

Small Business Regulatory Review Board

MEETING MINUTES

April 23, 2026

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

MEMBERS PRESENT:

- Jonathan Shick, Chair
- Sanford Morioka, Vice Chair
- Mary Albitz, Second Vice Chair
- Dr. Jennifer Salisbury
- James (Kimo) Lee
- David Sikkink
- Leelen Park
- Cynthia Hobson

ABSENT MEMBERS:

- Tessa Gomes

STAFF: DBEDT

Dori Palcovich
Jet'aime Ariola

Office of the Attorney General

Alison Kato

II. APPROVAL of MARCH 19, 2026, MINUTES

Second Vice Chair Albitz motioned to approve the March 19, 2026 meeting minutes as amended. Mr. Park 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 Hawaii Administrative Rules (HAR) Title 12 Chapter 229, General, Administrative, and Legal Provisions promulgated by Department of Labor and Industrial Relations (DLIR)

Discussion leader Albitz noted that the proposed rule changes are to increase fees and improve facilities. Mr. William Kunstman, Deputy Director at DLIR, confirmed and added that many of the changes were for housekeeping measures.

There were no attendees at the public hearing which reflects the hard work performed with the stakeholders in the early stages of the rule amendments. Thus, the finished product was essentially complete with the stakeholders' input, as any problems with the rule changes had previously been addressed. Second Vice Chair Albitz stated that DLIR did a good job with the outreach; Chair Shick added that the hard work and effort made by DLIR with the stakeholders was appreciated and reflected in the public hearing without comments. Second Vice Chair Albitz moved to send the proposed rules to the Governor for adoption.

Dr. Salisbury seconded the motion, and the members unanimously agreed.

IV. REGULATION FOR REVIEW

A. Re-Discussion on the Small Business Impact Statement Before and After Public Hearings for HAR Title 13 Chapter 146-6, Fees, promulgated by Department of Land and Natural Resources (DLNR)

Chair Shick provided the board members with an update of these rules, indicating that the rules came before this Board during covid and were specifically related to the imposed fees at Rainbow Falls and other state parks.

Testifier Hector Ortiz owns a small tour company, Fun Tours Hawaii, in Hilo. He is being charged \$50.00 for bringing his tour van into Rainbow Falls state park and \$5.00 per person, with the whole visit lasting approximately less than 10 minutes.

Testifier Mr. John McBride from Home Village Tours, contends that at the time the rules went to public hearings, it was during covid where no one could attend, which was not a good time to go out to public hearing. Thus, he believes the process was skewed. As a small business tour company in Hawaii, he is swamped with so many taxes and is concerned that he must pay another tax to enter Rainbow Falls.

Testifier Alan from Island Odyssey Tours stated that his tour company also brings tourists to Rainbow Falls. He finds the parking attendants are approaching his tour van and demanding fees. The overall fees being charged affect tour companies' survival.

Upon hearing from the testifiers, Mr. Alan Carpenter, Acting Administrator at DLNR's Division of State Parks, stated that he appreciates the concerns of the owners of the tour businesses. It is DLNR's intent to partially manage Hawaii's state parks. Many of the parks are overcrowded because they are over-visited, which affects the resources.

He explained that when the rule changes were made to increase the fees, the fees were to be reassessed and reevaluated every five years; that time is now. He provided the Board with an overview of how the fees were charged; Rainbow Falls' park fees are charged under the state park nomenclature. The fees, at that time, were implemented in 10 state parks. All the fees collected are re-invested in the state parks, which amount to about \$20 million per year.

Mr. Carpenter has currently reevaluated all the state park fees, which are expected to be presented by the Board of Land and Natural Resources (BLNR). He confirmed that the price schedule for state parks must be flexible and varied.

Testifier Daniel, who previously was from Hop On Hop Off Bus Tours and currently has his own business, believes that the current fees being charged are unjustified and too much per vehicle. He temporarily stopped bringing tourists but has since reimplemented going there.

In response to Second Vice Chair Albitz's inquiry regarding the timeframe involved, Mr. Carpenter stated that his division is currently in the process of reassessing the fees comparatively. Some suggestions include reducing the fees for keiki and kupuna and requiring

an “annual fee” for some of the state parks. It will likely be a few months until the proposed packet is taken to BLNR.

In terms of outreach, all known commercial customers/small businesses have been contacted for outreach purposes. Rainbow Falls has a lower price structure due to the limited amount of time it takes to go into the park and look at the falls. It was noted that Parks Division is no longer amending its administrative rules when changing the fees as the pricing has been designated by the legislature to be in the hands of BLNR. This results in a faster process than when the fee change was introduced five years ago.

In response to Chair’s inquiry about reducing the fees now instead of waiting, Mr. Carpenter responded that because the fees are imbedded in the rules and a contract with the vendor exists, the contract would have to be amended. However, Mr. Carpenter noted that “change will be coming.”

Chair Shick motioned to draft a memorandum to Mr. McBride summarizing the topics of discussion at today’s meeting, including the change in the fee schedule for Rainbow Falls along with the Parks’ Division proposal to reach out to BLNR for approval to reduce the fees with urgency. Mr. Sikkink seconded the motion, and the members unanimously agreed.

V. ADMINISTRATIVE MATTERS

1. Simplifying Permitting for Enhanced Economic Development (SPEED) Task Force’s most recent meeting pursuant to Act 133 to identify actions taken, challenges encountered, and legislative measures necessary to facilitate, expediate, and coordinate state and intergovernmental permit processes; and appropriates funds

Dr. Salisbury stated that there is currently no date set for the next scheduled SPEED taskforce’s meeting, which will be held sometime after the current legislative session. DBEDT will assist with travel arrangements for Dr. Salisbury should it be needed.

2. Becker Communications Inc., regarding the Board’s Small Business Outreach

No updates were discussed; however, it was noted that Becker representative, Ms. Jocelyn Collado, as well as Dr. Salisbury and Second Vice Chair Albitz all helped to make the Maui board meeting a success.

3. Presentation to Industry Associations
No updates were noted.

4. Staff’s Small Business Outreach
Ms. Ariola is looking for more small business outreach opportunities and asked the members to provide her with any suggestions especially when a board member may be unable to attend; Chair Shick concurred.

Second Vice Chair noted that the Maui Chamber of Commerce is sponsoring a

small business event, i.e., statewide Small Business Administration awards luncheon, on May 8th, which Ms. Ariola was interested in attending and asked that information for the event to be sent to her.

VI. LEGISLATIVE MATTERS

A. Update, Discussion and Action on the following legislative matters:

1. House Bill 1964 HD1 Relating to the State Building Code Council – Requires the State Building Code Council to provide annual training to state and county permitting agency employees. Appropriates funds for the training, subject to a matching requirement from the counties.

The status has not changed since March 30th.

2. House Bill 1967 HD1 Relating to Permitting – Requires the Department of Business, Economic Development, and Tourism to develop a permitting workforce pipeline in partnership with the University of Hawaii and community colleges and coordinate with state and county permitting agencies on certain tasks related to classification levels, salary and benefits, hiring and responsibilities of employees. Appropriates funds.

The status has not changed since March 10th.

3. House Bill 2606 HD2 Relating to Off-Site Construction – Establishes a working group within the State Building Code Council to develop proposals for an off-site construction program. Appropriates funds.

As of April 9th, Ways and Means recommended passage of the measure.

4. Governor's Message 612 – Submitted for Consideration and Confirmation to the Small Business Regulatory Review Board, Gubernatorial Nominee, Leelen Park, for a term to expire June 30, 2029.

Congratulations to Mr. Park for the recommendation to advise and consent for nomination to this Board.

5. Governor's Message 613 – Submitted for Consideration and Confirmation to the Small Business Regulatory Review Board, Gubernatorial Nominee, Cynthia Hobson, for a term to expire June 30, 2029

Congratulations to Ms. Hobson for the recommendation to advise and consent for nomination to this Board.

6. Governor's Message – Submitted for Consideration and Confirmation to the Small Business Regulatory Review Board, Gubernatorial Nominee, Denver Coon, for a term to be determined.

The Governor will appoint Mr. Coon, from Maui, for one year until the next legislative session.

- VII. NEXT MEETING** – Thursday, May 21, 2026, at 10:00 a.m., via Zoom and in person at 250 South Hotel Street, No. 1 Capitol District Building, Room 436, Honolulu, HI 96813.
- VIII. ADJOURNMENT** – Mr. Park motioned to adjourn the meeting, and Mr. Morioka seconded the motion; the meeting adjourned at 10:56 a.m.