INTRODUCTION

As part of the Office of Management and Budget (OMB), the Office of Regulatory Reform’s (ORR) mission is to review new and amended regulations with a focus on minimizing adverse impacts on Rhode Island businesses, large and small. Under the leadership of Governor Gina Raimondo, the State has greatly enhanced its ability to minimize or eradicate regulatory burdens through a rigorous, transparent process that inserts more accountability into the review of Rhode Island’s regulatory environment.

The Governor established that process through Executive Order 15-07, which requires ORR to review all Executive Branch regulations using a model similar to the federal regulatory model. Signed in February 2015, EO 15-07 outlines a process to ensure regulations are not imposing unnecessary burdens on businesses and individuals.

Pursuant to the process outlined in the EO 15-07, agencies must submit an economic impact statement with their proposed rules to ORR and the Executive Office of Commerce (EOC). EOC then provides any input regarding potential adverse impacts that a proposed rule may have on the State’s ability to attract new businesses and encourage existing businesses to grow. ORR reviews these items, and if approved, the proposed rules and impact statements go through a public comment process. Any input from that process goes to ORR for its final consideration.

In today’s complex regulatory environment, it is more important than ever to have up-to-date, transparent regulations based on rigorous analyses to balance health, safety, welfare, and the environment with the need to minimize regulatory burdens on Rhode Island businesses and individuals. The EO 15-07 process has significant value across the regulatory landscape, particularly for the business community. During the review, regulatory submissions are frequently revised to improve either language or the accompanying analyses. The bulk of those changes specifically address ways to reduce the burden on regulated entities, such as small businesses and specific sectors of the economy.

In Fiscal Year 2019, ORR reviewed and cleared 807 total agency submissions of new or amended regulations, averaging approximately 67 per month. For initial regulatory submissions (excluding repeals), ORR revised the regulatory text or analyses of 39% of the submission during the EO 15-07 review. In addition, ORR analysts reviewed 18 technical revisions prepared by the agencies for the Administrative Procedures Act project.
ADMINISTRATIVE PROCEDURES ACT – REGULATORY OVERHAUL

On June 29, 2016, the General Assembly passed and Governor Raimondo signed an update to the Rhode Island Administrative Procedures Act. The law requires all regulations to be resubmitted, reformatted, indexed, and published online in an easily searchable Rhode Island Code of Regulations (RICR). Any regulation that was not in the new RICR format by January 1, 2019 no longer had the force of law. Below is a summary of the APA effort. More information is available in the standalone report, “A New Regulatory System for Rhode Island,” on the ORR website.

I. Project goals:
   - Reduce the costs and uncertainty to businesses and individuals of locating applicable laws by creating an organized, searchable online database of all State regulations;
   - Provide businesses and individuals with clear information about the requirements for their activities and industries by streamlining and improving regulations; and
   - Make it easier to do business in Rhode Island by reducing 15% of the State’s regulatory volume.

II. Types of reform efforts generated by the APA:
   - Remove outdated and onerous requirements;
   - Increase transparency and clarity of regulations;
   - Leverage national best practices; and
   - Align statute, regulation, and implementation.

III. ORR’s role in the APA effort:
   Pursuant to R.I. General Laws § 42-35-5, ORR was responsible for coordinating this effort across Executive Branch agencies and establishing a phased approach for codification. ORR provided the following support to agencies to achieve this goal:
   - Technical assistance in the structuring and writing of regulations;
   - Policy analysis, specifically addressing unintended consequences of regulatory requirements; and
   - Assistance in analyzing the costs and benefits of proposed regulations.

IV. Outcome of the APA project:
   At the beginning of the APA effort, there were 1,387 active Executive Branch agency regulations totaling 25,842 pages. Governor Raimondo required a 15% reduction in the State’s regulatory volume, removing regulatory red tape.

1 Rhode Island Public Law 2016, Chapters 203 and 206.
http://webserver.rilin.state.ri.us/BillText/BillText16/SenateText16/S3015aa.pdf.
http://webserver.rilin.state.ri.us/BillText/BillText16/HouseText16/H7395A.pdf.
How effective was the APA effort?

- **Number of regulations reduced by 32.8%**
  - 455 fewer regulations than in 2016
- **8,149 pages of regulation removed**
  - 31.5% of the previous regulatory portfolio

Agencies revised or reformed about 76%, or 1,060 of the 1,387, of the Executive Branch regulations:

- 160 regulations were repealed.
- 433 regulations were consolidated into 134.
- 467 regulations were amended.
- Only 327 regulations were codified as is and uploaded as a technical amendment (23%).

All revised regulations are available in the new Rhode Island Code of Regulations on the Rhode Island Secretary of State’s website: [http://sos.ri.gov/divisions/open-government/state/rules-andregulations](http://sos.ri.gov/divisions/open-government/state/rules-andregulations).


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Through the APA effort, the Executive Branch agencies removed almost one-third of the regulatory volume in the State:

- Agencies reduced the original number of regulations from 1,387 to 932 (a 32.8% reduction\(^2\) in the State’s regulations) through repeals and consolidation of similar regulations.
- 8,149 out of 25,842 pages of regulation (31.5%) on the books on July 1, 2016 were removed.

\(^2\) Does not include any new regulations prompted by the APA or any new regulations adopted during the time that the APA effort was underway.
2019 LEGISLATIVE SESSION

The Fiscal Year 2020 enacted budget made several statutory changes that impacted ORR:

- **OMB’s mission:** Changes to R.I. Gen. Laws §§ 35-1.1-1, 35-1.1-2, 35-1.1-3, and 35-1.1-4 established that regulatory analysis and reform are core missions of the Office of Management and Budget.

- **Small business ombudsman:** Changes to R.I. Gen. Laws §§ 42-35.1-5 and 42-64.13-8 moved the small business enforcement ombudsman from ORR to the Department of Business Regulation. The ombudsman has been detailed to the Executive Office of Commerce since 2015.

In addition, the General Assembly passed and the Governor signed Senate Bill 0171 Substitute A, which requires that State statute and regulations use appropriate disability language. R. I. Gen. Laws § 42-64.13-13 was added and gives ORR the responsibility to ensure all regulations use appropriate disability language. ORR has begun planning for this project and will engage with agencies on this mandate during calendar year 2020.