

# LATE TESTIMONY

Representative Angus L.K. McKelvey, Chair  
Representative Isaac Choy, Vice-Chair  
Economic Revitalization, Business, & Military Affairs Committee

House of Representatives of the State of Hawai'i

Lance D. Collins, Esq.  
Maui, Hawai'i

Thursday, February 5, 2009  
Supporting HB No. 1622, Relating to Small Businesses

My name is Lance D. Collins. I am an private attorney practicing on the island of Maui who, as part of my practice, advises small businesses. I myself am a small business owner. I support this measure. Codifying the small business bill of rights will benefit small businesses.

Small businesses are confronted with three major problems related to the administrative rules adopted pursuant to Chapter 91, Haw. Rev. Stat. First, many public policy choices are changed without complying with the rule making procedure. Second, unlike the Hawai'i Revised Statutes, the codification of the administrative rules is not consistent, uniform or easy to use.

Finally, the most important for regular day to day conflicts between small businesses and government entities is the existence of administrative rules that are inconsistent with revisions in the enabling statutes. This connects with the first major problem small businesses have with administrative rules – that is, the government fails to properly adopt rules. When statutes change and rules purport to exercise authority that the legislature has removed, this indirect improper rule making becomes a problem with an already overburdened government entity simply hasn't got the time or resources to fix.

The problem this bill seeks to fix helps to break a significant barrier to entry in particular industries of new competition. Institutional history of the regulating agency and its rules is not necessary. An average business owner can simply look to the statute and current rules and know what is expected of them.

Mahalo for your support of Hawaii's small businesses.