

Small Business Regulatory Review Board

MINUTES OF REGULAR MEETING

April 15, 2015

Conference Room 436 - No. 1 Capitol District Building, Honolulu, Hawaii

- I. **CALL TO ORDER:** Chair Borge called the meeting to order at 9:35 a.m. with a quorum present.

MEMBERS PRESENT:

- Anthony Borge
- Wayne Tanaka
- Barbara Bennett
- Kyoko Kimura
- Harris Nakamoto
- Ashley Takitani Leahey
- Mark Ritchie

ABSENT MEMBERS:

- None

STAFF: DBEDT
Dori Palcovich

Office of the Attorney General
Margaret Ahn

II. APPROVAL OF MARCH 18, 2015 MINUTES

Second Vice Chair Bennett made a motion to accept the March 18, 2015 minutes, as presented. Mr. Ritchie seconded the motion, and the Board members unanimously agreed.

III. OLD BUSINESS

- A. Discussion and Action on Proposed Amendments to Hawaii Administrative Rules (HAR) Title 16 Chapter 85, Medical Examiners, Section 49, Degree of Supervision, and the Small Business Statement after Public Hearing

As there was no one in attendance from DCCA, discussion leader, Ms. Kimura, explained that this Board reviewed the proposed amendments prior to public hearing and they are now back in front of this Board, after the public hearing. The amendments allow physician assistants to write certain orders and prescriptions in areas, other than hospitals or extended-care facilities, while under a physician's supervision. There was no opposition to the rule changes at the public hearing. The changes are beneficial to small businesses in regards to cost and time savings and are in-line with other states.

Ms. Kimura made a motion to support the adoption of the rule amendments. Vice Chair Tanaka seconded the motion, and the Board members unanimously agreed.

IV. LEGISLATIVE MATTERS

A. Discussion, Update and Action on House Bill 774 HD1, Relating to Small Business

Chair Borge stated that House Bill 774 represents this Board's first attempt at requesting a budget and clerical staff from the legislature; it will likely go to Conference. It has been very time-consuming and a learning experience to meet with the various legislators to promote this Board and to encourage the passing of this measure. The bill is currently alive and "open" for how much funding would be approved. DBEDT Director, Luis Salaveria, has expressed and demonstrated his support for a budget and clerical position for this Board. Second Vice Chair Bennett commended Chair Borge and staff member, Ms. Palcovich, as well as Messrs. Tanaka and Nakamoto, for attending meetings and assisting with this bill.

Chair Borge explained that Vice Chair Tanaka's and Ms. Leahey's terms are expiring and have not been extended. Keeping Mr. Tanaka and Ms. Leahey on the Board would instill continuity in order to keep within the board dynamics as to its operations. Second Vice Chair Bennett urged them to reapply as members as they both have done a great job in participating and contributing to the Board's purview.

Chair Borge recommended that a letter be sent to the State's Boards and Commissions Office requesting that if there are vacancies within this Board that Ms. Ashley Leahey and Mr. Wayne Tanaka be considered as board members. Mr. Nakamoto seconded the motion, and the Board members unanimously agreed.

B. Discussion and Action on Governor's Message No. 767, Submitting for Consideration and Confirmation to the Small Business Regulatory Review Board, Gubernatorial Nominee, Anthony B. Borge, for a term to expire June 30, 2019

Vice Chair Tanaka stated that Chair Borge's effort and time is appreciated in getting what needs to be done within this Board and for meeting with the legislators.

Vice Chair Tanka recommended that this Board support the nomination of Mr. Anthony Borge to be a member of this Board. Second Vice Chair Bennett seconded the motion, and the Board members unanimously agreed.

C. Discussion and Action on Governor's Message No. 768 and 769, Submitting for Consideration and Confirmation to the Small Business Regulatory Review Board, Gubernatorial Nominee, Garth Yamanaka, for terms to expire June 30, 2015, and June 30, 2019, respectively

Chair Borge and Ms. Kimura both stated the need to have a Hawaii County representative pursuant to this Board's statute as there is currently a vacancy in this seat; Mr. Yamanaka's nomination would satisfy this requirement.

Mr. Ritchie recommended that this Board support the nomination of Mr. Garth Yamanaka to be a member of this Board. Mr. Nakamoto seconded the motion, and the Board members unanimously agreed.

- D. Discussion and Action on Governor's Message No. 770, Submitting for Consideration and Confirmation to the Small Business Regulatory Review Board, Gubernatorial Nominee, Nancy Atmospera-Walch, for a term to expire June 30, 2016

Chair Borge stated that board members are welcome to provide his or her own personal testimony on this candidate.

- E. Discussion and Action on Governor's Message No. 771, Submitting for Consideration and Confirmation to the Small Business Regulatory Review Board, Gubernatorial Nominee, Phillip Kasper, for a term to expire June 30, 2018

Chair Borge stated that board members are welcome to provide his or her own personal testimony on this candidate.

- F. Discussion and Action on Governor's Message No. 772, Submitting for Consideration and Confirmation to the Small Business Regulatory Review Board, Gubernatorial Nominee, Robert Cundiff, for a term to expire June 30, 2016

Chair Borge stated that board members are welcome to provide his or her own personal testimony on this candidate.

V. ADMINISTRATIVE MATTERS

- A. Preliminary Discussion regarding this Board's Future Goals and Plans, in accordance with Chapter 201M, HRS

Chair Borge introduced Ms. Jane Sawyer, District Director in Hawaii of the U.S. Small Business Association (SBA), an independent federal agency. Ms. Sawyer thanked the Board for inviting her to speak about the SBA programs and services offered to the businesses in Hawaii. She discussed the history of this Board, which dates back to 1995 when the Hawaii SBA assisted the State with the Small Business Regulatory Flexibility Act that created this Board and was based on the proposal by the White House.

Ms. Sawyer explained that the SBA works primarily in different areas in helping small businesses with capital, contracting, consulting, training, advocacy, innovation and disaster funding; it is the SBA's intent to assist small businesses to survive and plan appropriately. She distributed the *Resource Guide for Small Business*, which is specifically geared to Hawaii. It was noted that this is a publication where the SBA can communicate about what this Board does and the rules in which the Board is reviewing for input. She also distributed and discussed a listing of the Hawaii District's loan activity as of the six-month period 3/31/2015. In addition, Ms. Sawyer distributed *The Growth Accelerator Fund Competition* flyer, which outlines opportunities the SBA can engage in and help to support new businesses whose purposes are to grow, become commercially viable, and have a sustained economic impact.

Chair Borge inquired as to whether there is a database where information regarding small businesses, such as regulatory concerns, can be found. In response, Ms. Sawyer stated that this type of information and data would come from the SBA Ombudsman's Regulatory Review Board, which is where Mr. Reg Baker is located; Mr. Baker was recently nominated to serve as Chair of this U.S. Small Business Administration Regulatory Fairness Board. She believes there are currently six or seven other small business regulatory review boards operated by other states. She encouraged this Board to submit a short summary on this Board in the SBA's monthly newsletter, as this would be an excellent source to notify the Hawaii businesses of a controversial rule. Chair Borge thanked Ms. Sawyer for attending the meeting and bringing a wealth of information to the members.

Chair Borge reiterated to the members that the RegAlert program is a communications program that gets the word out about the regulatory and legislative issues to the small business community. Second Vice Chair Bennett discussed a problem that occurred with a small business on Kauai that notified her about a financial constraint with the County of Kauai; she believed that, although she was not working on behalf of this Board, being a member of this Board helped to assist this small business on Kauai. She encouraged other members to help with the small businesses in their communities; Chair Borge added that every opportunity afforded to members to assist in the advocacy of small business is encouraged.

- B. Update on the Distribution of this Board's Newly created Pre- and Post-Public Small Business Impact Statements for Agencies and Counties to Use when Submitting Proposed New and Amended Administrative Rules for: 1) Small Business Impact Statement, Section 201M-2, HRS, and 2) Small Business Statement after Public Hearing, Section 201M-3, HRS

Chair Borge explained that agencies and counties can now go on-line and download the small business impact statements. He was requested by the Governor's Chief of Staff, Mike McCartney, to ask that DBEDT Director Salaveria announce the use of these impact statements at a Governor's weekly cabinet meeting, which Director Salaveria did. Subsequently, DBEDT staff has received many calls from agencies regarding these statements. Chair Borge stated that, going forward, if this Board does not receive the new impact statements, they should be returned to the agencies and requested that the new statements be re-submitted.

- VI. **NEXT MEETING** – The next meeting is scheduled for Wednesday, May 20, 2015, in Conference Room 436, 250 South Hotel Street, Honolulu, Hawaii, at 9:30 p.m.
- VII. **ADJOURNMENT** – Ms. Kimura made a motion to adjourn the meeting and Mr. Nakamoto seconded the motion; the meeting adjourned at 11:30 a.m.