

## Small Business Regulatory Review Board

---

### MINUTES OF REGULAR MEETING

September 27, 2004

State Office Tower

235 South Beretania Street ROOM 1403

I. **CALL TO ORDER:** Chair Woods called the meeting to order at 10:20 a.m., with a quorum present.

#### MEMBERS PRESENT:

- Lynne Woods
- Brian Zinn
- Dorvin Leis
- Jeanette Chang
- Edward MacDowell
- Donald Dymond
- Michael Yee

#### ABSENT MEMBERS:

- Phyllis Shea
- Joyce Edwards

#### STAFF:

DBEDT

Dori Palcovich  
Tom Smyth  
Sonda Mullen

Office of the Attorney General

John Chang  
Margaret Ahn

**GUESTS:** George Kai, Owner, Mikey's Nightclub

#### WORKING LUNCH AS THE MEETING PROGRESSED

II. **APPROVAL OF MINUTES:** Minutes of the September 27, 2004 meeting were approved as presented.

#### III. NEW BUSINESS:

- A. Review and discussion of upcoming Legislative items – Regulatory Flexibility Act (Chapter 201M), Small Business Bill of Rights – Mr. Smyth, Branch Chief, DBEDT, discussed the history of the Regulatory Flexibility Act (RFA), and explained how the RFA establishes the Board and gives the members' power with an "advisory element" in the rule-making process. After much discussion, it was decided that the law needed to be more specific as to when the rules should be submitted to the Board during the rule-making process. It was recommended that a bill will be drafted amending the language in 201M-2 (b) to read "when the rule is reasonably complete and prior to the public hearing," as well as some housekeeping measures, and Vice Chair Zinn also recommended that the definition of small business stay at "100" in the RFA; the Board unanimously agreed. Chair Woods strongly recommended that the Board members support this proposed bill during the upcoming legislative session.

Chair Woods discussed the history of the Small Business Bill of Rights. Much discussion ensued regarding individual rights and substantive issues with emphasis on whether or not a Bill of Rights was needed. The Board voted and unanimously agreed to establish an investigative subcommittee to review and devise a Small Business Bill of Rights, consisting of Chair Lynne Woods, Vice Chair Zinn, and Don Dymond. Deputy Attorney General Chang reminded members that the statute requires that investigative subcommittee members can make recommendations to the full Board, but the Board cannot vote on those recommendations until a subsequent meeting.

- B. Review and discussion of proposed Administrative Directive – Mr. Smyth indicated that the Governor's office is currently updating the Administrative Directive (AD) 99-02, and discussed its history. He reviewed some of the suggestions that will be provided to the Governor's office; changes will correspond with any proposed changes to the RFA bill.

- C. Discussion of voting of new board members – Prospective board member, George Kai Jr., was introduced. He owns Mikey’s Nightclub and works with Outreach Aloha, which provides daily meals to 120 senior citizens. Members reviewed the resumes of other candidates. The Board voted and unanimously agreed to recommend Mr. George Kai, Ms. Noelani Whittington, and Mr. George John Handgis to be submitted to Governor Lingle as nominations to the Board. Chair Woods mentioned that five existing board members’ terms would be expiring June 30, 2005; currently two of those members will be extending their terms, Ed MacDowell and Jeanette Chang.
- D. Board assignment of State agencies – The following changes were made to the member’s State agency assignments - Donald Dymond assigned to Department of Budget & Finance and Public Utilities Commission, Michael Yee assigned to Environmental Division of Department of Health and back-up for environmental issues for Department of Land and Natural Resources, and Edward MacDowell assigned to Department of Transportation. Finalization of the assignments will be done when the Board is at full capacity.
- E. Discussion of 2005 Board meeting schedule, including chain of command – The Board agreed to change the September 2005 meeting date to September 6<sup>th</sup>.
- IV. **REPORTS FROM COMMITTEES** – Nothing was reported.
- V. **REPORT FROM THE CHAIR** – Chair Woods thanked Vice Chair Zinn for chairing the last Board meeting.
- VI. **REPORT AND UPDATE FROM BOARD MEMBERS** – The Board unanimously agreed to place the following item on the agenda - “Update and discussion of HRS 91-2.6 - Proposed rulemaking actions and rules; posting on the lieutenant governor’s website.” Vice Chair Zinn updated the members on the statute and discussed the telephone conference meeting with representatives from the Lieutenant Governor’s Office. Mr. Leis recommended that the Board send the proposed memorandum to George K. Lindsey, Jr., Chief of Staff of the Office of the Lieutenant Governor; the Board unanimously agreed.
- VII. **POLICIES AND PROCEDURES** – Nothing was reported.
- VIII. **ANNOUNCEMENTS** – Chair Woods introduced the Board’s newest members, Messrs. Don Dymond and Michael Yee. Deputy Attorney General introduced Deputy Attorney General Margaret Ahn, who will, going forward, be assisting members at the Board meetings.
- IX. **NEXT MEETING:** Tuesday, October 12, 2004 at 10:30 a.m.; No. 1 Capitol District Building, Room 410.
- X. **ADJOURNMENT:** Chair Woods adjourned the meeting at 1:00 p.m.