

Small Business Regulatory Review Board

MEETING MINUTES - **DRAFT**

March 20, 2025

- I. **CALL TO ORDER:** Chair Shick called the meeting to order at 10:04 a.m., with a quorum present.

MEMBERS PRESENT:

- Jonathan Shick, Chair
- Mary Albitz, Vice Chair
- Mark Ritchie
- Robert Cundiff
- Nikki Ige
- James (Kimo) Lee
- Garth Yamanaka

ABSENT MEMBERS:

- Jennifer Salisbury
- Tessa Gomes
- Sanford Morioka,
Second Vice Chair

STAFF: DBEDT

Dori Palcovich
Jet'aime Ariola

Office of the Attorney General

Alison Kato

II. **APPROVAL of February 20, 2025 MINUTES**

Mr. Ritchie motioned to approve the February 20, 2025 meeting minutes as presented. Mr. Cundiff seconded the motion, Vice Chair Albitz abstained, and the remaining Board members agreed.

III. **OLD BUSINESS**

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

This measure was deferred until the next Board meeting.

IV. **NEW BUSINESS**

- A. Discussion and Action on the Small Business Impact Statement and Proposed New HAR Title 4 Chapter 159, Agricultural Enterprises Lands Program Rules, promulgated by Department of Agriculture (DOA)

Discussion leader Ms. Ige stated that these proposed rules will assist small businesses and agricultural production with state agricultural lands; she introduced Ms. Kori Koike, Planner at DOA's Division of Agricultural Resource Management.

Ms. Koike explained that the newly created rules will allow lessees and tenants to operate broader activities related to agriculture while under the management and control of DOA. This new program provides for a more robust business model that will allow and provide for more sustainable food to Hawaii's communities, as well as support the ability to expand their businesses.

Overall, the Agricultural Enterprises Lands Program rules will be a resource for small businesses as this program will allow processing and other business practices previously restricted on DOA leased lands. In response to Vice Chair Albitz's inquiry, public feedback will be received when the Board of Agriculture reviews these rules. Chair Shick, Mr. Ritchie, and Ms. Ige all commented that these rules will be a benefit and very positive for small businesses due to the increased uses of land and increase support for agriculture business growth.

Ms. Koike explained that part of the application process requires eligibility information, such as proven five years of Hawaii state taxes, as well as a bidding process. Thus, the process will include an oversight for weeding out big businesses coming in and bidding out small, local businesses for fairness to the process. She added that these rules pertain to only lands that DOA manages and have long-time leases on. DOA does not have any oversight of private entities or private landowners.

Ms. Ige motioned to send the proposed new rules to public hearing. Mr. Yamanaka seconded the motion, and the Board members unanimously agreed.

V. ADMINISTRATIVE MATTERS

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

Mr. Yamanaka attended the past three meetings of his assigned group; the group reviewed the results of the business survey that was recently emailed to Hawaii businesses. Since only 30 surveys were returned, the group is keeping the survey open longer. Another meeting has yet to be scheduled but the group will plan to meet prior to April 10th, which is when the whole taskforce will be meeting.

Once all the main business concerns have been established, the group will find out from the taskforce what needs to be changed and what solutions might exist.

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

The next meeting with Becker is scheduled for April 24th with DBEDT staff. Chair Shick will plan to attend the meeting as well; Mr. Ariola will forward the zoom link to him.

3. Presentations to Industry Associations

Ms. Ige will be sitting on a panel for a small business incubator in Kauai on Monday, March 28th. She will be speaking about small business and finances but will also include regulations and this Board.

4. Staff's Small Business Outreach

On April 24th Ms. Ariola will be attending the West Oahu small business panel.

VI. LEGISLATIVE MATTERS

A. Update on the following:

1. House Bill 1024 and Senate Bill 1343 SD1 – Relating to the Small Business Regulatory Review Board – Amends the quorum requirements to do business and validate acts of the Small Business Regulatory Review Board

House Bill 1024 is dead but its companion bill, Senate Bill 1343 SD1, crossed over to the House; Chair Shick attended this hearing.

The House Committee on Economic Development & Technology was in support of this bill, but a revision was made that changes the complexion of the bill. The revision called for members sitting on the board to be appointed and confirmed. The addition of "and confirmed" means that interim and holdover members would not be counted towards quorum, which would be difficult for this Board to meet.

Based on Deputy Attorney General Kato's observation, it was unlikely the intent of the Committee was to have this occur to the Board's quorum requirements, still affecting quorum abilities. It is unknown if the House knew what the exact change would have been to the Board's quorum. Suggesting that "and confirmed" be eliminated would be helpful and more effective.

Ms. Palcovich will draft a memo to both House committees from the chair with the proposed changes to the House's revision. It will be sent to Ms. Kato for her review, and then to Chair Shick for his review and signature. Follow-up telephone calls will be made to each committee chair.

2. Governor's Message 617 Submitted for Consideration and Confirmation to the Small Business Regulatory Review Board, Gubernatorial Nominee, Nicolle Ige, for a term to expire June 30, 2028

On February 27th, this measure was recommended by the Senate Economic Development and Tourism Committee for "advise and consent."

3. Governor's Message 513 Submitted for Consideration and Confirmation to the Small Business Regulatory Review Board, Gubernatorial Nominee, James Lee, for a term to expire June 30, 2028

On February 27th, this measure was recommended by the Senate Economic Development and Tourism Committee for "advise and consent."

4. Governor's Message 514 Submitted for Consideration and Confirmation to the Small Business Regulatory Review Board, Gubernatorial Nominee, Jennifer Salisbury, for a term to expire June 30, 2028

On February 27th, this measure was recommended by the Senate Economic Development and Tourism Committee for "advise and consent."

Chair Shick added that there are two additional referrals for members of this Board, one from the Big Island from Mr. Lee, and one from Oahu from Chair Shick.

All Board members are encouraged to attend the May 15th board meeting to bid Mr. Cundiff and Mr. Yamanaka a fond farewell as both of their terms will be expiring on June 30th.

The July 17th Board meeting will need to be rescheduled to July 24th. An email will be sent to the members for confirmation.

VII. NEXT MEETING – Thursday, April 17, 2025 at 10:00 a.m., via Zoom and in Conference room 436 at No. 1 Capitol District Building, 250 S. Hotel Street, Honolulu, HI 96813.

VIII. ADJOURNMENT – Prior to adjournment, the members discussed rescheduling the July 17th meeting to July 24th. Ms. Ariola will follow up with the members for confirmation of the date change.

Mr. Ritchie motioned to adjourn the meeting and Ms. Ige seconded the motion; the meeting adjourned at 10:48 a.m.