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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2010

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A N A C T

RELATING TO MAKING IT EASIER TO DO BUSINESS IN RHODE ISLAND - PART 9 --  
THE RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION

Introduced By: Senators Felag, Lynch, Blais, Sheehan, and DeVall

Date Introduced: May 04, 2010

Referred To: Senate Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 42 of the General Laws entitled "STATE AFFAIRS AND  
2 GOVERNMENT" is hereby amended by adding thereto the following chapter:

3 CHAPTER 64.13

4 RHODE ISLAND REGULATORY REFORM ACT

5 **42-64.13-1. Short title.** – This act shall be known and may be cited as the "Rhode Island  
6 Regulatory Reform Act of 2010".

7 **42-64.13-2. Legislative findings.** – The general assembly finds and declares that:

8 (1) Rhode Island is facing an economic and fiscal crisis and is suffering high  
9 unemployment and other ill effects from the national recession that persists at the time of the  
10 passage of this act;

11 (2) Rhode Island maintains regulatory processes and permitting procedures that, while  
12 often protecting the public welfare, health and safety, are often inefficient, inconsistent with other  
13 state policies and not always aligned with municipal and community development goals;

14 (3) The result of inefficiencies, inconsistencies and misalignments often result in delayed  
15 or forgone permitting and regulatory opportunities for businesses desiring to retain or create jobs  
16 in Rhode Island; and

17 (4) Rhode Island can more efficiently and consistently implement its regulatory and  
18 permitting frame work in order to enhance economic development, community development and

1 the overall health and welfare of its citizens.

2 **42-64.13-3. Purposes of chapter.** – The purposes of this chapter are to create within the  
3 Rhode Island economic development corporation the office of regulatory reform that will  
4 facilitate the regular review of Rhode Island's regulatory processes and permitting procedures,  
5 report thereon in an effort to improve them and assist and facilitate economic development  
6 opportunities within the regulatory and permitting processes and procedures that exist within  
7 Rhode Island state and municipal government.

8 **42-64.13-4. Applicability.** – The provisions of this chapter shall apply to all departments,  
9 agencies, authorities, corporations, instrumentalities and political subdivisions of the state, to all  
10 other entities that have been delegated regulatory and permitting authority under state law, and all  
11 municipalities within the state, including their boards and commissions with regulatory and  
12 permitting authority and responsibilities.

13 **42-64.13-5. Creation of the office of regulatory reform.** – The Rhode Island economic  
14 development corporation shall create an office of regulatory reform that shall be adequately  
15 staffed and supervised in order to fulfill its functions as set forth in this chapter.

16 **42-64.13-6. Director of office of regulatory reform.** – The office of regulatory reform  
17 shall be managed by a director of office of regulatory reform who shall report to the executive  
18 director of the Rhode Island economic development corporation.

19 **42-64.13-7. Powers of the office of regulatory reform.** – The office of regulatory  
20 reform shall have the following powers:

21 (1) The director of the office of regulatory reform is authorized to intervene or otherwise  
22 participate in any regulatory or permitting matter pending before any executive branch agency or  
23 department or before any municipal board, commission, agency or subdivision thereof at which a  
24 regulatory or permitting matter is pending. The director of the office of regulatory reform may so  
25 intervene or otherwise participate in such pending regulatory and permitting matters by providing  
26 written notice to the director of any department or state agency in the executive branch, or the  
27 chairman or presiding officer over any municipal department or subdivision thereof at which a  
28 regulatory or permitting matter is pending, that the director of the office of regulatory reform is so  
29 intervening or otherwise participating in such regulatory or permitting matter pending before such  
30 department, agency, board or commission. The director of the office of regulatory reform shall be  
31 considered a party to the action and shall be provided reasonable notice of any and all  
32 administrative hearings or meetings involving the parties in such matter and shall be the  
33 opportunity to participate in such meetings, hearings or other administrative procedures of such  
34 entity, of which such opportunity may be waived only by writing from the director of the office of

1 regulatory reform, for the purpose of assuring the efficient and consistent implementation of rules  
2 and regulations in order to foster the creation and retention of jobs in Rhode Island or otherwise  
3 foster economic development in Rhode Island consistent with the purposes of this act. Any  
4 intervention or participation by the director of the office of regulatory reform, shall not be  
5 deemed to violate the provisions of the Rhode Island administrative procedures act at Title 42,  
6 Chapter 35 of the general laws.

7 (2) Promptly upon such intervention as set forth in subdivision (1) above, the director of  
8 the office of regulatory reform shall publish its rationale for its intervention in such pending  
9 regulatory or permitting matter. The director of the office of regulatory reform may so intervene  
10 upon findings that:

11 (i) That the pending, regulatory or permitting action, in and of itself or as part of a  
12 regulatory process, has significant economic development impact upon the state or any  
13 municipality herein; and

14 (ii) The pending regulatory or permitting matter, in and of itself or as part of a regulatory  
15 process, has significant impact on any industry, trade, profession or business that provides  
16 significant jobs or other significant economic development impact, including municipal and state  
17 taxes or other revenues, to the state or its citizens.

18 (iii) The office of regulatory reform shall upon the conclusion of each fiscal quarter  
19 promptly provide to the office of the governor and the general assembly through the offices of the  
20 president of the senate and the speaker of the house of representatives a written report identifying:

- 21 (A) All matters in which the director of the office of regulatory reform intervened;
- 22 (B) The rationale for his or her intervention;
- 23 (C) The status of the pending regulatory or permitting matter; and
- 24 (D) Any observations or recommendations from the director of the office of regulatory  
25 reform with respect to such regulatory or permitting policies or procedures relating to the subject  
26 matter of such pending regulatory or permitting matters in which the director so intervened.

27 **42-64.13-8. Regulatory analysis responsibilities.** – The office of regulatory reform shall  
28 have the following regulatory analysis and reporting responsibilities:

29 (1) The office of regulatory reform shall, upon the conclusion of each fiscal year, prepare  
30 and publish a report on the regulatory processes of state and municipal agencies and permitting  
31 authorities through a review and an analysis of proposed and existing rules and regulations to: (i)  
32 Encourage agencies to eliminate, consolidate, simplify, expedite or otherwise improve permits,  
33 permitting procedures and paperwork burdens affecting businesses, municipal government  
34 undertakings, industries and other matters of economic development impact in the state; (ii)

1 Analyze the impact of proposed and existing rules and regulations on matters such as public  
2 health, safety and welfare, including job creation, and make recommendations for simplifying  
3 regulations and regulatory processes of state and municipal agencies and permitting authorities;  
4 (iii) Propose to any state or municipal agency consideration for amendment or repeal of any  
5 existing rules or procedures which may be obsolete, harmful to the economy or job growth in the  
6 state, or excessively burdensome with respect to any state or federal statutes or regulations.

7 (2) The director of the office of regulatory reform shall implement the provisions of  
8 section 42-35.1-1 of the general laws entitled Small Business Regulatory Fairness and  
9 Administrative Procedures, and shall be the small business regulatory enforcement ombudsman  
10 pursuant to section 42-35.1-5 of the general laws.

11 **42-64.13-9. Municipal regulatory liaison.** – Each city or town in Rhode Island may at  
12 its option designate in writing submitted to the office of regulatory reform a regulatory liaison  
13 who shall be charged with the responsibility of coordinating regulatory and permitting matters  
14 within that city or town with the office of regulatory reform.

15 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

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RELATING TO MAKING IT EASIER TO DO BUSINESS IN RHODE ISLAND - PART 9 --  
THE RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION

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- 1           This act would create the office of regulatory reform to review Rhode Island regulatory
- 2 processes and permitting procedures for businesses in an effort to improve them.
- 3           This act would take effect upon passage.

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