

Small Business Regulatory Review Board

MINUTES OF REGULAR MEETING

February 20, 2020

Conference Room 405, 235 South Beretania Street, Leiopapa A Kamehameha Building
(State Office Tower), Honolulu, Hawaii 96813

- I. **CALL TO ORDER:** Chair Cundiff called the meeting to order at 10:02 a.m., with a quorum present.

MEMBERS PRESENT:

- Robert Cundiff, Chair
- Garth Yamanaka, Vice Chair
- Dr. Nancy Atmospera-Walch
- Mary Albitz
- James (Kimo) Lee
- Jonathan Shick
- Mark Ritchie

ABSENT MEMBERS:

- William Lydgate, 2nd Vice Chair
- Harris Nakamoto

STAFF: DBEDT
Dori Palcovich

Office of the Attorney General
Jennifer Polk-Waihee

II. APPROVAL OF JANUARY 16, 2020

Mr. Ritchie made a motion to accept the January 16, 2020 meeting minutes, as presented. Vice Chair Yamanaka seconded the motion, and the Board members unanimously agreed.

III. NEW BUSINESS – Before Public Hearing

- A. Discussion and Action on Proposed Amendments to Rules & Regulations of the Liquor Control Commission of the County of Kauai, promulgated by Department of Liquor Control County of Kauai

Chair Cundiff explained that Mr. Gerald Rapozo, Director of Kauai Liquor Control Commission, is on stand-by in Kauai should there be any questions posed by the members.

Overall, Chair Cundiff found the amendments to be simple, straight-forward and less restrictive than the existing rules. Major changes entail removing the requirement for licensees to obtain Federal tax clearances, eliminating requirements for a pitcher of beer to not exceed 64 ounces (versus 48 ounces), and removing the “stacking” rule which proved to be confusing to servers.

Chair Cundiff noted that the Liquor Control Commission created a committee of representatives from the different classes of liquor licenses to review the amendments; feedback was provided and incorporated into the proposal.

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

B. Discussion and Action on Proposed New HAR Title 12 Chapter 45.4, State Fire Code, and Repeal of Chapter 45.3 State Fire Code, promulgated by Department of Labor and Industrial Relations (DLIR)

Discussion leader, Ms. Albitz stated that the rule changes were housekeeping in nature and also brought the Hawaii State Fire Code up to national standards and in compliance with the fire and building codes.

Administrative specialists, Messrs. Gary Lum and Lloyd Rogers and Captain Tim Caires of the Honolulu Fire Prevention Bureau explained specific changes to the rules. Among the changes are the deletion of permit and/or permit fee requirements as permits and fees will now be administrated by the counties. Changes also include the standardizing of fire inspections, testing, and maintenance for required fire protection systems.

Other changes include the adoption of the National Fire Protection Association Fire Code, 2018 edition, and the minimum requirements necessary to establish a reasonable level of fire and life safety. It is expected that the adoption of the new chapter will not increase the economic burden on small businesses, nor should there be a direct or indirect impact to DLIR's operations. Vice Chair Yamanaka acknowledged that the proposed changes should not be financially adverse to businesses on the Big Island.

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

C. Discussion and Action on Proposed Amendments to HAR Title 16 Chapter 71, Certified Public Accountants and Public Accountants, promulgated by Department of Commerce and Consumer Affairs (DDCA)

Chair Cundiff explained that Gregg Taketa, Chair of the Board of Public Accountancy, and Relley Araceley, Executive Officer at DCCA, are on stand-by should there be any questions posed by the members.

The amendments will mostly entail non-substantive, housekeeping measures. While the changes are not expected to have an adverse effect on small businesses, members were interested as to whether any of the business stakeholders would have comments at the public hearing.

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

IV. LEGISLATIVE MATTERS

A. Discussion and Action on the following Legislative Matters:

a. Update on Senate Bill 2078 Relating to the Small Business Regulatory Flexibility Act

Chair Cundiff explained that House Representative Gene Ward introduced this measure on behalf of the Small Business Caucus; it entitles this board to a separate line item within the budget of the department of business, economic development and tourism (DBEDT). Despite the bill's support, which is evidenced by the many testimonies, it was deferred.

Chair Cundiff noted that on February 11th he and DBEDT staff met with DBEDT Director Mike McCartney to discuss the Board's activities and specific board expenses entailing neighbor island members travel and outreach. He believed the meeting went well and that Director McCartney understood the Board's mission and financial concerns.

b. Upcoming Governor's Message Submitting for Consideration for the Gubernatorial Nomination of Nancy Atmospera-Walch to the Small Business Regulatory Review Board for a term estimated to expire June 30, 2023

It was confirmed with Ms. Nancy Atmospera-Walch, that despite her heavy schedule, she is very willing and able to remain a member of this Board.

Mr. Ritchie made a motion to recommend supporting the nomination and providing testimony in support of Ms. Nancy Atmospera-Walch to this Board when the Legislature schedules a hearing for this measure. Mr. Shick seconded the motion, and the Board members unanimously agreed.

c. Upcoming Governor's Message Submitting for Consideration for the Gubernatorial Nomination of Mary Albitz to the Small Business Regulatory Review Board for a term to expire June 30, 2024

Mr. Ritchie made a motion to recommend supporting the nomination and providing testimony in support of Ms. Mary Albitz to this Board when the Legislature schedules a hearing for this measure. Vice Chair Yamanaka seconded the motion, and the Board members unanimously agreed.

d. Upcoming Governor's Message Submitting for Consideration for the Gubernatorial Nomination of Robert Cundiff to the Small Business Regulatory Review Board for a term estimated to expire June 30, 2023

Ms. Albitz made a motion to recommend supporting the nomination and providing testimony in support of Mr. Robert Cundiff to this Board when the Legislature schedules a hearing for this measure. Mr. Ritchie seconded the motion, and the Board members unanimously agreed.

It was noted that Mr. Cundiff has not yet registered on the Governor's Boards and Commissions website.

- e. Upcoming Governor's Message Submitting for Consideration for the Gubernatorial Nomination of James Lee to the Small Business Regulatory Review Board for a term to expire June 30, 2024

Mr. Ritchie made a motion to recommend supporting the nomination and providing testimony in support of Mr. James (Kimo) Lee to this Board when the Legislature schedules a hearing for this measure. Ms. Albitz seconded the motion, and the Board members unanimously agreed.

It was noted that Mr. Lee has not yet registered on the Governor's Boards and Commissions website.

- f. Upcoming Governor's Message Submitting for Consideration for the Gubernatorial Nomination of Taryn Rodighiero to the Small Business Regulatory Review Board for a term estimated to expire June 30, 2023

Mr. Shick made a motion to recommend supporting the nomination and providing testimony in support of Ms. Taryn Rodighiero to this Board when the Legislature schedules a hearing for this measure. Mr. Ritchie seconded the motion, and the Board members unanimously agreed.

It was noted that Ms. Rodighiero was highly referred as a member of this Board by Kauai-resident and Second Vice Chair Will Lydgate.

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, HRS, on the following:

- 1. Review of Board Interview on ThinkTech Hawaii's "Business in Hawaii" January 23, 2020

Chair Cundiff and Ms. Albitz discussed their thoughts and opinions regarding their interview on the live-stream show, ThinkTech Hawaii, narrated by Ms. Dailyn Yanagida. It was believed that the key points of what this Board does were discussed and that Ms. Yanagida did a very nice job interviewing them.

Ms. Albitz suggested that Akaku, a Maui-based community media, similar to ThinkTech Hawaii, be approached to discuss scheduling an interview on its government and public affairs channel #53. DBEDT staff will contact Akaku and follow-up with the Board members.

- 2. Discussion of Board's Potential Outreach Opportunities

Chair Cundiff questioned if the members knew of any upcoming outreach opportunities for this Board. Several ideas and suggestions were discussed

that included the Small Business Fair on May 2nd, connecting with Ms. Jane Sawyer, District Director of Hawaii's Small Business Administration, attendance at the Filipino Chamber of Commerce awards dinner on April 11th, and others.

It was discussed that this Board draft a generic letter to be sent to business chambers and trade organizations introducing the Board, and requesting the possibility of opportunities with the organizations to meet for outreach purposes, with a subsequent follow-up telephone call. Chair Cundiff requested that specific suggestions for names of chambers and trade organizations be sent to DBEDT staff.

Mr. Ritchie made a motion recommending that a letter is drafted and sent to various business chambers and trade associations and organizations to introduce the Board and to request an opportunity to meet and discuss this Board's statutory mandates. Mr. Shick seconded the motion, and the Board members unanimously agreed.

- VI. NEXT MEETING** – The next meeting is scheduled for Thursday, March 19, 2020 in Conference Room 405, 235 South Beretania Street, Leiopapa A Kamehameha Building (State Office Tower), Honolulu, Hawaii at 10:00 a.m.
- VII. ADJOURNMENT** – Mr. Ritchie made a motion to adjourn the meeting and Mr. Shick seconded the motion; the meeting adjourned at 10:58 a.m.