: HRS §§141-2, 150A-9) (Imp: HRS §§141-2, 150A-8)

§4-72-3 Inspectional requirements. (a) [~~Plant and~~] Except as provided in section 4-72-4(c), plants, propagative plant parts, and soil shall be inspected prior to being transported between the islands of the State. A certificate of inspection shall indicate satisfaction of the requirement for inspection.

(b) Cut or harvested flowers, foliage, fruits, vegetable, and other non-propagative plant parts need not be inspected prior to being transported between the islands of the State; provided that these commodities [~~shall~~] do not have additional requirements found within this chapter, and may be subject to [~~periodic random~~] inspection at either the port of departure or port of entry[~~-~~], at the discretion of the department. [Eff 7/13/81; comp 9/19/91; am and comp 2/24/12; am and comp] (Auth: HRS §§141-2, 150A-9) (Imp: HRS §§141-2, 150A-8)

§4-72-4 Prohibited transportations. (a) [~~The~~] Except as provided in subsection (c), the interisland transportation of [~~a commodity~~] plants, propagative plant parts, or soil that is not inspected pursuant to [~~§4-72-3~~] section 3, is prohibited.

(b) [~~A commodity~~] Pest host material that is infested or infected with a[ny] insect, disease, or pest, or that is itself a pest[~~defined in §150A-2, Hawaii Revised Statutes,~~] shall not be transported between the islands or from one part or locality of any island to another part or locality of the same island unless it has been subjected to an appropriate

treatment [~~that exterminates the pest~~], as approved by the chief. Appropriate treatment may include, but is not limited to, pesticide or fumigation treatment. The chief may, however, authorize the transportation of an untreated infested ~~[commodity]~~ or infected pest host material to an island or location where the insect, disease, or pest is known to be established.

~~[(c) Specific commodities shall not be transported pursuant to their respective restrictions in §§ 4-72-6, 4-72-7, 4-72-8, 4-72-9, 4-72-10, 4-72-11, and 4-72-12.]~~

(c) Notwithstanding subsections (a) and (b) and section 3, plants, plant parts, soil, or pest host material infested or infected with an insect, disease, or pest may be transported without inspection between islands or between parts or localities of the same island:

- (1) For diagnostics, research, testing, or educational purposes by the department; or
- (2) Pursuant to a permit approved by the chief and issued to an institution approved by the board, a government agency, or a university for diagnostics, research, testing, or educational purposes at a site inspected and approved by the chief prior to movement.

[Eff 7/13/81; am and comp 9/19/91; am and comp 2/24/12; am and comp] (Auth: HRS §§141-2, 150A-9) (Imp: HRS §§141-2, 150A-8)

~~**[§4-72-4.5 Designation of infested areas; expansion.** (a) The area of infestation as designated by rule, including interim rule, may be expanded by the board to reflect the spread of a specific pest infestation in order to implement quarantine measures to prevent movement of the pest and its plant or commodity hosts from the expanded area of infestation to restricted areas, provided that:~~

- ~~(1) The board first obtains advice from qualified persons with relevant expertise, but need not obtain advisory committee review;~~

- ~~(2) The board designates the expanded infested area, identifying the revised geographical extent of the infestation;~~
- ~~(3) The board's action occurs at a meeting on the island where the new infestation has occurred, following written notice of the proposed board designation to industry groups likely to be affected;~~
- ~~(4) The department issues a press release and written notice of the designation of expansion of the infested area to affected industry groups prior to the effective date of designation of expanded infested area; and~~
- ~~(5) Notice of the board's action, including its effective date, is posted by the following day on the department's website and is given in a daily or weekly publication of statewide circulation or in separate daily or weekly publications whose combined circulation is statewide within twelve days of the board's action.~~

~~(b) The board's designation of an expanded infested area shall be effective the day following the board's action, unless a later effective date is specified by the board's action. [Eff and comp 2/24/12] (Auth: HRS §§141-2, 150A-9, 150A-9.5) (Imp: HRS §§141-2, 150A-8)]~~

§4-72-5 Prohibition on movement of infested material. (a) The chief may prohibit the movement of any pest host material that is offered for sale, for barter, or by donation or otherwise to be given away to the public if the chief determines that the pest host material is infested or infected with an insect, disease, or pest. The chief may compel treatment or destruction of the material per subsection (b). If such material was or is stored in an area that is infested or infected with an insect, disease, or pest, then the chief may require appropriate treatment of the area prior to authorizing the movement of the material.

(b) An item subject to the prohibition in subsection (a) shall be:

- (1) Subjected to a treatment to eradicate the insect, disease, or pest, as approved and supervised by the chief;
- (2) Destroyed using a method approved and supervised by the chief; or
- (3) If not treated or destroyed under paragraphs (1) or (2), then:
 - (A) Transported only pursuant to a permit issued by the chief; or
 - (B) Subject to any other disposition approved by the chief, including authorizing the transportation of untreated infested or infected pest host material or an insect, disease, or pest to an island or location where the target insect, disease, or pest is known to be established. [Eff and comp _____] (Auth: HRS §§141-2, 150A-9) (Imp: HRS §§141-2, 150A-8)

§4-72-6 Restrictions on transport, harboring, rearing, or breeding of pests. (a) The transport, harboring, rearing, or breeding of any pest is prohibited except:

- (1) For diagnostics, research, testing, or educational purposes by the department;
- (2) Pursuant to a permit approved by the chief and issued to an institution approved by the board; or
- (3) By a government agency, or a university for diagnostics, research, testing, or educational purposes at a site inspected and approved by the chief prior to movement. [Eff 7/13/81; comp 9/19/91; am and comp 2/24/12; am and ren §4-72-6; and comp _____] (Auth: HRS §§141-2, 150A-9, 150A-53) (Imp: HRS §§141-2, 150A-8, 150A-53)

§4-72-7 User permit and site inspection fees.

(a) A fee for the processing of an application and issuance of a permit under this chapter is as follows:

- (1) \$20 per permit for a single shipment within one year from the date of issuance;
- (2) \$100 per permit for unlimited shipments within one year from the date of issuance;
and
- (3) All applicable fees shall be paid in full at the time of request and are non-refundable except as approved by the chief.

(b) In addition to the requirements of subsection (a), a fee for a site inspection as required by this chapter or by permit conditions shall be \$25 per site inspection, plus mileage reimbursement. [Eff and comp] (Auth: HRS §§141-2, 150A-7.5, 150A-7.6, 150A-9) (Imp: HRS §§141-2, 150A-9)

§4-72-8 Inspection fees. (a) Fees for

inspections pursuant to this chapter are as follows:

- (1) A fee of \$50 for any inspection, safeguarding, witnessing treatment, or certification requiring the services of personnel beyond regular work hours, including applicable charges for overtime wages, fixed charges for personnel services, and meals as appropriate;
- (2) A fee of \$50 per hour for any inspection conducted away from the port or department office during regular work hours pursuant to requirements for certification, interisland or intraisland movement, or disposition other than release at a port of arrival, such as witnessing departure, destruction, or treatment.

(b) In addition to any fee required by subsection (a), all inspections shall include mileage reimbursement.

(c) The person receiving the inspection shall be responsible for all costs, charges, treatment, destruction, or expenses incident to the inspection of the material, as appropriate. [Eff and comp] (Auth: HRS §§141-2, 150A-7.5, 150A-9) (Imp: HRS §§141-2, 150A-9)

§4-72-9 Economic loss or damages. The State shall not be responsible for any economic loss or damages related to any actions by the department pursuant to this chapter. Actions include treatment, quarantine, or destruction of any item. [Eff and comp] (Auth: HRS §§141-2, 141-3, 141-5, 150A-9) (Imp: HRS §§141-2, 141-3, 141-5, 150A-8)

§4-72-10 Designation of infested areas; expansion. (a) If the infested area of a pest is designated by rule, including interim rule, that area may be expanded by an order of the board to reflect the spread of a specific pest infestation in order to implement quarantine measures to prevent movement of the pest and its pest host material from the infested area to restricted areas, provided that:

- (1) The board first obtains advice from qualified persons with relevant expertise, but need not obtain advisory committee review;
- (2) The board designates the expanded infested area, identifying the revised geographical extent of the infestation;
- (3) The department issues a press release describing the expansion of the infested area prior to the effective date of designation of the expanded infested area; and

(4) Notice of the board's action, including its effective date, is posted by the following day on the department's website and is given in a daily or weekly publication of statewide circulation or in separate daily or weekly publications whose combined circulation is statewide, within twelve days of the board's action.

(b) The board's designation of an expanded infested area shall be effective the day following the board's action, unless a later effective date is specified by the board's action. [Eff and comp 2/24/12; am and ren §4-72-10; and comp] (Auth: HRS §§141-2, 150A-9, 150A-9.5) (Imp: HRS §§141-2, 150A-8)

§4-72-11 Penalties. Any person who violates any provision or requirement of this chapter or of any notice given pursuant thereto, shall be subject to the penalties provided for under section 150A-14, HRS, or section 141-7, HRS, if appropriate. [Eff and comp] (Auth: HRS §§141-7, 150A-9, 150A-14) (Imp: HRS §§141-7, 150A-14)

§4-72-12 Scientific and common names. If the scientific name or common name of a taxon referred to in this chapter is changed to a new scientific name or common name accepted by the International Code of Zoological Nomenclature (ICZN) or the International Plant Names Index (IPNI) the reference in this chapter shall be construed to refer to the new scientific name or common name, as appropriate. [Eff and comp] (Auth: HRS §§141-2, 150A-9) (Imp: HRS §§141-2, 150A-9)

§4-72-13 Severability. If any provision of this chapter is declared unconstitutional, or the applicability thereof to any person or circumstance is held invalid, the constitutionality and validity of the remainder of this chapter and applicability thereof to other persons and circumstances shall not be affected. [Eff and comp] (Auth: HRS §§141-2, 150A-9) (Imp: HRS §§141-2, 150A-9)

§4-72-14 Reserved.

SUBCHAPTER 2

INTRASTATE RESTRICTIONS

§4-72-15 Examples of regulated pests. Examples of [~~pests for the purposes of §4-72-4 shall~~] taxa that are pests include, but are not [~~be~~] limited to the following:

- (1) Oriental beetle - [~~Anomala orientalis~~] Anomala orientalis (Waterhouse), a serious insect pest of sugarcane;
- (2) Fern weevil - [~~Syagrius fulvitarisis~~] Syagrius fulvitarisis Pascoe, an insect pest injurious to fern plants;
- (3) Giant African snail - [~~Achatina fulica~~] Lissachatina fulica (Bowdich), a serious pest of horticultural and vegetable crops;
- (4) Cactus mealybug - [~~Dactylopius opuntiae~~] Dactylopius opuntiae (Cockerell) and other insects feeding on [~~opuntia spp.~~] Opuntia species of cactus, pests injurious to cactus utilized for forage or ornamental purposes;
- (5) Hunting billbug - [~~Sphenophorus venatus vestitus~~] Sphenophorus venatus vestitus

- Chittenden, a serious insect pest of turf and range grasses;
- (6) Coconut scale - [~~Aspidiotus destructor~~] Aspidiotus destructor Signoret, a serious insect pest of palms, bananas, and more than 400 more plants;
- (7) Sugarcane smut - [~~Ustilago Scitaminea~~] Ustilago scitaminea Syd., a serious fungus disease of sugarcane;
- (8) Papaya [~~mosaic~~] ringspot virus, a serious virus disease of papaya;
- (9) Orange spiny whitefly - [~~Aleurocanthus spiniferus~~] Aleurocanthus spiniferus (Quaintance), a serious insect pest of rose and citrus;
- (10) Bristly rose slug - [~~Cladius difformis~~] Cladius difformis (Panzar), a pest injurious to the rose plant;
- (11) Croton whitefly - [~~Orchamplatus mammaeferus~~] Orchamoplatus mammaeferus (Quaintance and Baker), a serious insect pest of croton and citrus;
- (12) Anthurium whitefly - [~~Aleurotulus~~] Aleurotulus [~~sp.~~] anthuricola Nakahara, a serious insect pest of anthurium;
- (13) An anthurium whitefly - [~~Crenidorsum~~] Crenidorsum [~~sp.~~] aroidephagus Martin & Aguiar, a serious insect pest of anthurium, philodendron, and monstera;
- (14) Eurasian pine aphid - [~~Pineus pini~~] Pineus pini [~~Koch~~] (Macquart), a serious insect pest of pine;
- (15) Fiery skipper - [~~Hylephila phyleus~~] Hylephila phyleus (Drury), a serious pest of turf and pasture grasses and ornamental sedges;
- (16) Taro root aphid - [~~Pemphigus~~] Pemphigus [~~sp.~~] populitransversus Riley, a serious pest of dryland taro; [and]
- (17) Eucalyptus canker - [~~Cryphonectria cubensis~~] Chrysosporthe cubensis (Bruner)

- Gryzenh. & M.J. Wingf. [Hodges], a serious disease of [~~Eucalyptus~~] *Eucalyptus* [~~spp.~~] *species*;
- (18) Giant salvinia - *Salvinia molesta* Mitchell;
- (19) Water spangles - *Salvinia minima* Baker;
- (20) Water lettuce - *Pistia stratiotes* L.;
- (21) Fusarium wilt of banana - *Fusarium oxysporum* f. sp. *cubense* W.C. Snyder & H.N. Hansen;
- (22) Citrus huanglongbing - *Candidatus Liberibacter asiaticus* Jagoueix, Bové & Garnier, responsible for citrus greening;
- (23) Palm lethal yellows - *Candidatus Phytoplasma palmae* (16SrIV-A subgroup), responsible for lethal diseases of palm;
- (24) Colocasia bobone disease associated virus - *Cytorhabdovirus colocasiae*, a lethal pathogen associated with alomae bobone disease of taro;
- (25) Sweet potato virus disease - Sweet potato chlorotic stunt virus, a lethal disease of sweet potato; and
- (26) Hala scale - *Thysanococcus pandani* Stickney, a serious pest of hala, an environmentally and culturally significant indigenous plant;
- (27) Macadamia felted coccid - *Acanthococcus ironsidei* (Williams, 1973), a detrimental pest to the macadamia nut industry in Hawaii;
- (28) *Acalolepta aesthetica* (Olliff), an invasive longhorn beetle that attacks many plant species;
- (29) Two-lined spittlebug - *Prosapia bicincta* (Say), a serious pest of range grasses;
- (30) Citrus canker - *Xanthomonas citri* subsp. *citri*, a serious disease of citrus;
- (31) Citrus black spot - *Phyllosticta citricarpa* (McAlpine) Aa, a serious disease of citrus; and
- (32) Any taxa designated as a pest for control or eradication pursuant to chapter 4-69A,

including any taxa designated as a noxious weed pursuant to chapter 4-68. [Eff 7/13/81; am and comp 9/19/91; comp 2/24/12; am and ren §4-72-15; and comp] (Auth: HRS §§141-2, 150A-9) (Imp: HRS §§141-2, 150A-8)

§4-72-16 Restrictions on sugarcane. (a)

Transportation of sugarcane plants and parts thereof including leaves, roots, and cuttings which are hosts of the oriental beetle and sugarcane smut disease shall be prohibited from an infested area to a restricted area for the oriental beetle and sugarcane smut disease except by permit pursuant to subsection (b).

(b) A permit may be issued by the chief to the [~~Hawaiian Sugar Planters' Association (HSPA)]Hawaii Agricultural Research Center (HARC) and to persons conducting research under the auspices of the [~~HSPA]~~ HARC or a university or government agency for the transportation of a limited quantity of sugarcane plants and parts from an infested area to a restricted area for the oriental beetle or sugarcane smut disease. [Eff 7/13/81; comp 9/19/91; comp 2/24/12; am and ren §4-72-16; and comp] (Auth: HRS §§141-2, 150A-9) (Imp: HRS §§141-2, 150A-8)~~

§4-72-17 Restrictions on soil, sand, and animal manure. (a) Transportation of the following is prohibited from an infested island to a restricted island for the oriental beetle[~~-~~]:

- (1) Soil, sand contaminated with visible amounts of soil, and animal manure in bulk shipment or in individual containers except by permit issued pursuant to subsection (b); and

- (2) A plant in soil, sand, or [~~artificial~~]soil-less planting media except[]:
 - (A) A plant from a certified nursery;
 - (B) A plant from a commercial nursery located 1/4 mile or further from a field planted in sugarcane;
 - (C) A plant that has been verified by an inspector as grown in a locality 1/4 mile or further from a field planted in sugarcane;
 - (D) A plant that has been treated with an appropriate soil pesticide;
 - (E) A plant that has been bare-rooted; or
 - (F) [~~Orchid p~~]Plants in cinders, hapuu or other artificial planting media.
- (b) Permits required pursuant to subsection (a)(1) shall be issued by the chief under [~~either one of~~] the following circumstances:
 - (1) Fresh or composted animal manure that has not supported any plant growth from an area located 1/4 mile or further from any field planted in sugarcane; [~~or~~]
 - (2) Animal manure, soil, and sand contaminated with soil that has been fumigated, [~~or~~] treated with an appropriate pesticide[], or subjected to a treatment, as approved and witnessed by the chief; or
 - (3) For diagnostic purpose by an institution approved by the board, a university, or government agency. [Eff 7/13/81; comp 9/19/91; comp 2/24/12; am and ren §4-72-17; and comp] (Auth: HRS §§141-2, 150A-9) (Imp: HRS §§141-2, 150A-8)

~~**§4-72-8 Restrictions on transport, harboring, rearing, or breeding of pests.** (a) The transport, harboring, rearing, or breeding of any pest defined in §150A-2, Hawaii Revised Statutes is prohibited except under safeguards in an area infested by the pest~~

~~involved for research, testing, or educational purposes by:~~

- ~~(1) The plant pest control branch;~~
- ~~(2) An agency, school, or university via permit issued by the chief. [Eff 7/13/81, comp 9/19/91, am and comp 2/24/12] (Auth: HRS §§141-2, 150A-9) (Imp: HRS §§141-2, 150A-8)]~~

§4-72-[9]18 Restrictions on dasheen and taro [corms]. Transportation of dasheen and taro [corms] are prohibited from an infested island to a restricted island for taro root aphid except:

- (1) Taro [corms] consigned to a poi factory or other food processing plant;
- (2) Dasheen and taro [corms] consigned to produce wholesalers, supermarkets, retail food stores, and restaurants;
- (3) Taro [corms] verified as wetland taro; and
- (4) Taro consigned to individuals for food preparation with the corm's "huli" removed. [Eff 7/13/81; comp 9/19/91; comp 2/24/12; am and ren §4-72-18 and comp] (Auth: HRS §§141-2, 150A-9) (Imp: HRS §§141-2, 150A-8)

4-72-1[0]9 Restrictions on papaya and cucurbit. Transportation of papaya *Carica papaya* and cucurbit (plants in the family [~~eucurbitaceae~~] *Cucurbitaceae*) plants and plant parts except seed and fruit are prohibited from an infested area to a restricted area for papaya [~~mosaic~~] ringspot virus disease. [Eff 7/13/81; comp 9/19/91; comp 2/24/12; am and ren §4-72-19; and comp] (Auth: HRS §§141-2, 150A-9) (Imp: HRS §§141-2, 150A-8)

§4-72-[11]20 Restrictions on banana. (a) Transportation of banana plants and plant parts except fruits is prohibited from the island of Oahu

and from the North Kona and South Kona Districts on the island of Hawaii, which are banana bunchy top virus infested areas, or from a *Fusarium tropical* race 4 infested area, to other islands and localities within the State except by permit pursuant to subsection (b).

(b) A permit to allow transportation of banana plants and plant parts from an infested area may be issued by the chief subject to permit conditions established by the board to prevent the movement of banana bunchy top virus from banana bunchy top virus infested areas. The chief may, without submitting a permit application to the board, approve the issuance of a permit with conditions previously mandated by the board upon the chief's determination that, for the proposed transport, the previously established conditions are adequate to preserve the quarantine. [Eff 7/13/81; comp 9/19/91; am 4/13/98; am and comp 2/24/12; ren §4-72-20; and comp] (Auth: HRS §§141-2, 150A-9) (Imp: HRS §§141-2, 150A-8)

§4-72-21[2] Restrictions on coffee. (a)

Transportation of coffee plants and parts thereof, including unroasted seeds (green coffee beans), used coffee bags, and coffee harvesting equipment, including baskets, sacks, or containers, is prohibited from a coffee berry borer infested area to a coffee berry borer restricted area except by permit pursuant to subsection (b).

(b) A permit may be issued by the chief for the transportation of a commodity or item listed in subsection (a), with conditions established by the chief appropriate for each of the following circumstances:

- (1) Coffee plants and plant parts for propagation when subject to treatment with an approved pesticide, and grown and monitored in quarantine for a period of not

- less than one year at a [~~s~~]State facility or other facility approved by the chief;
- (2) Coffee plants and plant parts that have been shipped using safeguards approved by the chief to an approved facility for research purposes;
 - (3) Roasting of green coffee beans that have been subjected to treatments approved by the chief;
 - (4) Roasting of untreated green coffee beans that have been shipped using safeguards approved by the chief to an approved facility that is located at least 5 miles away from a commercial coffee growing area;
 - (5) Used coffee bags that have been subjected to treatments approved by the chief; or
 - (6) Coffee harvesting equipment that has been subjected to treatments approved by the chief.

(c) The chief is authorized to approve treatments and mitigative measures as they are scientifically validated and may revise permit conditions accordingly, as necessary to prevent movement of the coffee berry borer from the infested area and to preserve the quarantine. Organic treatment methods are available, as approved by the chief.

(d) Coffee plants, plant parts, green coffee beans, and used coffee bags for export are not subject to quarantine restrictions, provided that they are exported directly from the coffee berry borer infested area and are not transshipped through a coffee berry borer restricted area in the State. Coffee plants, plant parts, green coffee beans, and used coffee bags for export that move from one infested area to another or that are exported via transshipment through a coffee berry borer restricted area must be double-bagged in thick, transparent, non-permeable plastic bags that are sealed and labeled to identify their contents as being from a specific coffee berry borer infested area, provided that the chief is authorized to revise these required safeguards, as necessary.

(e) The island of Hawaii is designated as a coffee berry borer infested area, notwithstanding ongoing control projects on the island, and other islands in the State are designated as coffee berry borer restricted areas. The designated coffee berry borer infested area may be expanded by board action as provided in [~~§4-72-4.5.~~] section 10. [Eff and comp 2/24/12; am and ren §4-72-21; and comp] (Auth: HRS §§141-2, 150A-9) (Imp: HRS §§141-2, 150A-8)

§4-72-[13]22 Quarantine restrictions on ohia and soil from rapid ohia death infested areas.

(a) The board has determined that the disease called ohia wilt (also known as rapid ohia death) presents a serious danger to ohia (*Metrosideros*), the ohia forests of Hawaii, and horticultural and agricultural industries.

(b) Transportation of soil and ohia (*Metrosideros*, all species in genus) plants, plant parts, including flowers, leaves, seeds, stems, twigs, cuttings, mulch, greenwaste, frass, wood, logs, and posts is prohibited from a rapid ohia death infested area to a rapid ohia death restricted area except as allowed by permit pursuant to subsection (c), or as otherwise provided herein.

(c) A permit may be issued by the chief for the transportation of a material or commodity listed in subsection (b), subject to laboratory analysis or other science-based method approved by the chief, as appropriate, to determine whether the material or commodity is free of [~~the fungus, *Ceratocystis fimbriata*,~~] the causal agents of ohia wilt disease, *Ceratocystis lukuohia* and *C. huliohia*, and subject to appropriate conditions established by the chief.

(d) Material or a commodity listed in subsection (b) that tests positive for *Ceratocystis* [~~*fimbriata*~~] *lukuohia* or *C. huliohia*, other than material or a commodity for research or diagnostic purposes, shall not be shipped from a rapid ohia death infested area to a rapid ohia death restricted area, nor shall any

DRAFT

material or commodity in the same lot for shipment be shipped, unless an effective treatment to destroy *Ceratocystis* [~~fimbriata~~]lukuohia and *C. huliohia* is available, is approved by the chief, and the shipment has been subjected to the approved treatment.

(e) Transportation of a material or commodity listed in subsection (b) for research or diagnostic purposes moving from a rapid ohia death infested area to a rapid ohia death restricted area of the State, shall be under permit, using safeguards approved by the chief, to [~~an approved~~] a facility[-] inspected and approved by the chief prior to transport.

(f) Soil, including soil as a planting medium, may be shipped from a rapid ohia death infested area to a rapid ohia death restricted area of the State subject to pre-shipment testing as provided in subsection (c) and, if applicable, subject to treatment as provided in subsection (d). A shipper of soil that is an active participant in the department's intrastate compliance agreement program in which the shipper is required to maintain *Ceratocystis* [~~fimbriata-free~~]lukuohia and *C. huliohia-free* status as a condition for soil movement from an infested area is subject to testing as required by the compliance agreement and permit.

(g) Finished ohia wood products, such as wood flooring, furniture, bowls, picture frames, carvings, and jewelry that have been subjected to a treatment approved by the chief do not require a permit for intrastate transportation.

(h) The chief is authorized to approve treatments and mitigative measures as they are scientifically validated and may revise permit conditions accordingly, as necessary to prevent movement of ohia wilt disease from the infested area and to preserve the quarantine.

(i) The island of Hawaii is designated as a rapid ohia death infested area, notwithstanding any ongoing control projects on the island, and other islands in the State are designated as rapid ohia death restricted areas. The designated rapid ohia

death infested area may be expanded by board action as provided in [~~§4-72-4.5-~~] section 10.

(j) The shipper is responsible for all costs, charges, or expenses incident to the inspection or treatment of the soil and ohia material or commodity listed in subsection (b), including charges for overtime wages, fixed charges for personnel services, and meals. [Eff and comp 11/27/16; am and ren §4-72-22; and comp] (Auth: HRS §§141-2, 150A-9) (Imp: HRS §§141-2, 150A-8)

§4-72-23 Quarantine restrictions on coconut rhinoceros beetle and host material. (a) The board has determined that the coconut rhinoceros beetle, *Oryctes rhinoceros* (CRB), presents a serious danger to the horticultural and agricultural industries and the forests of Hawaii.

(b) As used in this section:

(1) "CRB host material" means the host material of the coconut rhinoceros beetle; and

(A) Includes decaying plant material, mulch, trimmings, fruit and vegetative scraps, wood, stumps, compost, and CRB host palms; and

(B) Does not include:

(i) Plant products intended for consumption, such as coconuts, fruits, nuts, edible leaves, leaves used for cooking, and spices;

(ii) Plant products preserved from decay by treatment or use, such as lumber, woven hats, dried and painted coconuts, wooden posts, wood carvings, and firewood;

(iii) Seeds for planting,

(iv) New and unused commercially bagged plant propagation media or landscaping materials that have not been staged or stored in an

- infested area for more than 30 days;
- (v) Cut flowers and foliage for decoration, such as lei, floral bouquets, or arrangements;
- (vi) Plant propagation media in live plantings (except when used as propagative material for CRB host palms);
- (vii) Live propagative plants (except CRB host palms); and
- (viii) Rock, coral, sand, and gravel.
- (2) "CRB host palms" means all live palm plants in the genera *Cocos*, *Livistona*, *Phoenix*, *Pritchardia*, *Roystonea*, and *Washingtonia* and does not include unsprouted seeds.
- (3) "Transport" means movement of CRB host material out of a single Tax Map Key (TMK) parcel.
- (c) The coconut rhinoceros beetle infested area is designated as the island of Oahu and any other area of the State per section 10.
- (d) Except as provided in subsection (e), no person may transport coconut rhinoceros beetle host material from a coconut rhinoceros beetle infested area to a coconut rhinoceros beetle restricted area within the State or, transport, receive (accept delivery of CRB host material for any purpose), process (meaning the conversion of solid waste into a useful product or preparing for its disposal), sell, barter, donate or otherwise give away, or export CRB host material within a coconut rhinoceros beetle infested area except:
 - (1) By the department or an agent of the department for the purposes of monitoring, control, eradication, or scientific or educational purposes;
 - (2) Pursuant to a permit issued by the department for purposes of coconut rhinoceros beetle monitoring, control, eradication, or scientific or educational

- purposes at a site inspected and approved by the chief prior to transportation;
- (3) Pursuant to a permit issued by the chief for noncommercial activities, subject to an appropriate treatment or mitigation, as required by the chief;
 - (4) Pursuant to a compliance agreement issued by the department for commercial activities; or
 - (5) Nursery stock that is directly exported from a coconut rhinoceros beetle infested area to a destination outside of the State.
- (e) The chief is authorized to exempt from the requirements of subsection (d) categories of CRB host material, and activities involving CRB host material that pose a low risk of spreading CRB. [Eff and comp _____] (Auth: HRS §§141-2, 150A-9)
(Imp: HRS §§141-2, 150A-8)

2. Material, except source notes, to be repealed is bracketed. New material is underscored.

3. Additions to update source notes to reflect these amendments are not underscored.

4. These amendments to chapter 4-72, Hawaii Administrative Rules, shall take effect ten days after filing with the Office of the Lieutenant Governor.

I certify that the foregoing are copies of the rules, drafted in Ramseyer format pursuant to the requirements of section 91-4.1, Hawaii Revised Statutes, which were adopted on _____, and filed with the Office of the Lieutenant Governor.

DRAFT

Chairperson, Board of
Agriculture

APPROVED AS TO FORM:

Deputy Attorney General

IV. Administrative Matters

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

1. Discussion and Action on the Board's Draft 2024 *Annual Report Summary* for submission to the Hawaii State Legislature under Section 201M-5(f), HRS
2. Update and Discussion on the Business Revitalization Taskforce's October 29th meeting pursuant to Act 142 (Sessions Law Hawaii 2024, Senate Bill 2974 Relating to Economic Development)
3. Review of the Board's 2023-2024 Strategic Goals and Discussion and Action on the Upcoming 3 – 5 year Plan
4. Update and Discussion on Becker Communications Inc., regarding the Board's Small Business Outreach – *No Attachment*
5. Presentations to Industry Associations – *No Attachment*
6. Staff's Small Business Outreach – *No Attachment*



SMALL BUSINESS REGULATORY REVIEW BOARD

HAWAII SMALL BUSINESS REGULATORY REVIEW BOARD 2024 ANNUAL REPORT SUMMARY

DRAFT

- 1) Recommendations and Review of
Hawaii Administrative Rules,
Legislation,
and**
- 2) Requests from Small Business
Owners for Review of Any Rule
Adopted by a State Agency**

**In Compliance with
Chapter 201M, Hawaii Revised Statutes**

**HAWAII SMALL BUSINESS
REGULATORY REVIEW BOARD
ANNUAL REPORT SUMMARY 2024**

TABLE OF CONTENTS

SECTION I	2
Message from the Chair.....	3
Overview.....	4
Annual Summary / Small Business Regulatory Flexibility Act.....	5-6
Administrative Rule Review.....	6-11
Legislative Activity.....	11
Small Business Impact Statement <i>and</i> Governor’s Administrative Directive No. 18-02.....	12
Chairperson / Board Members.....	12-11
Activities and Projects.....	14-15
Requests from Small Business for Review of Any Rule Adopted by a State Agency.....	16
SECTION II	17
Legislative Review.....	18
Appendix.....	19
Appendix 1 - Chapter 201M, Hawaii Revised Statutes.....	20-30
Appendix 2 - Administrative Rule Review.....	31-33
Appendix 3 - Administrative Directive No. 18-02.....	36-37

SECTION I



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.SBRRB.info@hawaii.gov
Website: sbrb.hawaii.gov

Tel: (808) 798-0737

MESSAGE FROM THE CHAIR

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



Jonathan Shick, Chair, 2024

I am delighted to be elected the SBRRB's Chair this year. As a small business advocate, I understand the need for the SBRRB to review Hawaii Administrative Rules for potential small business impact. The SBRRB reviewed more than XXXX Rules since it was created in 1998.

In June, the SBRRB bid fond farewell to long-time Oahu-based board member, Dr. Nancy Atmospera-Walch and to Kauai business owner Mr. William Lydgate. I want to personally thank them both for their participation and hard work over the past several years. We are, however, delighted to announce our newest member, Ms. Nikki Ige, a resident of Kauai.

On behalf of the board members, I extend a big Aloha to Governor Josh Green, M.D., and Deputy Director Sylvia Luke. Aloha goes out to DBEDT Director Jimmie Tokioka and Deputy Director Dane Wicker for their support of our Board. In addition, Mahalo to the State Legislators; in particular, for their support of House Bill 2354 HD1 SD2 CD1 "Relating to the Small Business Regulatory Review Board." This measure became law on June 21, 2024, and solidifies the Board's authority to review small business legislation upon the request of a small business owner.

Finally, a big Mahalo to all those State and County agencies that came before us this year, discussing proposed and amended regulations that have potential to negatively impact small business both before and after the public hearings.

OVERVIEW

The Small Business Regulatory Review Board is pleased to provide the Annual Report Summary for the period covering January through December 2024. Pursuant to the Hawaii Small Business Regulatory Flexibility Act, Chapter 201M, Hawaii Revised Statutes, the annual summary is based on the following:

201M-5 Small business regulatory review board; powers.

(f) The board shall submit an annual report to the legislature twenty days prior to each regular session detailing any requests from small business owners for review of any rule adopted by a state agency, and any recommendations made by the board to an agency or the legislature regarding the need for a rule change or legislation. The report shall also contain a summary of the comments made by the board to agencies or the legislature regarding its review of any proposed new or amended rules.

ANNUAL SUMMARY

SMALL BUSINESS REGULATORY FLEXIBILITY ACT

The Small Business Regulatory Review Board was established on July 1, 1998, with the passage of the Small Business Regulatory Flexibility Act, pursuant to Act 168; subsequently the role of the Board was codified in Chapter 201M, Hawaii Revised Statutes (HRS), as amended.

(Appendix 1)

Statutorily, the Board is comprised of eleven members, ten current or former owners or officers of businesses from across the State, and the Director of Business, Economic Development, and Tourism (DBEDT) or the Director's designated representative who serves as an "ex officio" voting member. The Board is administratively attached to DBEDT and has responsibility for providing recommendations to State agencies on new and amended administrative rules that directly impacts small business. The Board may also consider any request from small business owners for review of any rule proposed, amended, or adopted by a state agency or for review of any legislation affecting small businesses, and to make recommendations to the agency or the legislature regarding the need for a rule change or legislation. For requests regarding county rules, the board may make recommendations to the county council or the mayor for appropriate action.

Members volunteer their time performing outreach activities to small business organizations, such as the local Chambers of Commerce, and testifying on legislation. Statutorily, the Board may also solicit testimony from the public regarding any reports submitted to the Board by State departments.

As an effective means of administrative rule review, each board member is assigned to one or more State departments as a "discussion leader" and each neighbor island member is

assigned to his or her own respective island. The assignments are reviewed annually to ensure that the listing is complete and is equal among the members. Each member is responsible for the initial review of the administrative rules of these departments and counties prior to consideration by the full Board. As of December 2024, the Board is operating at near full capacity with 10 members.

ADMINISTRATIVE RULE REVIEW

From January through December 2024, a total of 745 rules, before and after public hearings, were reviewed from State and County Agencies.

Since its inception, the Board reviewed a total of 1,053 proposed new and amended HAR. (Appendix 2)

Department / County	Chapter / Section Number	Title	Proceed to Public Hearing (Pre-Public Hearing)	Proceed to Adoption (Post Public Hearing)	Other Recommendation(s)
<i>Department of Agriculture</i>	Chapter 71	Plant and Non-Domestic Animal Quarantine Non-Domestic Animal Import Rules	X		
<i>Department of Business, Economic Development and Tourism</i>	Chapter 217	Mauka Area Rules		X	
<i>Department of Commerce and Consumer Affairs – Title 16</i>	Chapter 89 Chapter 107	Nurses Relating to Horizontal Property Regimes	X	X	

	Chapter 119.1 through 119.8	Relating to Condominiums	X		
	Chapter 72	Acupuncture Practitioners	X		
	Chapter 84	Massage Therapy	X		
<i>Department of Health – Title 11</i>	Chapter 60.1	Air Pollution Control	X		
	Chapter 208.1	Underground Storage Tanks	X		
<i>Department of Human Services – Title 17</i>	Chapter 799	Preschool Open Doors Program		X	
<i>Department of Labor & Industrial Relations – Title 12</i>	Subtitle 8, Part 10	Chapter 22 General Administrative and Legal Provisions		X	
		Chapter 222.1 Power Boilers		X	
		Chapter 223.1 Heating Boilers – Steam Heating Boilers, Hot Water Heating Boilers, Hot Water Supply Boilers, and Potable Water Heaters		X	
		Chapter 224.1 Pressure Vessels		X	
<i>Department of Land & Natural Resources – Title 13</i>	Chapter 74	License and Permit Provisions for Fishing, Fish, and Fish Products		X	
	Chapter 60.11	Molokini Shoal Marine Life Conservation District, Maui		X	

	Chapter 109	Rules for Establishing Forest Stewardship			X
	Chapter 326	Subtitle 14 Hawaii Invasive Species Council - Control and Eradication of Invasive Species		X	
<i>Department of Human Services – Title 17</i>	Chapter 799	Preschool Open Doors Program		X	
<i>Department of Taxation - 18</i>	Chapter 235	Income Tax Law / Subchapter 3 Individual Income Tax Law	X		
<i>Department of Transportation – Title 19</i>	Subtitle 5 Chapter 152	State Highway Enforcement Program		X	
	Subtitle 5 Chapter 133.2	Motor Vehicle Safety Office	X		
<i>City and County of Hawaii</i>	Hawaii Liquor Commission	Rules and Regulations of the Liquor Commission of the Department of Liquor Control	X		
<i>City and County of Kauai</i>	Subchapter 4	Petitions for Intervention	X	X - ?	
<i>City and County of Honolulu</i>	Chapter I – V, Section 54 – 26	BWS Rules and Regulations – Adoption of New Water Rates and Charges		X	
	Department of Environ. Services - Chapter 3	Rules Relating to Industrial Wastewater Discharge Local Limits	X	X	
	Liquor Commission Chapter 82	Licenses and Permits, General Provisions Unlawful Discrimination	X		

	Rule Section 3-82-38.15				
--	----------------------------	--	--	--	--

LEGISLATIVE ACTIVITY

During 2024, the Governor’s Legislative team approved the Board’s proposal to amend its statute to clarify that, in addition to considering any request from small business owners for review of any rule, proposed, amended, or adopted by a state agency, the Board has the authority to review legislation affecting small businesses in response to requests from small business owners.

See “Legislative Review” at the end of this report for legislation the Board followed in 2024.

SMALL BUSINESS IMPACT STATEMENT *and* GOVERNOR’S ADMINISTRATIVE DIRECTIVE (AD) NO. 18-02

AD 18-02 was issued in 2018 to update the policy and procedures by which State departments and agencies request Governor’s approval for a public hearing of any proposed adoption, amendment, or repeal of administrative rules developed under Chapter 91, HRS. (Appendix 3). We are in the process of working with the Governor’s team to update this AD.

Under Section 201M-2, HRS, State agencies wanting to adopt new or modified administrative rules that have an impact on small business are required to submit to the Board a small business impact statement showing the economic impact on those businesses.

CHAIRPERSON / BOARD MEMBERS

Under Section 201M-5 (c), “a majority of the board shall elect the chairperson. The chairperson shall serve a term of not more than one year, unless removed earlier by a two-thirds

vote of all members to which the board is entitled.” The following elections were held at the June 2024 meeting:

- Chair – Jonathan Shick
- Vice Chair – Mary Albitz
- Second Vice Chair – Sanford Morioka

The Board member nomination process, under Section 201M-5, HRS, states, “the Board shall consist of eleven members, who shall be appointed by the governor pursuant to section 26-34; provided that:

(1) Three members shall be appointed from a list of nominees submitted by the president of the senate;

(2) Three members shall be appointed from a list of nominees submitted by the speaker of the house of representatives;

(3) Two members shall be appointed from a list of nominees submitted by the board;

(4) Two members shall be appointed by the governor;

(5) The director of business, economic development, and tourism, or the director’s designated representative, shall serve as an ex officio voting member of the board;

(6) The appointments shall reflect representation of a variety of businesses in the State;

(7) No more than two members shall be representatives from the same type of business;

and

(8) There shall be at least one representative from each county.”

In addition, nominations shall be solicited from small business organizations, state and county chambers of commerce and other interested business and trade organizations. Except for

the ex officio member, all members are either a current or former owner or officer of a business and shall not be an officer or employee of the federal, state, or county government.”

In June 2024, the Board said “Aloha” to board members Dr. Nancy Atmospera-Walch and Mr. William Lydgate. At the end of December 2024, the Board was comprised of the following nine members:

- 1) Mary Albitz, Island Art Party, County of Maui
- 2) Robert Cundiff, Business/Management Consultant with Lokama Group, City and County of Honolulu
- 3) James (Kimo) Lee, W. H. Shipman, Ltd., Hawaii County
- 4) Jonathan Shick, Pono Consulting Group, LLD., City and County of Honolulu
- 5) Garth Yamanaka, Yamanaka Enterprises, Inc., Hawaii County
- 6) Sanford Morioka, Edward Enterprises, Inc., City and County of Honolulu
- 7) Tessa Gomes, Fred and Kate Events, City and County of Honolulu
- 8) Nikki Ige, Kauai Federal Credit Union, County of Kauai
- 9) Dr. Jennifer Salisbury, Valley Isle Enterprises, Ltd., County of Maui
- 10) Mark Ritchie, Business Support Program Manager, Business Development & Support Division, DBEDT, Voting Ex Officio Member

ACTIVITIES, PROJECTS and OUTREACH

The following activities and projects were accomplished in 2024:

- **Hawaii Small Business Fair** – On September 28th, the Board’s Program Specialist monitored a table and greeted attendees at the Hawaii Small Business Fair at Leeward Community College for outreach purposes.



- **Newsletter** – The Board continues to send out monthly e-Newsletters to small business organizations, chambers of commerce, trade organizations and State legislators;

- **Social Media** – In 2024, the Board regularly sent out notices, with guidance from Becker Communications, on Facebook, Twitter, and Instagram to enhance its outreach efforts.

As of the end of 2024, the Board can proudly boast XX Friends on Facebook, has XXX followers on Twitter, and XX followers on Instagram. Becker Communications has assisted the Board with its social media messages since September 2023. Becker and the Board’s staff have quarterly meetings where Becker provides suggestions for assisting the Board with future outreach efforts, the monthly newsletter, and social media. What happened to the YouTube video?

- **General Outreach**

- 1) In November 2024, DBEDT submitted a press release announcing the recent election of new board officers, Jonathan Shick, Chair; Mary Albitz, Vice Chair; and Sanford Morioka, Second Vice Chair as well as the announcement of the Board’s newest members, Ms. Nikki Ige from Kauai and Dr. Jennifer Salisbury from Maui.

2) The SBRRB can now be reached on DCCA’s website under “Center for Business and Leadership.” Go to <https://cca.hawaii.gov/bac/training-opportunities-from-other-organizations/>

3) **Specific Outreach**

During 2024, in addition to mailings, outreach efforts were performed by staff and board members that included the following:

- 1) Small Business Development Center
- 2) Small Business Administration
- 3) Better Business Bureau
- 4) Business Action Center
- 5) Hawaii Chamber of Commerce
- 6) Kauai Chamber of Commerce
- 7) Maui Wedding & Event Organization Meeting
- 8) National Consumer Protection Week Fair
- 9) Tourism Day at the Capitol
- 10) Hawaii Data & AI Summit



11) City and County of Honolulu Office of Economic Revitalization

- 12) Small Business Week: OER Meet the Resource Connectors
- 13) Small Business Week: SBA & OER presentations
- 14) Added Small Business Bill of Rights brochure to Big Island Japanese Chamber of Commerce website
- 15) Attendance at PBN Kauai Business Panel



- 16) Added Small Business Bill of Rights & Board brochures to DCCA Business Action Center's website
- 17) The Festival of Pacific Arts & Culture (FestPac) – Hawaii Convention Center
- 18) Hawaii Chamber of Commerce Golf Event
- 19) Hawaii Small Business Fair – Leeward Community College
- 20) PBN Women Winning in Business



- 21) Hawaii Chamber of Commerce Annual Meeting

22) Hawaii Farm Bureau Conference & Expo

**REQUESTS FROM SMALL BUSINESS FOR REVIEW
OF ANY RULE ADOPTED BY A STATE AGENCY**

Under Section 201M-5, HRS, in 2024, the following requests from business owners were received.

- 1) In May, Ms. Katherine Thompson, representing Kamaaina Boaters and Recreational Facebook Group, submitted a Regulation for Review for Section 200-13.5 Vessel Insurance. The request pertained to DLNR's DOBOR requiring mandatory insurance on Hawaii residents who use State Boats or own recreational boats with a value less than \$100,000. Approximately 2,500 boaters in State Harbors that moor their boats in State harbors or use State boat ramps are impacted by this mandate.

The SBRRB informed Ms. Thompson that due to the SBRRB's purview under Chapter 201M, HRS, which is to review Hawaii Administrative Rules that negatively impact Hawaii small businesses, the Board is unable to assist with her statutory concerns.

However, the Board recommended that she approach DLNR (DOBOR) and DCCA's Insurance Division to help assist with the boaters' concerns.

- 2) In July, the Chamber of Commerce of Hawaii approached this Board requesting how the State of Hawaii can align and support each other for the betterment of the small business community regarding recent TikTok "hack" that negatively impacted a small business. The hack disinforms small businesses to dispute their credit card charge after paying for a good or service.

The SBRRB responded to the Chamber of Commerce of Hawaii by indicating that due to the SBRRB's purview under Chapter 201M, HRS, the Board is unable to assist with these

very important concerns. However, it was recommended that the State of Hawaii Senate and House Representatives be approached to contemplate introducing a measure to help counter and restrict these fraudulent acts.

SECTION II

LEGISLATIVE REVIEW

The following measures were introduced during the 2024 legislative session.

1. **House Bill 2354 HD1 SD1 – Relating to the Small Business Regulatory Review Board**

Background: This measure clarifies that the Small Business Regulatory Review Board has the authority to review legislation affecting small businesses in response to a request from small business owners.

Recommendation: The Board supports this measure.

Result: This bill was introduced in February 2024, it crossed over and was signed into law on June 21, 2024 under Act 67.

2. **Senate Bill 3043 HD1 SD1 - Relating to the Small Business Regulatory Review Board**

Background: This measure clarifies that the Small Business Regulatory Review Board has the authority to review legislation affecting small businesses in response to a request from small business owners.

Recommendation: The Board supported this measure.

Result: The bill was introduced in February 2024 and shortly thereafter was deferred because the companion bill, HB 2354 HD1 SD1 (above) was passed through the session.

3. **Senate Bill 2984 – Relating to Small Business**

Background: This measure establishes the Hawaii Capital Loan Revolving Fund to be used to make loans to small businesses located in nationally-declared disaster areas relating to the 2023 Maui wildfires; it also provides funds, in part, to administer the Maui Business Bridge Grants Program.

Recommendation: The Board reviewed this measure at its February meeting and left it up to each member to individually support this measure should it be scheduled for a hearing.

Result: The bill was not scheduled for a hearing.

4. Senate Resolution 56 – Requesting Businesses in Hawaii to Use Hawaiian Language and Requesting the Department of Education to Develop and Implement Programs to Teach Employees Hawaiian and Hire Permanent Hawaii Language Teachers

Background: This measure establishes a business revitalization task force to identify methods to improve Hawaii’s general economic competitiveness and business climate, including by mitigating regulatory and tax burdens; requires a report to the legislature.

Recommendation: The Board supports the intent of this measure and opted to stay neutral with regards to either supporting or opposing it.

Result: This bill was introduced in February 2024, it crossed over and was signed into law on July 1, 2024 via Act 142.

5. House Bill 2974 SD2 HD1 – Relating to Economic Development

Background: This measure establishes a business revitalization task force to identify methods to improve Hawaii’s general economic competitiveness and business climate, including by mitigating regulatory and tax burdens; requires a report to the legislature.

Recommendation: The Board supported this measure.

Result: The bill was introduced,

6. House Bill 1956 HD1 – Relating to Economic Development

Background: This measure establishes a business revitalization task force to identify methods to improve Hawaii’s general economic competitiveness and business climate, including by mitigating regulatory and tax burdens; requires a report to the legislature.

Recommendation: The Board support this measure.

Result: The bill was introduced and shortly thereafter it was deferred.

7. **House Bill 2974 SD2 HD1 – Relating to Economic Development**

Background: This measure establishes a business revitalization task force to identify methods to improve Hawaii’s general economic competitiveness and business climate, including by mitigating regulatory and tax burdens; requires a report to the legislature.

Recommendation: The Board supported this measure.

Result: The bill was introduced in January 2024, it crossed over and was signed into law on July 2, 2024 under Act 142.

Appendix

1. Chapter 201M, Hawaii Revised Statutes
2. Administrative Rules Reviewed Matrix
3. Administrative Directive No. 18-02

1. Chapter 201M, Hawaii Revised Statutes

CHAPTER 201M

SMALL BUSINESS REGULATORY FLEXIBILITY ACT

Section

- 201M-1 Definitions
- 201M-2 Determination of small business impact; small business impact statement
- 201M-3 Small business statement after public hearing
- 201M-4 Advisory committee on small business; consultation process for proposed rules
- 201M-5 Small business regulatory review board; powers
- 201M-6 Petition for regulatory review
- 201M-7 Periodic review; evaluation report
- 201M-8 Waiver or reduction of penalties
- 201M-9 Executive order

§201M-1 Definitions. As used in this chapter, unless the context clearly requires otherwise:

"Advisory committee" means an advisory committee on small business as established in section 201M-4.

"Affected small businesses" or "affects small business" means any potential or actual requirement imposed upon a small business through an agency's proposed or adopted rule that will cause a direct and significant economic burden upon a small business, or is directly related to the formation, operation, or expansion of a small business.

"Agency" means each state or county board, commission, department, or officer authorized by law to make rules, except those in the legislative or judicial branches.

"Board" means the small business regulatory review board.

"Rule" shall have the same meaning as in section 91-1.

"Small business" means a for-profit corporation, limited liability company, partnership, limited partnership, sole proprietorship, or other legal entity that:

- (1) Is domiciled and authorized to do business in Hawaii;
- (2) Is independently owned and operated; and
- (3) Employs fewer than one hundred full-time or part-time employees in Hawaii. [L 1998, c 168, pt of §2, §5; am L 2002, c 202, §§2, 5; am L 2007, c 217, §2]

§201M-2 Determination of small business impact; small business impact statement. (a) Prior to submitting proposed rules for adoption, amendment, or repeal under section 91-3, the agency shall determine whether the proposed rules affect small business, and if so, the availability and practicability of less

restrictive alternatives that could be implemented. This section shall not apply to emergency rulemaking.

(b) If the proposed rules affect small business, the agency shall consider creative, innovative, or flexible methods of compliance for small businesses and prepare a small business impact statement to be submitted with the proposed rules to the departmental advisory committee on small business and the board when the rules are essentially complete and before the rules are submitted to the governor for approval for public hearing. The statement shall provide a reasonable determination of the following:

- (1) The businesses that will be directly affected by, bear the costs of, or directly benefit from the proposed rules;
- (2) Description of the small businesses that will be required to comply with the proposed rules and how they may be adversely affected;
- (3) In dollar amounts, the increase in the level of direct costs such as fees or fines, and indirect costs such as reporting, recordkeeping, equipment, construction, labor, professional services, revenue loss, or other costs associated with compliance;
- (4) The probable monetary costs and benefits to the implementing agency and other agencies directly affected, including the estimated total amount the agency expects to collect from any additionally imposed fees and the manner in which the moneys will be used;
- (5) The methods the agency considered or used to reduce the impact on small business such as consolidation, simplification, differing compliance or reporting requirements, less stringent deadlines, modification of the fines schedule, performance rather than design standards, exemption, or any other mitigating techniques;
- (6) How the agency involved small business in the development of the proposed rules; and
- (7) Whether the proposed rules include provisions that are more stringent than those mandated by any comparable or related federal, state, or county standards, with an explanation of the reason for imposing the more stringent standard.

(c) When a proposed rule includes provisions that are more stringent than those mandated by any comparable or related federal, state, or county standards, the agency shall, in

addition to the information required by subsection (b), include in the small business impact statement information comparing the costs and benefits of the standard set by the proposed rule to the costs and benefits of the standard under the comparable or related federal, state or county law. The agency shall also include an explanation of its decision to impose the higher standard. The agency's comparison and justification shall include:

- (1) A description of the public purposes to be served by imposing the standard under the proposed rule;
- (2) The text of the related federal, state, or county law, including information about the purposes and applicability of the law;
- (3) A comparison between the proposed rule and the related federal, state, or county law, including a comparison of their purposes and of the standards and their application and administration;
- (4) A comparison of the monetary costs and benefits to the implementing agency and other agencies directly affected, of imposing the proposed standard, with the costs and benefits of imposing or deferring to the related federal, state or county standard, as well as a description of the manner in which any additional fees derived from imposition of the proposed standard are to be used; and
- (5) A comparison of the adverse effects on small businesses of the standard imposed by the proposed rule, with the adverse effects on small business of the related federal, state, or county standard.

(d) This chapter shall not apply to proposed rules adopted by an agency to implement a statute or ordinance that does not require an agency to interpret or describe the requirements of the statute or ordinance, such as federally-mandated regulations that afford the agency no discretion to consider less restrictive alternatives. [L 1998, c 168, pt of §2, §5; am L 2002, c 202, §5; am L 2007, c 217, §3; am L 2008, c230, §3]

§201M-3 Small business statement after public hearing. (a) For any proposed rule that affects small business, the agency shall also submit a small business statement to the small business regulatory review board and the departmental advisory committee on small business after the public hearing is held. This section shall not apply to emergency rules. The small business statement required by this section shall provide the following information:

- (1) A description of how opinions or comments from affected small business were solicited, a summary of the public and small business comments, and a summary of the agency's response to those comments;
- (2) The number of persons who:
 - (A) Attended the public hearing;
 - (B) Testified at the hearing; and
 - (C) Submitted written comments; and
- (3) If there was a request to change the proposed rule at the hearing in a way that affected small business, a statement of the reasons for adopting the proposed rule, the reason why a requested change was not made, and the problems or negative result the change would provide if adopted.

(b) If the small business regulatory review board finds that a statement provided pursuant to subsection (a) (3):

- (1) Indicates inconsistency with any of the agency's determinations under section 201M-2(b); or
- (2) Does not address the concerns of public input, the board with good cause may request a written response from the agency explaining the rationale used to deny the public concerns within ten working days of receipt of the small business statement after public hearing. The agency shall respond in writing to the board's concerns within ten working days.

(c) The written response from an agency required in subsection (b), at a minimum, shall:

- (1) Specifically address each issue and concern raised in the board's request for a written response; and
- (2) Affirmatively state that the agency has considered all written and oral testimony received at the agency's public hearing and has addressed all issues or concerns raised in the written or oral testimony. [L 1998, c 168, pt of §2, §5; am L 2002, c 202, §5; am L 2012, c 241, §2]

[\$201M-4] Advisory committee on small business; consultation process for proposed rules. (a) There may be established within and administratively attached to every department of the State or county whose rules affect small business activities, an advisory committee on small business. The advisory committee shall consist of three or more odd number of members appointed by the department and may advise more than one department. The department shall have the authority to appoint members to the advisory committee and to fill any vacancies. The members shall serve on a volunteer basis and have experience or knowledge of the effect of

regulation by those departments on the formation, operation, or expansion of a small business. No person shall serve on the small business regulatory review board and an advisory committee on small business concurrently. The advisory committees shall not be subject to the requirements of chapter 91.

(b) When the agency is proposing rules that affect small business, the agency may consult with the administratively attached departmental advisory committee on small business regarding any matter related to the proposed rules prior to complying with the rulemaking requirements provided in chapter 91. Each agency shall develop its own internal management procedures for soliciting comments during the drafting of proposed rules from affected small businesses. The agency may develop creative procedures for the solicitation of comments from affected small businesses during the drafting or development of proposed rules.

(c) If necessary, any group or members of affected small businesses may also be consulted by the agency to formulate the relevant language, develop criteria, and provide any other expertise to ensure that the proposed rules will be drafted in a manner that will protect the public health, welfare, and safety without placing an undue and significant burden upon small business. [L 1998, c 168, pt of §2, §5; am L 2002, c 202, §5]

§201M-5 Small business regulatory review board; powers. (a) There shall be established within the department of business, economic development, and tourism, for administrative purposes, a small business regulatory review board to review any proposed new or amended rule. If the board determines that a proposed rule will not have a significant economic impact on a substantial number of small businesses, the board shall submit a statement to that effect to the agency that sets forth the reason for the board's decision. If the board determines that the proposed rule will have a significant economic impact on a substantial number of small businesses, the board may submit to the agency suggested changes in the proposed rule to minimize the economic impact of the proposed rule, or may recommend the withdrawal of the proposed rule. The board may also consider any request from small business owners for review of any rule proposed, amended or adopted by a state agency or for review of any legislation affecting small businesses, and to make recommendations to the agency or the legislature regarding the need for a rule change or legislation. For requests regarding county rules, the board may make recommendations to the county council or the mayor for appropriate action.

(b) The board shall consist of eleven members, who shall be appointed by the governor pursuant to section 26-34; provided that:

- (1) Three members shall be appointed from a list of nominees submitted by the president of the senate;
- (2) Three members shall be appointed from a list of nominees submitted by the speaker of the house of representatives;
- (3) Two members shall be appointed from a list of nominees submitted by the board;
- (4) Two members shall be appointed by the governor;
- (5) The director of business, economic development, and tourism, or the director's designated representative, shall serve as an ex officio voting members of the board;
- (6) The appointments shall reflect representation of a variety of businesses in the State;
- (6) No more than two members shall be representative from the same type of business; and
- (8) There shall be at least one representative from each county. For purposes of paragraphs (1) and (2),

nominations shall be solicited from small business organizations, state and county chambers of commerce, and other interested business organizations.

(c) **Except for the ex officio member**, all members of the board shall be either a current or former owner or officer of a business and shall not be an officer or employee of the federal, state, or county government. A majority of the board shall elect the chairperson. The chairperson shall serve a term of not more than one year, unless removed earlier by a two-thirds vote of all members to which the board is entitled.

(d) A majority of all the members to which the board is entitled shall constitute a quorum to do business, and the concurrence of a majority of all the members to which the board is entitled shall be necessary to make any action of the board valid.

(e) In addition to any other powers provided by this chapter, the board may:

- (1) Adopt any rules necessary to implement this chapter;
- (2) Organize and hold conferences on problems affecting small business; and
- (3) Do any and all things necessary to effectuate the purposes of this chapter.

(f) The board shall submit an annual report to the legislature twenty days prior to each regular session detailing any requests from small business owners for review of any rule

proposed, amended, or adopted by a state agency or for review of any legislation affecting small businesses, and any recommendations made by the board to an agency or the legislature regarding the need for a rule change or legislation. The report shall also contain a summary of the comments made by the board to agencies regarding its review of proposed new or amended rules. [L 1998, c 168, pt of §2, §5; am L 2002, c 202, §§3, 5; am L 2007, c 217, §4; am L 2012, c 241, §3]

§201M-6 Petition for regulatory review. (a) In addition to the basis for filing a petition provided in section 91-6, any affected small business may file a written petition with the agency that has adopted the rules objecting to all or part of any rule affecting small business on any of the following grounds:

- (1) The actual effect on small business was not reflected in, or significantly exceeded, the small business impact statement submitted prior to the adoption of the rules;
- (2) The small business impact statement did not consider new or significant economic information that reveals an undue impact on small business;
- (3) These impacts were not previously considered at the public hearing on the rules;
- (4) The rules create an undue barrier to the formation, operation, and expansion of small businesses in a manner that significantly outweighs its benefit to the public;
- (5) The rules duplicate, overlap, or conflict with rules adopted by another agency or violate the substantive authority under which the rules were adopted; or
- (6) The technology, economic conditions, or other relevant factors justifying the purpose for the rules have changed or no longer exist.

(b) Upon submission of the petition, the agency shall forward a copy of the petition to the board, as notification of a petition filed under this chapter. The agency shall promptly consider the petition and may seek advice and counsel regarding the petition from the appropriate departmental advisory committee on small business. Within sixty days after the submission of the petition, the agency shall determine whether the impact statement or the public hearing addressed the actual and significant impact on small business. The agency shall submit a written response of the agency's determination to the small business review board within sixty days after receipt of

the petition. If the agency determines that the petition merits the adoption, amendment, or repeal of a rule, it may initiate proceedings in accordance with section 91-3.

(c) If the agency determines that the petition does not merit the adoption, amendment, or repeal of any rule, any affected small business may seek a review of the decision by the board. The board shall promptly convene a meeting pursuant to chapter 92 for the purpose of soliciting testimony that will assist in its determination whether to recommend that the agency initiate proceedings in accordance with section 91-3. The board may base its recommendation on any of the following reasons:

- (1) The actual effect on small business was not reflected in, or significantly exceeded, the impact statement submitted prior to the adoption of the rules;
- (2) The impact statement did not consider new or significant economic information that reveals an undue impact on small business;
- (3) These impacts were not previously considered at the public hearing on the rules;
- (4) The rules create an undue barrier to the formation, operation, and expansion of small businesses in the State in a manner that significantly outweighs its benefit to the public;
- (5) The rules duplicate, overlap, or conflict with rules adopted by another agency or violate the substantive authority under which the rules were adopted; or
- (6) The technology, economic conditions, or other relevant factors justifying the purpose for the rules have changed or no longer exist.

(d) If the board recommends that an agency initiate rulemaking proceedings for any reason provided in subsection (c), it shall submit to the legislature an evaluation report and the agency's response as provided in subsection (b). The legislature may subsequently take any action in response to the evaluation report and the agency's response as it finds appropriate.

(e) If the board does not recommend that an agency initiate rulemaking proceedings, the board shall notify the small business of its decision and inform the small business that the small business may submit a complaint to the ombudsman pursuant to chapter 96 regarding the decision of the agency or board.

(f) Nothing in this section shall entitle an affected small business to a contested case hearing under chapter 91. [L 1998, c 168, pt of §2, §5; am L 2002, c 202, §5; am L 2007, c 217, §5]

§201M-7 Periodic review; evaluation report. (a) Each agency having rules that affect small business shall submit to the board by June 30 of each odd-numbered year, a list of those rules and a report describing the specific public purpose or interest for adopting the respective rules that affect small business and any other reasons to justify continue implementation of the rules; provided that, by June 30 of each year, each agency shall submit to the board a list of any rules to be amended or repealed, based upon any new, amended, or repealed statute that impacts small business.

(b) The board shall provide to the head of each agency a list of any rules adopted by the agency that affect small business and have generated complaints or concerns, including any rules that the board determines may duplicate, overlap, or conflict with other rules, or exceed statutory authority. Within forty-five days after being notified by the board of the list, the agency shall submit a written report to the board in response to the complaints or concerns. The agency shall also state whether the agency has considered the continued need for the rules and the degree to which technology, economic conditions, and other relevant factors may have diminished or eliminated the need for maintaining the rules.

(c) The board may solicit testimony from the public regarding any report submitted by the agency under this section at a public meeting held pursuant to chapter 92. Upon consideration of any report submitted by an agency under this section and any public testimony, the board shall submit an evaluation report to the legislature each even-numbered year. The evaluation report shall include an assessment as to whether the public interest significantly outweighs a rule's effect on small business and any legislative proposal to eliminate or reduce the effect on small business. The legislature may take any action in response to the report as it finds appropriate. [L 1998, c 168, pt of §2, §5; am L 2002, c 202, §5; am L 2007, c 217, §6; am L 2012, c 241, §4]

§201M-8 Waiver or reduction of penalties. (a) Except where a penalty or fine is assessed pursuant to a program approved, authorized, or delegated under a federal law, any agency authorized to assess civil penalties or fines upon a small business shall waive or reduce any penalty or fine as allowed by federal or state law for a violation of any statute, ordinance, or rules by a small business under the following conditions:

- (1) The small business corrects the violation within a minimum of thirty days after receipt of a notice of violation or citation; and
 - (2) The violation was unintentional or the result of excusable neglect; or
 - (3) The violation was the result of an excusable misunderstanding of an agency's interpretation of a rule.
- (b) Subsection (a) shall not apply:
- (1) When a small business fails to exercise good faith in complying with the statute or rules;
 - (2) When a violation involves willful or criminal conduct;
 - (3) When a violation results in serious health and safety impacts;
 - (4) To violations of chapters 6E, 180, 180C, 181, 182, 183, 183C, 183D, 186, 187A, 188, 188F, 189, 190, 190D, 195, 195D, 195F, 205, 205A, 340A, 340E, 341, 342B, 342C, 342D, 342E, 342F, 342G, 342H, 342I, 342J, 342L, and 342P;
 - (5) To violations of sections 200-9(b) and (c), 200-24(4), 200-37, and 200-38; or
 - (6) To violations of administrative rules promulgated pursuant to section 200-4(6); except for rules pertaining to matters listed in section 200-4(6) (A), (B), (C), and (D).
- (c) An agency may adopt rules to implement the requirements of this section. [L 1998, c 168, pt of §2, §5; am L 2002, c 202, §5; am L 2004, c 206, §1]

[\$201M-9] Executive order. The governor may execute any executive order, memorandum, or directive necessary to implement any provision of this chapter. [L 1998, c 168, pt of §2, §5; am L 2002, c 202, §5]

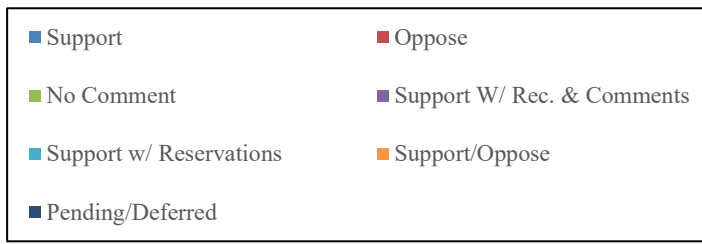
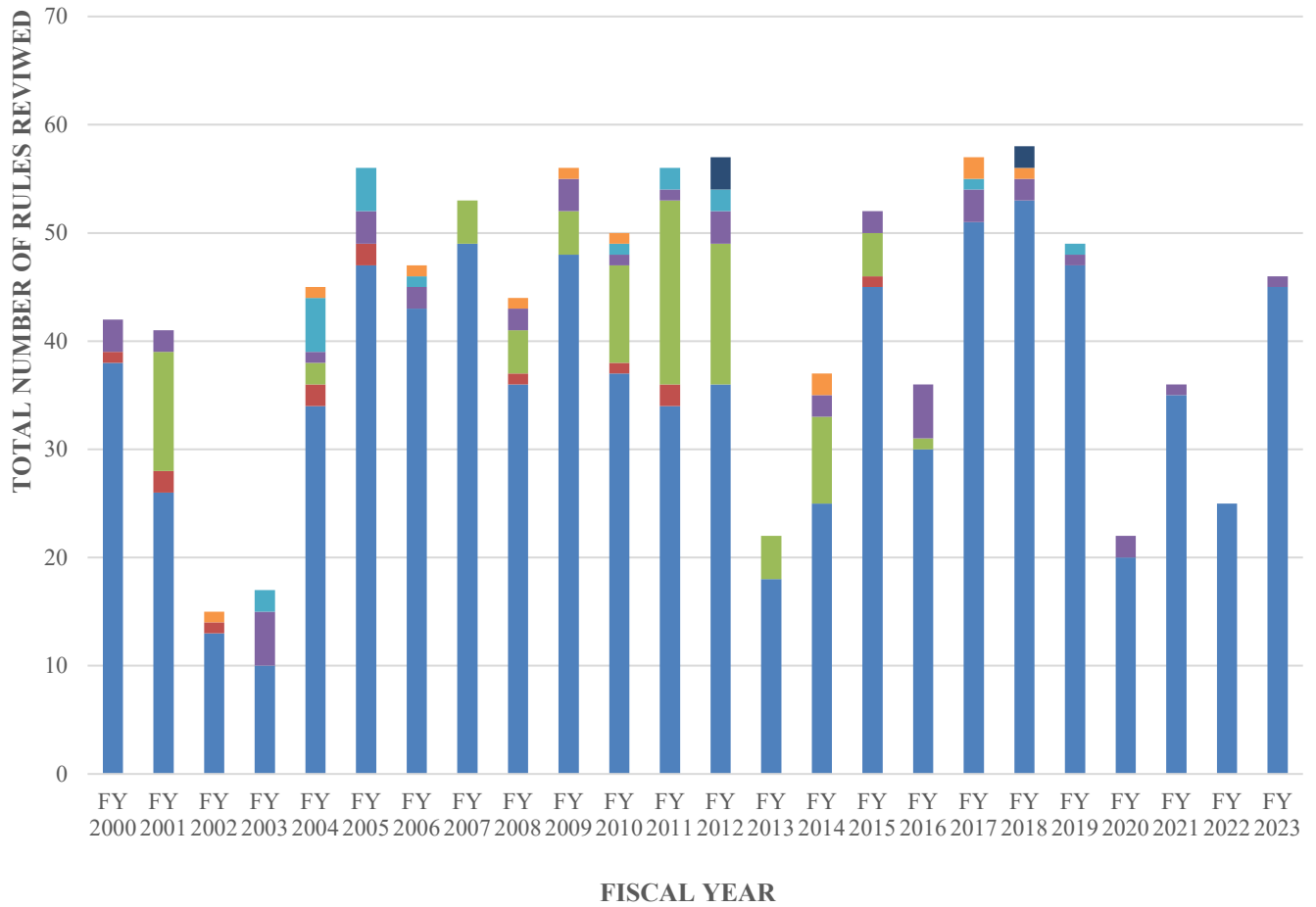
2. Administrative Rule Review

Administrative Rule Review – Annual Report 2024

Calendar Year 2024	Month/Year	Supported (1)	Opposed (2)	No Comment/ No Action (3)	Supported W/ Rec. & Comments (4)	Supported w/ Reservations (5)	Supported/ Opposed (6)	Pending/ Deferred (7)
	Jan-24	2						
	Feb-24	0						
	Mar-24	2						
	Apr-24	2						
	May-24	2						
	Jun-24	6						
	Jul-24	5						
	Aug-24	2						
	Sep-24	4						
	Oct-24	1						
	Nov-24							
	Dec-24							
	Total Calendar Year 2024							
	Total Past Years	878	13	81	48	21	12	0
	Total	878	13	81	48	21	12	0
	Total HAR Reviewed Since Inception	1053						

- 1) Unanimous support of HAR
- 2) Opposed HAR
- 3) Either no comment or no action taken on HAR
- 4) Supported HAR with recommendations and/or comments
- 5) Supported HAR with Reservations
- 6) Partially opposed but supported HAR
- 7) Deferred action

Administrative Rule Review Matrix



3. Administrative Directive No. 18-02



EXECUTIVE CHAMBERS
HONOLULU

DAVID IGE
GOVERNOR

January 1, 2018

ADMINISTRATIVE DIRECTIVE NO. 18-02

To: Department Directors

Subject: Policy and Procedure for the Adoption, Amendment, or Repeal of
Hawaii Administrative Rules

This administrative directive updates the policy and procedure by which departments or agencies shall request executive approval of any proposed adoption, amendment, or repeal of administrative rules. It replaces Administrative Directive No. 09-01, Policy and Procedure for the Adoption, Amendment, or Repeal of Administrative Rules, dated October 29, 2009.

Legal References:

1. Hawaii Revised Statutes Chapter 91
2. Hawaii Revised Statutes Chapter 201M, the "Hawaii Small Business Regulatory Flexibility Act," requires that if a proposed rule "affects small business," the department or agency shall submit a "small business impact statement" and a "small business statement" to the Small Business Regulatory Review Board. Chapter 201M does not apply to emergency rulemaking or rules adopted to comply with a federal requirement.

Policy:

1. All requests regarding Hawaii Administrative Rules must be submitted through Hawaii Administrative Rules Processing Site (HARPS).

<https://hawaiioint.sharepoint.com/sites/gov/adminrules/>

Prior to all submittals, the department must obtain the Attorney General's approval "as to form".

2. Small Business Regulatory Flexibility Act

In accordance with Chapter 201M, the department must complete the following steps before submitting a request to conduct public hearing if the proposed rule affects small

business:

- a. Complete Small Business Impact Statement
 - i. See HRS Section 201M-2
- b. Submit Small Business Impact Statement and proposed rules to the Small Business Regulatory Review Board

3. Public Hearing Approval

In the request to conduct public hearing, the department will provide response to the following:

- a. Summary of changes
 - i. Why is this section of Hawaii Administrative Rules being amended?
 - ii. What problem is the rule change meant to solve?
 - iii. List all changes that are being made.
- b. Impact of changes
 - i. How does this rule change address the problem?
 - ii. Who are the stakeholders? Positive and negative.
 - iii. What are the potential problems with the rule change?
 - iv. What is the fiscal impact?
 - v. What is the economic impact to the State?
- c. Consequences if changes are not made
 - i. What are the consequences if the rule change does not get adopted, amended or repealed?

4. Public Hearings

Upon approval of public hearing request, the department must enter all public hearing dates, times, and locations into HARPS.

- a. The department must be considerate of all parties being affected and schedule public hearings to allow for adequate feedback.
- b. The department must accept written testimony from all parties who are unable to attend the public hearing.
- c. The department will be responsible for transcribing the testimony from the public hearing into a public hearing summary document that will be required upon submittal of Final Rule.

5. Final Rule

In the request for approval of Final Rule, the department will provide response to the following:

- a. Changes in Final Rule
 - i. What changes were made in the Final Rule?
 - ii. Why were these changes made?
- b. Other
 - i. Describe how the department has worked with stakeholders to gain support for the rule?
 - ii. Have potential problems been addressed? Do the same problems exist with the Final Rule?
 - iii. Does the Office of the Governor staff need to meet with any people/organizations before the Governor signs this Final Rule?

6. Filing of Final Rule

Upon approval of Final Rule through HARPS, the Department will send 3 hard copies to Office of the Governor. When approved, these copies will be filed with the Office of the Lieutenant Governor. Rule will take effect 10 days after filing.

7. Department of Budget and Finance (BUF) and Department of Business, Economic Development and Tourism (BED)

BUF and BED will receive electronic notification upon submittal of public hearing request. Both departments will have the ability to submit comments and concerns through HARPS. Response will be due 10 business days after Final Rule is submitted. Comments will be optional unless the following applies:

- a. BUF will be required to provide response if the proposed rule has fees or other fiscal impacts.
- b. BED will be required to provide response if the proposed rule has economic impact or affects small business.



***No. 1 Capitol District Building
250 South Hotel Street, 5th Floor
Honolulu, Hawaii 96813***

Telephone: (808) 798-0737

Website: sbrrb.hawaii.gov

Email: DBEDT.sbrrb.info@hawaii.gov

Follow us:

[SBRRBHI Facebook](#)

[SBRRBHI Twitter](#)

[SBRRBHI Instagram](#)

Business Revitalization Task Force Meeting Agenda

Date: Thursday, October 31, 2024

Location: <https://us06web.zoom.us/j/86200391282?pwd=vMqlxMelc6FeN9gxD9gIMZSTGXIsi.1>

Meeting ID: 862 0039 1282

Passcode: 650566

Time: 11:30 a.m.

AGENDA

- I. Introduction
 - a. Welcome by Dane Wicker, DBEDT Deputy Director
 - b. Overview of the task force purpose and legislative background (SB2974 CD1)
 - c. Introduction of Task Force members
- II. Nominations for Chair Candidates
 - a. Open the floor for nominations for Task Force Chair
 - b. Review the role and responsibilities of the Chair
- III. Election of Chair
 - a. Conduct the election for the Chair of the Business Revitalization Task Force
 - b. Confirm the elected Chair and their responsibilities moving forward
- IV. Suggestions from Members
 - a. Discussion of initial suggestions from Task Force members on identifying methods to improve Hawaii's economic competitiveness and business climate
 - b. Collect potential agenda items for future meetings
 - c. Encourage collaboration on upcoming initiatives
- V. Review Future Meeting Schedules
 - a. Review statutory requirement for quarterly meetings
 - b. Establish the schedule for future meetings
 - c. Discuss potential formats (in-person, teleconference, hybrid)

A BILL FOR AN ACT

RELATING TO ECONOMIC DEVELOPMENT.

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

1 SECTION 1. The legislature finds that while new business
2 formations have grown by thirty-seven per cent in Hawaii since
3 the beginning of 2020, this rate is well below the national
4 average and among the bottom ten nationally. In the latest
5 comprehensive entrepreneurial study from the Kauffman
6 Foundation, the early survival rate for startups in Hawaii is
7 the lowest in the country. Self-employment in Hawaii has
8 consistently been lower than in the United States as a whole,
9 and in 2020, Hawaii ranked fortieth for the percentage of
10 self-employed individuals.

11 The legislature further finds that tax rates are a factor
12 in business investment decisions and often affect the movement
13 of individuals. Recent reports show both companies and
14 individuals are more likely to move to a location with lower
15 taxes. Hawaii currently ranks the sixth highest for state and
16 local taxes per capita and was ranked forty-second for business
17 climate by the Tax Foundation.



1 The purpose of this Act is to establish a task force to
2 identify methods to improve Hawaii's general economic
3 competitiveness and business climate, including the mitigation
4 of regulatory and tax burdens.

5 SECTION 2. (a) There is established a business
6 revitalization task force within the department of business,
7 economic development, and tourism for administrative purposes.

8 (b) The task force shall consist of the following members:

- 9 (1) The director of business, economic development, and
10 tourism or the director's designee;
- 11 (2) The director of commerce and consumer affairs or the
12 director's designee;
- 13 (3) The director of taxation or the director's designee;
- 14 (4) The director of labor and industrial relations or the
15 director's designee;
- 16 (5) A member of the small business regulatory review
17 board, to be appointed by the chair of the board;
- 18 (6) The dean of the university of Hawaii at Manoa Shidler
19 college of business or the dean's designee; and



1 (7) The director of each county agency with jurisdiction
2 over economic development or each respective
3 director's designee.

4 (c) The chair of the house of representatives standing
5 committee with primary jurisdiction over economic development
6 and the chair of the senate standing committee with primary
7 jurisdiction over economic development may invite one person
8 from each of the following entities to join the task force:

- 9 (1) One representative of the construction industry;
- 10 (2) One representative of the agriculture industry;
- 11 (3) One representative of the visitor industry;
- 12 (4) One representative of the food industry;
- 13 (5) One representative of the retail industry;
- 14 (6) One representative of the high technology industry;
- 15 (7) One representative of the regional and ethnic chambers
16 of commerce; and
- 17 (8) One representative from the Chamber of Commerce
18 Hawaii.

19 (d) The task force shall select a chairperson from among
20 the members listed in subsection (b) and a vice chairperson from
21 among any of its members.



1 (e) Local business community members of the task force
2 shall serve without compensation.

3 (f) The task force shall meet as necessary but not less
4 than quarterly. The task force may conduct its meetings by
5 teleconference or other similar means.

6 (g) The task force shall:

7 (1) Identify methods to improve Hawaii's general economic
8 competitiveness and business climate, including the
9 mitigation of regulatory and tax burdens;

10 (2) Develop and recommend legislation to increase Hawaii's
11 general economic competitiveness; and

12 (3) Develop recommendations for improving governmental
13 operations and reducing costs.

14 (h) Staff to assist the task force in performing its
15 duties shall be assigned by the department of business, economic
16 development, and tourism or the president of the senate, speaker
17 of the house of representatives, and governor.

18 (i) In performing its duties as required by subsection
19 (g), the task force shall consider reports issued by the
20 auditor; state ethics commission; department of business,



1 economic development, and tourism; and university of Hawaii
2 economic research organization and any other relevant reports.

3 (j) The task force shall submit a report of its findings
4 and recommendations, including any proposed legislation, to the
5 legislature no later than twenty days prior to the convening of
6 the regular session of 2026; provided that the task force may
7 submit all or parts of its recommendations to the legislature
8 prior to the submission of its report.

9 (k) The task force shall be dissolved on June 30, 2026.

10 SECTION 3. This Act shall take effect on July 1, 2024.



Report Title:

DBEDT; Task Force; Business Revitalization; Report

Description:

Establishes a Business Revitalization Task Force within the Department of Business, Economic Development, and Tourism to identify methods to improve Hawaii's general economic competitiveness and business climate, including the mitigation of regulatory and tax burdens. Requires a report to the Legislature. (CD1)

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



Honolulu, Hawaii

APR 26 2024

RE: S.B. No. 2974
S.D. 2
H.D. 1
C.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2974, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Establish a Business Revitalization Task Force within the Department of Business, Economic Development, and Tourism to identify methods to improve Hawaii's general economic competitiveness and business climate, including the mitigation of regulatory and tax burdens; and
- (2) Require the Business Revitalization Task Force to submit a report to the Legislature.



Your Committee on Conference finds that the State ranks below other states in new business formations, early survival rates for startups, self-employment, and business climate. This measure establishes a task force to collaboratively and comprehensively collect ideas from stakeholders to promote economic growth in the State and propose solutions to improve the State's business economy.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that the Chair of the House of Representatives Standing Committee with primary jurisdiction over economic development and the Chair of the Senate Standing Committee with primary jurisdiction over economic development may invite one representative from certain industries to serve as members of the task force, including one representative from the Chamber of Commerce Hawaii;
- (2) Deleting language that would have allowed certain task force members to be reimbursed for expenses, including travel expenses;
- (3) Inserting an effective date of July 1, 2024; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

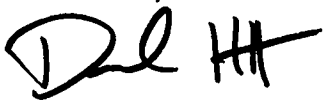
As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2974, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2974, S.D. 2, H.D. 1, C.D. 1.



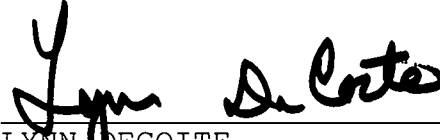
Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE



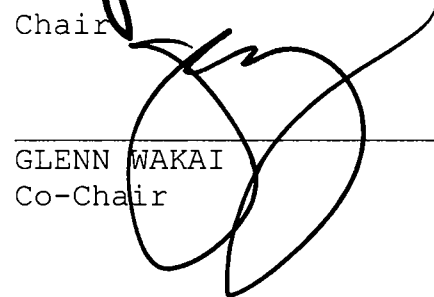
DANIEL HOLT
Co-Chair



LYNN DECOITE
Chair



RACHELE LAMCAO
Co-Chair



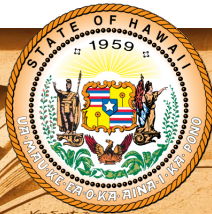
GLENN WAKAI
Co-Chair



SBRRB Strategic Goal Discussion

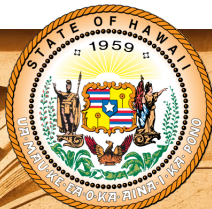
January 2023

Small Business Regulatory Review Board



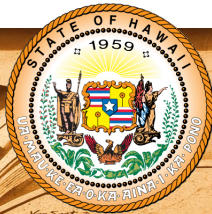
SBRRB Strategic Discussion

- Where Are We Now?
- What do We Want to Accomplish?
 - Awareness
 - Effectiveness
 - Specific Goals



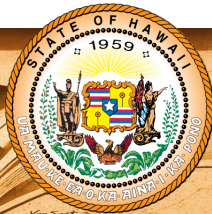
SBRRB Strategic Discussion

- Improved Awareness (Outreach)
 - Media & Social Media Coverage
 - Letter to Industry Associations
 - Association Meetings
 - SBRRB Brochure
 - SBRRB Presentation
 - State/County Agency Meetings
 - Strategic Event Attendance
 - Other Thoughts?



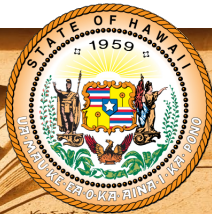
Improved Awareness

- Media Coverage
 - ThinkTech Hawaii Interview
 - Akaku-Maui Community Media
 - Other Thoughts?
- Social Media Coverage
 - Facebook & Instagram postings



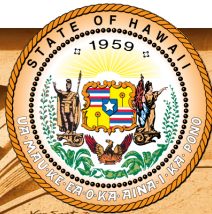
Improved Awareness

- Send Letter to Industry Associations
 - Educate & Promote SBRRB
 - Ask for Meeting and/or Presentation to Members
- Review List of Associations & Add Others as Needed (This list will be sent separately and not be reviewed as part of agenda)



Improved Awareness

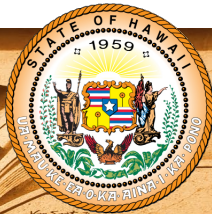
- Association Meetings
 - Update List of Associations
 - Develop/Update Talking Points & Material for Meeting
 - Attend Meeting with Association Leaders
 - Attend Meeting with Association Members



Improved Awareness

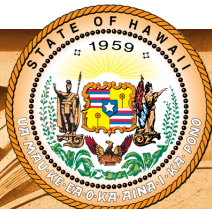
- SBRRB Brochure
 - Recently updated
 - Thoughts on Improvements?

Small Business Regulatory Review Board



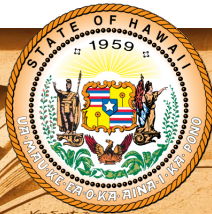
Improved Awareness

- SBRRB Presentation
 - Recently Updated
 - Agree with Vision/Mission/Purpose?
 - Other Thoughts?



Improved Awareness

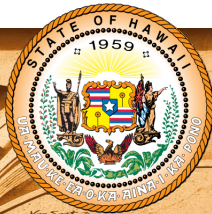
- State/County Agency Meetings
 - Where Are We?
 - Review Matrix
 - Plan Moving Forward
 - Review Discussion Leader Assignments
 - Schedule Meetings



Improved Awareness

- Strategic Event Attendance
 - Maui SBA Event
 - Oahu Small Business Events

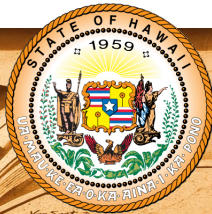
Small Business Regulatory Review Board



Improved Awareness

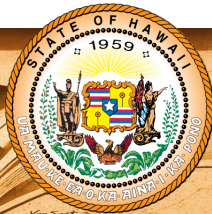
- Other Thoughts?

Small Business Regulatory Review Board



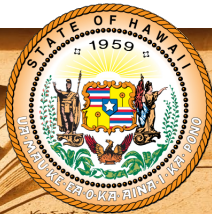
SBRRB Strategic Discussion

- Improved Effectiveness
 - Achieved Full Board Membership
 - Continue State/County Agency Meetings
 - Better Use of Improved Website
 - Meetings with Industry Associations
 - Other Thoughts?



Improved Effectiveness

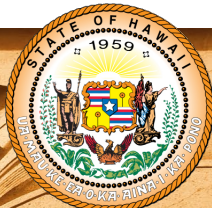
- State/County Agency Meetings
 - Educate/Promote SBRRB
 - Rule Making Process
 - Stakeholder Involvement (small business)
 - Consider Small Business Impacts
 - Open to Input & Change



Improved Effectiveness

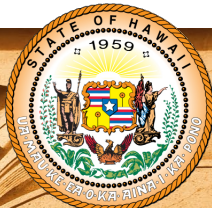
- Regulation for Review Process
 - Convenient
 - Website Access & Submission
 - ProActive
 - Specific to Rule & Impact
 - Suggest Change
 - SBRRB can Facilitate

Small Business Regulatory Review Board



Improved Effectiveness

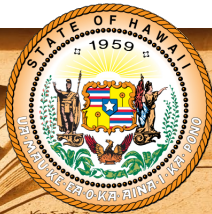
- Meetings with Industry Associations
 - Educate & Promote SBRRB
 - How We Can Help?
 - How You Can Help Us?



Improved Effectiveness

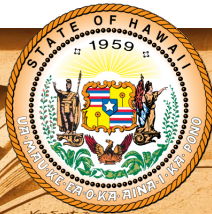
- Other Thoughts?

Small Business Regulatory Review Board



3-5 Year Goals

- Improved Awareness & Effectiveness
 - Meeting with Agency & Counties
 - 6 meetings per year
 - Presentations to Industry Associations
 - 3 presentations per year
 - Social Media Utilization
 - Minimum 1 posting per week
 - 10% Subscription increase annually
 - Website Utilization
 - % hits increase



3-5 Year Goals

- Improved Awareness & Effectiveness
 - Maintain Full Board Status
 - 11 Members at all times
 - Board Meeting on a Neighbor Island
 - Once annually

Small Business Regulatory Review Board

