

## Small Business Regulatory Review Board

### MINUTES OF REGULAR MEETING

April 12, 2005

No. 1 Capitol Building 250 South Hotel Street ROOM 410

- I. **CALL TO ORDER:** Chair Woods called the meeting to order at 10:23 a.m., with a quorum present. Vice Chair Zinn assumed the chair position for a period of time while Chair Woods was detained.

**MEMBERS PRESENT:**

- Lynne Woods
- Brian Zinn
- George Handgis
- Jeanette Chang
- Donald Dymond
- Michael Yee
- Noelani Whittington
- Dorvin Leis
- Edward MacDowell

**ABSENT MEMBERS:**

- Phyllis Shea

**STAFF:**            DBEDT                                      Office of the Attorney General  
Dori Palcovich                                      Margaret Ahn  
Tom Smyth  
Carol Poepoe

**GUESTS:**            Stacie Thorlakson, Vice President, Maui Chamber of Commerce  
John Lovstedt, Motor Vehicle Safety Office, Department of Transportation (DOT)  
Edward Tschupp, Manager, Kauai Department of Water  
Gary Ruby, Regulatory Analyst, Department of Commerce and Consumer Affairs (DCCA)  
James H. Foppoli, D.V.M., Administrator, State Veterinarian, Animal Industry Division, Department of Agriculture (DOA)  
Jeri Kahana, Manager, Quality Assurance Division, Commodities Branch, DOA  
Gary Okamura, Specialist, Quality Assurance Division, Commodities Branch, DOA

### WORKING LUNCH AS THE MEETING PROGRESSED

II. **APPROVAL OF MINUTES:** Minutes of the March 15, 2005 meeting were approved as presented.

III. **PUBIC COMMENTARY** – Public commentary is included with each agenda topic discussed.

### IV. OLD BUSINESS

- A. Re-review and discussion of HAR Chapter 19-133.2, "Periodic Inspection of Vehicles" (DOT) – Mr. John Lovstedt, Motor Vehicle Safety Office, explained that the amendments will assist in clarifying the rule procedures. Mr. Leis indicated that he found nothing overbearing in the amendments and recommended that the rules proceed to public hearing; the Board unanimously agreed.
- B. Legislative Update – Mr. Smyth updated the members on the status of various bills being heard at the legislature, including bills for long-term tax credits, workers' compensation, administrative rules, the Regulatory Flexibility Act, and the Bill of Rights bill, etc.
- C. Administrative rules reviewed by DBEDT – No action was taken.

### V. NEW BUSINESS

- A. Review and discussion of Kauai Department of Water, "Deferral from July 1, 2005 to January 1, 2006 for certain water rates" – Mr. Edward Tschupp, Manager, Kauai Department of Water, discussed the

eight fees to be deferred and the purpose for the deferment, and explained that a rate study is currently being performed but not yet completed. After a series of questions and answers, Ms. Chang recommended that the proposed rules proceed to public hearing, which is scheduled for May 19, 2005; the Board unanimously concurred.

- B. Review and discussion of Kauai Department of Water, "Amendments to 2002 Water Systems Standards" – Mr. Edward Tschupp presented the proposed amendments to the 2002 water system standards, including modifications to fire protection requirements and termination of water service for non-payment of county sewer charges. Much discussion ensued. Ms. Chang applauded the Kauai Department of Water for the thorough organization of its records. Mr. Mac Dowell recommended that the proposed rules proceed to public hearing; the Board unanimously agreed.
  - C. Review and discussion of HAR Chapter 16-25, "Application Procedures Relating to Financial Institutions" and HAR Chapter 16-28, "Escrow Depositories" (DCCA) – Mr. Gary Ruby, Regulatory Analyst, discussed the proposed rule changes, explaining that one change amends the mailing address of the Division of Financial Institution and the other change repeals an obsolete section "termination of escrow depository operations." The termination of escrow depository operations is fully addressed in 449-24, HRS. Mr. Handgis recommended that the Board approve the proposed rules proceed to public hearing; the Board unanimously approved.
  - D. Review and discussion of HAR Chapter 4-41, "Minimum Export Grades" (DOA) – Ms. Jeri Kahana, Manager, Quality Assurance Division, Commodities Branch, discussed the proposed rule changes for both the minimum export grades, and the standards for Hawaii-grown papaya rules. Ms. Whittington found there to be no hardship on the growers and recommended that the rules proceed to public hearing; the Board unanimously agreed.
  - E. Review and discussion of HAR Chapter 4-29, "Dogs, Cats, and other Carnivores" (DOA) – Dr. James Fippoli, Administrator, State Veterinarian, Animal Industry Division, discussed the current changes to these rules. He explained that the amendments are intended to improve the division's existing program as they will clarify specific details, relax certain requirements that do not increase the likelihood of rabies introduction, allow a greater number of animals the opportunity to qualify for a reduced quarantine option, and eliminate burdensome requirements. After much discussion, Ms. Whittington recommended that the Board support the rules to proceed to public hearing; the Board unanimously agreed.
  - F. Review and discussion of prospective board member – The Board reviewed the information submitted by Ms. Karen Nakamura, Executive Vice President of BIA – Hawaii, who is interested in serving on this Board. Ms. Nakamura's request will be kept "open" as there are currently two members representing the same type of business with which Ms. Nakamura is involved. (Chapter 201M-5 requires no more than two members be representatives from the same type of business.)
- VI. **REPORT FROM THE CHAIR** – Chair Woods updated the Board on its May 24, 2005 strategic planning session to be held at the Aloha Beach Resort Kauai. We are planning to have all members arrive in Kauai at approximately 10:30 a.m. Mr. Leis agreed to fly Chair Woods from Maui and the members and DBEDT staff from Oahu to Kauai. Members that have ideas that they would like to discuss during that session were asked to notify Ms. Palcovich.
- VII. **REPORT FROM COMMITTEES** – Nothing was reported.
- VIII. **REPORT AND UPDATE FROM BOARD MEMBERS** – Nothing was reported.
- IX. **ANNOUNCEMENTS** – Chair Woods announced that Vice Chair Zinn is stepping down from the Board as both Vice Chair and as a member, effective April 15, 2005. Vice Chair Zinn's support will be missed.
- X. **NEXT MEETING** - Tuesday, May 10, 2005 at 10:30 a.m.: No. 1 Capital District Building, Room 410.
- XI. **ADJOURNMENT** - Chair Woods adjourned the meeting at 12:35 p.m.