

## **SMALL BUSINESS IMPACT STATEMENT (For Review of Existing Regulations)**

*In order to accurately predict the impact the adoption, amendment, or repeal of a regulation will have on small businesses, the promulgating authority must conduct a thorough analysis that not only considers the potential effects of the action but also quantifies the costs, if any, associated with each. The questions below are designed to aid promulgating authorities in conducting their analysis.*

### **Subject Regulations: REQUIREMENTS AND STANDARDS FOR VESSELS AND ASSOCIATED EQUIPMENT**

**Agency Submitting Regulation:** RI Department of Environmental Management (RIDEM) – Division of Law Enforcement

**Subject Matter of Regulation:** The proposed rule would amend the *REQUIREMENTS AND STANDARDS FOR VESSELS AND ASSOCIATED EQUIPMENT* (the “Regulations”). These Regulations govern the requirements for safety equipment upon those vessels operated upon the waters of the State. The proposed amendments are required to bring the state’s requirements into compliance with the amendments being imposed by the United States Coast Guard. The bulk of these amendments deal with personal flotation devices and lights, but also increase the minimum amount of property damage required to impose a reporting requirement upon the owner/operator of a vessel which is involved in an accident.

**ERLID Number:** 7752

**Statutory Authority:** These rules and regulations are promulgated pursuant to R.I. General Laws Chapters 42-17.1 and 46-22-in accordance with chapter 42-35, Administrative Procedures Act, of the Rhode Island General Laws of 1956, as amended.

**Other Agencies Affected:** None

**Other Regulations That May Duplicate or Conflict with the Regulation:** None

**Describe the Scope and Objectives of the Regulation** See Subject Matter of Regulation above.

**What was the rationale for establishing this regulation?** See Subject Matter of Regulation above.

**Does the rationale still exist?** YES

**Is the rationale still relevant?** YES

**Business Industries Affected by the Regulation:** NAICS [336612](#) Pleasure boats manufacturing; [423830](#) Commercial fishing equipment and supplies (except boats, ships)

merchant wholesalers; and [423910](#) Boats, pleasure (e.g., canoes, motorboats, sailboats), merchant wholesalers.

**Types of Businesses Included in the Industry:** The above referenced businesses that may offer required boat safety equipment for sale or in the case of lights, equipment installation.

**Total Number of Small Businesses included in the Regulated Industries** *Please see the attached guidance documents for assistance determining the total number of small businesses:*

See above.

**Number of Small Businesses Potentially Subject to the Proposed Regulation:** See above.

**How often do small businesses contact your agency for assistance with clarification of the regulation and/or receive assistance with compliance issues?** We are unaware of any contacts from small businesses concerning these regulations.

**What is the cost to your agency of establishing and enforcing this regulation?** The total budget for the Division of Laws Enforcement for 2014 FY is approximately \$3 million.

**What would the consequences be if the regulation did not exist?** Without the subject rules, the Department of Environmental Management would not be in compliance with *R.I. Gen. Laws Chapters 46-22* or the amendments being imposed by the United States Coast Guard.

**Effective Date Used In Cost Estimate:** Spring 2014.

|    | Yes | No      | <i>*Note: For each question, please answer “yes” or “no” and offer a brief explanation. Please describe any facts, data, views, arguments, or other input from small businesses, organizations or any other sources that were used to quantify the impacts outlined below.</i> |
|----|-----|---------|--|
| 1. | Yes | No<br>X | <b>Do small businesses have to create, file, or issue additional reports?</b><br><br>No. These regulations do not require additional reports by small businesses.  |
| 2. | Yes | No      | <b>Do small businesses have to implement additional recordkeeping</b>  |

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|    |     | X       | <p><b>procedures?</b></p> <p>No the subject regulations do not require additional recordkeeping by small businesses.</p>  |
| 3. | Yes | No<br>X | <p><b>Do small businesses have to provide additional administrative oversight?</b></p> <p>No. These regulations do not require additional administrative oversight by small businesses.</p>   |
| 4. | Yes | No<br>X | <p><b>Do small businesses have to hire additional employees in order to comply with the proposed regulation?</b></p> <p>No. These regulations do not require small businesses to hire additional employees.</p>                                     |
| 5. | Yes | No<br>X | <p><b>Does compliance with the regulation require small businesses to hire other professionals (e.g. a lawyer, accountant, engineer, etc.)?</b></p> <p>No. These regulations do not require small businesses to hire professionals.</p>             |
| 6. | Yes | No<br>X | <p><b>Does the regulation require small businesses to purchase a product or make any other capital investments in order to comply with the regulation?</b></p> <p>No. These regulations do not require capital investments by small businesses.</p> |
| 7. | Yes | No<br>X | <p><b>Are performance standards more appropriate than design standards?</b></p> <p>No. This question is not applicable to this type of regulation.</p>  |
| 8. | Yes | No<br>X | <p><b>Does the regulation require small businesses to cooperate with audits, inspections, or other regulatory enforcement activities?</b></p> <p>No. These regulations do not require cooperation in such audits by small businesses.</p>           |

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| 9.  | Yes      | No<br>X | <p><b>Does the regulation have the effect of creating additional taxes and/or fees for small businesses?</b></p> <p>No. These regulations do not create additional taxes and/or fees.</p>  |
| 10. | Yes      | No<br>X | <p><b>Does the regulation require small businesses to provide educational services to keep up to date with regulatory requirements?</b></p> <p>No. These regulations do not require the provision of educational services by small businesses.</p>                                     |
| 11. | Yes      | No<br>X | <p><b>Is the regulation likely to <i>deter</i> the formation of small businesses in Rhode Island?</b></p> <p>No. These regulations are not likely to deter the formation of small businesses in Rhode Island.</p>  |
| 12. | Yes<br>X | No      | <p><b>Is the regulation likely to <i>encourage</i> the formation of small businesses in Rhode Island?</b></p> <p>Yes. These regulations are likely to directly encourage the formation of small businesses in Rhode Island by providing for safer tourism via water in this State.</p> |
| 13. | Yes      | No<br>X | <p><b>Can the regulation provide for less stringent compliance or reporting requirements for small businesses?</b></p> <p>No. These regulations can not provide for less stringent compliance reporting requirements by small businesses.</p>  |
| 14. | Yes      | No<br>X | <p><b>Can the regulation establish less stringent schedules or deadlines for compliance or reporting requirements for small businesses?</b></p> <p>No. These regulations can not provide for less stringent schedules for compliance by small businesses.</p>                          |
| 15. | Yes      | No<br>X | <p><b>Can the compliance or reporting requirements be consolidated or simplified for small businesses?</b></p> <p>No. These regulations can not provide for consolidation in order to obtain compliance by small businesses.</p>   |

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| 16. | Yes      | No<br>X | <p><b>Can performance standards for small businesses replace design or operational standards?</b></p> <p>No. This question is not applicable to this type of regulation.</p>  |
| 17. | Yes      | No<br>X | <p><b>Are there alternative regulatory methods that would minimize the adverse impact on small businesses?</b></p> <p>No. Given that there does not appear to be any adverse impact upon small businesses caused by these regulations, alternative methods would not be available to minimize adverse impact upon small businesses.</p>   |
| 18. | Yes<br>X | No      | <p><b>Were any small businesses or small business organizations contacted during the preparation of this document? If so, please describe.</b></p> <p>Although no organization participated in the preparation of this document, all interested parties will be afforded the opportunity to comment and participate in adoption of the subject regulations pursuant to R.I. Gen. Laws Gen. Chapter 42-35.</p> |