

Small Business Regulatory Review Board

MEETING MINUTES

July 26, 2024

ZOOM Meeting Recording

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

MEMBERS PRESENT:

- Jonathan Shick, Chair
- Mary Albitz, Vice Chair
- Sanford Morioka, 2nd Vice Chair
- Robert Cundiff
- James (Kimo) Lee
- Tessa Gomes
- Nikki Ige
- Mark Ritchie

ABSENT MEMBERS:

- Garth Yamanaka

STAFF: DBEDT

Jet'aime Ariola
Dori Palcovich

Office of the Attorney General

Alison Kato

II. **APPROVAL OF June 20, 2024 MINUTES**

Vice Chair Albitz motioned to approve the June 20, 2024 meeting minutes, as presented. Mr. Ritchie seconded the motion and the Board members unanimously agreed.

III. **OLD BUSINESS**

A. Discussion and Action on the Small Business Statement After Public Hearing and Proposed Amendments to HAR Title 12 Subtitle 8 Part 10 Boiler and Pressure Vessel, as follows, promulgated by Department of Labor and Industrial Relations (DLIR)

1. Chapter 220 General Administrative and Legal Provisions;
2. Chapter 222.1 Power Boilers
3. Chapter 223.1 Heating Boilers – Steam Heating Boilers, Hot Water Heating Boilers, Hot Water Supply Boilers, and Potable Water Heaters; and
4. Chapter 224.1 Pressure Vessels

Discussion leader, Vice Chair Albitz stated that prior to public hearing DLIR performed outreach to the stakeholders in August 2023 in which 16 people attended; none of the attendees had any additional comments or recommendations to include in the rules. As a result, when the public hearing occurred, no one attended.

DLIR Deputy Director Mr. William Kunstman concurred that a meeting was held with the stakeholders a year ago to take input on the draft rules. No significant suggestions, concerns or amendments at that time were provided. As noted, DLIR's regulatory scheme for the boilers is an ongoing interactive process with the major stakeholders.

Mr. Julius Dacanay, Chief Boiler Inspector, explained that only minor revisions were proposed to the boilers largely due to the major overhaul of the rules performed in 2019. Two codes were adopted from the 2021 editions of the American Society of Mechanical Engineers, Boiler and Pressure Vessel code for new construction and design, and from the National Board of Inspection Code for post-construction.

Mr. Dacanay further explained that the proposed changes also provide more detailed instructions regarding procedures in the boiler section. Also included is an increase in fees due to the increased costs associated with collective bargaining and increased cost of services.

Mr. Cundiff added that the fact that no one showed up to the public hearing is a testament to DLIR performing a lot of outreach along with assistance and support for the boiler operators. This is highly appreciated, and he recommended that DLIR continue.

Vice Chair Albitz motioned to pass the rules on to the Governor for adoption. Mr. Cundiff 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 Title 19 Subtitle 5 Chapter 133.2, Motor Vehicle Safety Office, promulgated by Department of Transportation (DOT)

Discussion leader Mr. Lee requested that Mr. Toby Wakumoto, Highway Safety Manager at DOT's Highways Division Motor Vehicle Safety Office, discuss the proposed rule amendments.

Mr. Wakumoto explained that the major amendment to the rules is to increase the fees for the safety inspections by .75 cents. This is to cover the vendors' costs, of which, a new contract was recently executed that increased the fee by .75 cents. The increase will affect the regular vehicle, motorcycle and moped inspections. Thus, the increase will result in a total cost of \$25.75 plus tax from \$25.00 plus tax for vehicles and \$17.75 plus tax from \$17.00 plus tax for motorcycles and mopeds.

Mr. Wakumoto explained that the increase in the inspection costs are only for personal vehicles, not commercial vehicles, which are under a separate program. To increase the cost of inspections to commercial vehicles it must be done legislatively.

Mr. Cundiff made a motion to pass the rules on to public hearing. Ms. Ige seconded the motion, and the Board members unanimously agreed.

V. LEGISLATIVE MATTERS

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

1. House Bill 2354 HD1 SD1 Relating to the S-small Business Regulatory Review Board – 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.

Chair Shick reported, for informational purposes, that this measure became law on June 21, 2024. Mr. Ritchie suggested that the information from this measure be communicated to the Board's audience, such as on its website.

2. Senate Bill 2974 SD2 HD1 Relating to Economic Development – 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.

Chair Shick reported that this measure became law on July 2, 2024. DBEDT is in the process of creating an economic taskforce. The chair of the small business regulatory review board is to designate a member from this board.

Ms. Gomes suggested that board member Mr. Yamanaka and she have a conversation outside of the meeting, which is allowable under Sunshine Law, and to come up with a plan where both she and Mr. Yamanaka, at different times, sit on the taskforce.

VI. ADMINISTRATIVE MATTERS

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

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

Becker Communications will soon send out a press release on behalf of this Board announcing its new officers.

Mr. Shick will be participating in the Hawaii Chamber of Commerce's upcoming golf tournament. This will be an opportunity to discuss this Board and what it does for small businesses.

2. Presentations to Industry Associations

Mr. Lee attended the recent conference held by PBN in Kona. It was a well-attended event that discussed economic forecasting within various industries.

Ms. Nikki Ige was welcomed as the newest member of this Board. She has lived on Kauai for the past 13 years, and was referred by past board member William Lydgate. She began her career at Ernst & Young doing IT consulting, worked with the Small Business Administration, worked on land management in Kauai and recently went back to working in a credit union to manage the community development program, which represents mostly small business. Ms. Ige also sits on the Kauai Chamber of Commerce and heads the Agriculture Committee.

3. Staff's Small Business Outreach

Ms. Ariola attended a Federal Funds Summit sponsored by DBEDT which discussed applying for federal grants and learning how to qualify for the various grants that are offered. She thought it was quite interesting.

VII. NEXT MEETING – Thursday, August 15, 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.

VIII. ADJOURNMENT – Mr. Lee motioned to adjourn the meeting and Vice Chair Albitz seconded the motion; the meeting adjourned at 10:34 a.m.