Office of Regulatory Reform 2012 Annual Report

Report to Governor Lincoln D. Chafee and The Rhode Island General Assembly Submitted March 21, 2013

Rhode Island Office of Management and Budget

Department of Administration, One Capitol Hill, Providence, RI 02908 401-222-2280

ABSTRACT

This report reviews the performance and progress of regulatory reform efforts in the Rhode Island for 2012.

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EXECUTIVE SUMMARY

The Rhode Island Economic Development Corporation and the Rhode Island Office of Management and Budget are pleased to present to the Governor Lincoln D. Chafee and the General Assembly the 2012 Annual Report documenting the activity of the Office of Regulatory Reform (ORR) over the past 12 months.

National economic indicator reports, such as those provided by CNBC and Forbes, consistently rank Rhode Island at or near the bottom regarding business friendliness; specifically citing regulatory burden as a key component of their analysis. Rhode Island has over 1,600 state regulations that are administered through seventy-four (74) entities. Efforts beginning in 2010 have focused on key areas for improvement to Rhode Island's regulatory system in order to make it easier for businesses to operate within our state.

Regulatory Review: ORR has made great strides with a targeted approach to systematically achieving baseline metrics, developing corrective action plans and identifying best practices. Through progressive legislation and bold action by Governor Chafee, regulatory reform efforts are underway in earnest. Initiation of a comprehensive look-back for all existing regulations, which requires agencies and departments to identify regulations with impact to small businesses, began in September of 2012. To date, thirty-seven (37) departments are fully compliant with the expedited regulatory review process and of those, sixteen (16) departments have competed 100 percent review of all of their regulations. A report listing the regulations submitted and reviewed will be published in April of 2013.

E-Permitting: Work with the State Building Commission and the State Fire Marshal to create an on-line e-permitting system is well underway. Process map identification work is complete with the Building Commissioner and Fire Marshal's offices and is proceeding in North Smithfield, Pawtucket and North Kingstown. This process mapping work will help identify best practices at the city and town level and assist with integrating with a statewide e-permitting system.

Small Business Ombudsman: ORR continues to provide high quality, on-demand services for businesses struggling to navigate complex regulatory systems. The Office has facilitated client meetings with state and local departments and agencies to streamline information flow and achieve win-win results. Documented in the following report are 3 case studies outlining the type of assistance received for the purpose of assuring the efficient and consistent implementation of rules and regulations and fostering jobs.

The Office of Regulatory Reform, now located within the Office of Management and Budget, continues to make progress toward real reform by creating an atmosphere of opportunity for small and innovative industries that will revitalize the Rhode Island economy. It is with cooperation of our state's regulatory agencies, municipalities and business and industry leadership that the Office of Regulatory Reform is paving this path to revitalization. Together we are making Rhode Island an easier place to start and grow a business.

INTRODUCTION

The Office of Regulatory Reform (ORR) was created to address the impact of regulatory inefficiency, inconsistency and misalignment between states regulatory entities and businesses ability to interact, navigate and comply with regulations. Rhode Island must ensure that the cost of imposing a regulation does not outweigh the benefit to the community. When regulatory systems become out of balance, difficult to navigate and misaligned, delays in applications and processes become prevalent and result in missed opportunities for businesses looking to grow.

Rhode Island can create a **clear, predictable and reliable** regulatory system. Clearly written and well defined regulations result in the customers' ability to interact, understand, navigate and comply with regulations. Predictability is imperative for businesses to ensure appropriate planning and development. Finally, reliability is required for effective resource management. Creating and refining a regulatory system that consistently and efficiently improves customer use will enhance economic development, community development and the overall health and welfare of its citizens.

OVERVIEW

The Rhode Island Economic Development Corporation's Office of Regulatory Reform was created in 2010 by an executive order and supported by legislation from both the House and the Senate. Strengthened by Governor Chafee in 2012, ORR aims to improve Rhode Island's business climate by making it easier for businesses to successfully navigate state and municipal permitting and regulatory affairs.

Periodic Re-filing of Rules and Regulations

Pursuant to RIGL§ 42-35-4.2 all rules and regulations on file with the Secretary of State shall be re-filed on the first Tuesday in January 2007 and on the first Tuesday in January of every successive fifth year.

State agencies undertook the required 2012 review of all current regulations between October 28, 2011 and January 2, 2012. The review resulted in 1,638 regulations remaining in effect and filed with the Secretary of State's Office.

The following lists all state agencies and the number of regulations on file with the Secretary of State's Office as of January 2, 2012:

Accountancy, Board of	7	Housing and Mortgage Finance Corporation (RIHMFC)	26
Administration, Department of, Office of Purchasing	37	Housing Appeals Board	2
Agricultural Lands Preservation Commission	1	Housing Resources Commission	5
Airport Corporation	6	Human Rights, Commission for	23
Architects, Board of Examination and Registration of	1	Human Services, Department of	40
Arts, State Council on the	2	Industrial Facilities Corporation	0
Attorney General, Department of	11	Judicial Nominating Commission	1
Auditor General	1	Judiciary, Rhode Island	2
Batterers Intervention Program Standards Oversight Committee	2	Labor and Training, Department of	45
Behavioral Healthcare, Developmental Disabilities and Hospitals, Department of	17	Land Surveyors, Board of Registration for Professional	2
Building Code Standards Committee	16	Landscape Architects, Board of Examiners of Professional	1
Business Regulation, Department of	112	Legislative Services, Joint Committee on	1
Capital Center Commission	2	Motor Vehicles, Division of	39
Cemetery Commission, RI Historical	1	Narragansett Bay Commission	8
Children, Youth and Families, Department			
of	181	Parole Board	2
Clean Water Finance Agency	11	Personnel Appeal Board	1
Coastal Resources Management Council	91	Police Officers Commission on Standards and Training	0
Corrections, Department of	18	Public Safety, Department of	14
Disabilities, Governor's Commission on	15	Public Transit Authority (RIPTA)	4
E-911 Uniform Emergency Telephone System Authority	1	Public Utilities and Carriers, Division of Public Utilities Commission	20
Economic Development Corporation	10	Public Utilities Commission	20
Education, Board of Governors For Higher	0	Resource Recovery Corporation	10
Education, Board of Regents for Elementary and Secondary	21	Revenue, Department of	3
Education, Department of	1	Rivers Council, Rhode Island	1
Elderly Affairs, Department of	6	Secretary of State, Office of	19
Elections, State Board of	30	State Police, Rhode Island	4
Energy Resources, Office of	2	Student Loan Authority	6
Engineers, Board of Registration for Professional	1	Taxation, Division of	217
Environmental Management, Department of, Fish and Wildlife	186	Transportation, Department of, State Traffic Commission	19
General Treasurer, Office of the	5	Turnpike and Bridge Authority	4
Health and Educational Building Corporation	3	Unauthorized Practice of Law Committee	1
Health Insurance Commissioner, Office of	12	Underground Storage Tank Review Board	1
Health, Department of	129	Water Resources Board	6
Higher Education Assistance Authority	5	Water Resources Board Corporate	1
Historical Preservation & Heritage		Workers' Compensation Court - Medical	-
Commission	7	Advisory Board	4
		TOTAL	1638

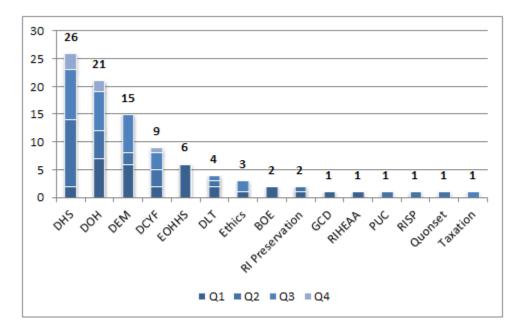


Figure 1: 2012 Regulations Promulgated by Department

Figure 1 show regulations promulgated by department for 2012, resulting in 94 new regulations.

2012 Public Law 445

2012 Public Law 445 (Attachment A) made substantial changes to the Office of Regulatory Reform including:

- Relocating the ORR to the new Office of Management and Budget;
- Requiring each agency to complete a "look back" and evaluate all existing agency regulations for any adverse impact on small businesses;
- Requiring ORR to develop criteria for economic impact statements to be used by all agencies; and
- Tasking ORR to assist each agency to prepare economic impact statements and oversee this process.

ORR Reorganization

The ORR is now a division of the Office of Management and Budget, located within the Department of Administration (DOA), One Capitol Hill, Providence, RI. The move of the Office of Regulatory Reform from RIEDC to the OMB strengthens the Office, allowing for greater access to departments and creating greater transparency in state government.

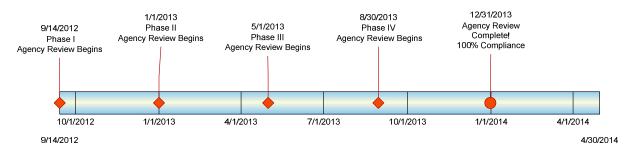
Regulatory Look-Back

The law requires each regulatory agency to complete a "look back" and evaluate all existing regulations for any adverse impact on small business. For regulations that have an impact on businesses, each agency must complete an economic impact analysis. Initially set out to be

completed in a 4-year review process, Governor Chafee expedited the look-back process and requested that all agencies and commissions review 25.0 percent of their regulations in 120 days beginning September, 2012. Following their review, the ORR has 90 days to review the information provided by each department and issue a report on its findings. Agencies and commissions with 10 or fewer regulations were asked to complete their review in Phase I. Upon completion of the 120 day agency review, the process begins again and agencies will review the next 25.0 percent of the regulations. The next 120 day review process will begin immediately upon completion until 100 percent of the regulations have been reviewed. The review schedule is as follows:

- Phase I
 - o 25.0 percent of regulations review by regulatory agencies
 - \circ $\,$ Agency review to be completed by December 31, 2012 $\,$
 - ORR 90 day review process ends March 31, 2013
 - ORR Issues Phase I report by April 30, 2013

Figure 2: Regulatory Review Timeline



Economic Impact Analysis

In order to accurately predict the impact that 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 attached template for the Economic Impact Analysis (Attachment B) is designed to aid promulgating authorities in conducting their analysis.

Technical Assistance

The ORR provided on-site technical assistance with the regulatory economic impact statements upon request with the departments of:

Environmental Management	Health
Transportation	Revenue – Division of Taxation
Children, Youth and Families	Coastal Resources Management Council
Human Services	

State and Municipal Regulatory Liaisons

Recent legislation mandates each state agency designate in writing and submit to the Office of Regulatory Reform a regulatory liaison who shall be charged with coordinating regulatory and permitting matters within that state agency with the Office of Regulatory Reform. Similarly, each city or town may at its option designate a regulatory liaison (Attachment C).

Agency Timeline Requirements

Pursuant to Executive Order 10-13 (Attachment D) - all executive branch agencies were immediately ordered to calculate the average processing time for each individual permit issued by the Agency from time of application to time of issuance and report quarterly to the Office of Regulatory Reform (ORR).

The permitting timelines show average time per permit, the name and date of application of the longest outstanding application currently pending before a department or agency. Additionally, the complying agencies provide ORR with any additional information that is required to make recommendations for improvement and creating a streamlined and uniform permitting and regulatory process.

Two waivers for the reporting requirements were granted: the Department of Labor & Training which licenses individuals, and the Department of Children, Youth and Families. Each agency will submit information to ORR if and/or when needed. ORR is currently reviewing the responses to date to determine the annual baseline metrics.

Regulatory Review

Pursuant to RIGL§ 42-64.13-8 (a) The ombudsman of the Office of Regulatory Reform shall implement the provisions of § 42-35.1-1 of the general laws entitled Small Business Regulatory Fairness and Administrative Procedures, and shall be the small business regulatory enforcement office pursuant to § 42-35.1-5 of the general laws.

The Office of Regulatory Reform, through the Small Business Fairness in Administrative Procedures law RIGL§ 42-35.1 (Attachment E), reviews the need for proposed new and revised regulations and their economic impact. The Office requires regulating agencies to analyze the costs and benefits of any proposed new or amended rule and to consider its effect on job creation and retention, public health, safety and welfare.

The Office makes recommendations to state agencies to help simplify regulatory processes using the **FIRST Principles**:

- **Fair** The regulatory system balances the cost and benefits to all affected parties with quantitative and qualitative measures.
- **Innovative** The regulatory process considers the latest technology, economic incentives and market practices in deciding how to regulate.
- **Responsive** Regulators engage stakeholders as they would customers.
- **Simple** Regulations are written in plain language and easy to understand.
- **Transparent** The regulatory process is time bound, rational and consistent ensuring that stakeholders can engage the process at any time.

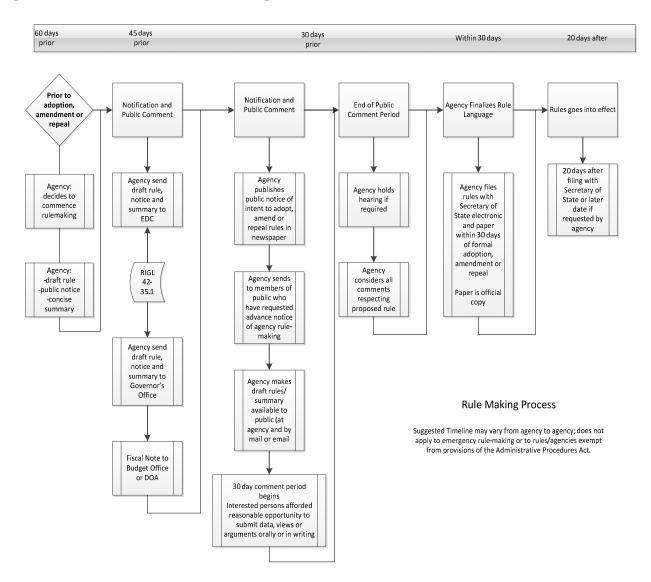


Figure 3: Rhode Island Rule Making Process

Figure 3 shows the rule making process map. Incorporated are the associated decision and notification points and necessary timelines.

Small Business Impact Statement

Pursuant to **RIGL§42-35.1-3. Economic Impact statements.** -- (a) Prior to the adoption of any proposed regulation that may have an adverse impact on small businesses, with the exception of emergency regulations adopted in accordance with subsection 42-35-3(b) and excluding those businesses defined in subsection (c) of this section, each agency shall prepare, in conjunction with assistance and oversight from the office of regulatory reform and in congruence with the analysis required in subsection (b) of this section, an economic impact statement that includes the following:

- 1. An identification and estimate of the number of the small businesses subject to the proposed regulation;
- 2. The projected reporting, recordkeeping, and other administrative costs required for compliance with the proposed regulation, including the type of professional skills necessary for preparation of the report or record;
- 3. A statement of the effect or probable effect on impacted small businesses;
- 4. A description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation.
 - b. The economic impact statement required herein shall be published in guide form as well as posted on the department of administration and the office of management and budget websites. The guide should be published and/or posted on or around the same date as the regulation change and shall include a description of actions need by the small business to meet the requirement of the regulation. The office of regulatory reform shall develop criteria for the economic impact statement.
 - c. The following professional and business activities shall not be considered a small business for purposes of this section:
 - i. Financial institutions including banks, trusts, savings and loan associations, thrift institutions, consumer and industrial finance companies, credit unions, mortgage and investment bankers and stock and bond brokers;
 - ii. Insurance companies, both stock and mutual;
 - iii. Mineral, oil and gas brokers;
 - iv. Sub-dividers and developers;
 - v. Landscape architects, architects and building designers;
 - vi. Entities organized as nonprofit institutions;
 - vii. Entertainment activities and productions including motion pictures, stage performances, television and radio stations and production companies;
 - viii. All utilities, water companies and power transmission companies, except electrical power generating transmission companies providing less than four and one-half (4.5) kilowatts; and
 - ix. All petroleum and natural gas producers, refiners and pipelines.

RIGL§42-35.1-4. Regulatory flexibility -- Flexibility analysis required. -- (a)

Notwithstanding any general or public law to the contrary, prior to the adoption of any proposed regulation on and after January 1, 2010, each agency shall prepare a regulatory flexibility analysis in which the agency shall, where consistent with health, safety, environmental, and economic welfare consider utilizing regulatory methods that will accomplish the objectives of applicable statutes while minimizing adverse impact on small businesses. The agency shall consider, without limitation, each of the following methods of reducing the impact of the proposed regulation on small businesses:

- 1. The establishment of less stringent compliance or reporting requirements for small businesses;
- 2. The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses;
- 3. The consolidation or simplification of compliance or reporting requirements for small businesses;
- 4. The establishment of performance standards for small businesses to replace design or operational standards required in the proposed regulation; and
- 5. The exemption of small businesses from all or any part of the requirements contained in the proposed regulation.
 - b. Prior to the adoption of any proposed regulation that may have an adverse impact on small businesses each agency shall notify the office of regulatory reform of its intent to adopt the proposed regulation. The office of regulatory reform shall advise and assist agencies in complying with the provisions of this section.

E-Permitting

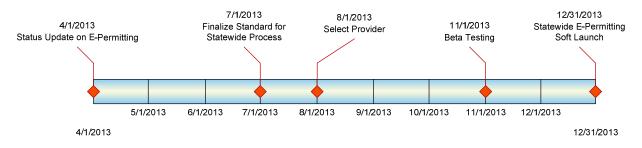
The mission of the E-Permitting project is to have a fully operational, web-based accessible system to be used by the state and municipalities for uniform, statewide electronic plan review, permit management and inspection system management by December 31, 2013. Governor Chafee's 2013 and 2014 budget added a total of \$600,000 in general revenue (\$300,000 each year) to fund consultant services required to gather information that pertains to State's and municipalities' building plans; permit management, and building inspection methods. The Office of the Building Commissioner in conjunction with the State Fire Marshal, and the Office of Regulatory Reform, will use this information to develop criteria for an online building permits system. Assistance is also being provided by the State's Chief Digital Officer.

Creating an e-permitting system requires extensive due diligence on normalizing the current process steps in place that add the most value to the overall process. Complete process maps have been created for the Building Inspector and Fire Marshal. This information will be critical in creating an on-demand, customer centric system and allow for greater ease of use and accountability.

The following have been identified as "must haves" for the new system:

- Web Based System
- Have the associated technology and peripheral technology
- Open architecture/Open access
- Ability to handle prints, photos and plans
- Ability to track process changes
- Ability to track progress
- Ability to track user actions
- Ability to track user hand-off's and authorization
- Ability to have a "read only" status at the local level
- Ability to pay fees on line

Figure 4: E-Permitting Timeline



SMALL BUSINESS OMBUDSMAN

Advocacy and Intervention FY2012

Advocacy advances the views and concerns of small business before state and local policy makers. As the agency responsible for examining the contributions and challenges of Rhode Island's small businesses, the Office of Regulatory Reform is constantly looking for answers to small business questions and solutions to their challenges. Giving small business owners a voice to make their concerns about regulatory compliance heard, ORR has intervened on behalf of the following companies:

America's Cup

In June of 2012, Rhode Island hosted the America's Cup World Series at Fort Adams State Park in Newport. The Small Business Ombudsman in the Office of Regulatory Reform was tasked with securing all licensing and permitting for the two-week event. This included the following:

- 1. Articles of Organization for a Foreign Limited Liability Company for America's Cup Event Authority and Race Management- Secretary of State
- 2. Special Event Permits for all events associated with the World Series- City of Newport (attended council meetings for approvals)
- 3. Liquor Licenses- City of Newport
- 4. Special Use/Authorization to Serve Alcohol- State Properties and Environmental Management

- 5. Physical Alteration Permit (to hang banners in Newport)-Department of Transportation
- 6. Securing all Certificates of Insurance from all vendors- State Properties
- 7. All ADA compliance issues including transportation, signage and interrupters-Governor's Commission on the Disabled
- 8. Coordination of State Fire Marshal and State Building Inspector with local fire authorities to inspect all temporary structures (80 structures)
- 9. Special Police Details- City of Newport, Town of Jamestown
- 10. Promoter's License- Division of Taxation
- 11. Assisted Gameday (Official Merchandise Store) set up store in downtown Newport by coordinating licenses needed from the City of Newport

The Small Business Ombudsman remained onsite during the event to assist with any issues that came up during the event from public safety to daily operations.

Case Studies

Business: Restaurant, Providence Date of Initial Contact: May 4, 2012 Date Resolved: August 2012 Agency/Municipality: Providence

Reason for Intervening: Customer was trying to complete a renovation and needed the Fire Inspector to complete a fire suppression inspection before installing new equipment. Customer had made numerous attempts to contact the department to set up the inspection and had waited over 6 weeks. ORR contacted the city Fire Marshal on behalf of the client. The suppression inspection was completed in 2 weeks from the time of the call. This customer called in again several weeks later to complain that a final inspection was to be done before they would be granted a certificate of occupancy and that the inspection had been scheduled. The customer stated that the builder, engineer and contractor were on site and that the Fire Inspector did not show up for the inspection. ORR contacted the department and an inspector did arrive later that morning.

Outcome: Customer was issued a Certificate of Occupancy.

Business: Waste and Recycling, Providence

Date of Initial Contact: June 15, 2012

Date Resolved: Ongoing

Agency/Municipality: Department of Environmental Management

Reason for Intervening: Customer received Notice of Intent to Enforce from RIDEM. ORR set up a meeting with company representatives and RIDEM officials to discuss options to continue operations and appropriate licensure. RIDEM officials outlined the fees, timelines and process to secure the proper licensing.

Outcome: Customer has not applied for license

Business: Inn, Charlestown

Date of Initial Contact: April 25, 2012

Date Resolved: April 30, 2012

Agency/Municipality: State Fire Marshal and Division of Taxation

Reason for Intervening: Customer called for assistance to obtain a final report from the State Fire Marshal as the owner stated she was turning customers away due to the fact that she did not have the report or a Certificate of Occupancy. The owner also needed assistance with the Division of Taxation to obtain permits for flea market vendors.

Outcome: ORR contacted the State Fire Marshal's office and Division of Taxation to inquire on the status of the report and permits. The Fire Marshal's report was issued and delivered the week of April 30th. The taxation issue was resolved. It must be noted the Division of Taxation provided excellent and timely customer service and should be recognized for its efforts to resolve the permit issue in less than one day.

ATTACHMENTS

- A. 2012 Public Law 445
- **B.** Economic Impact Analysis
- C. State and Municipal Regulatory Liaisons
- D. Agency Timelines
- E. RIGL§ 42-35.1

Attachment A – RIGL§ 42-35.1-3

TITLE 42 State Affairs and Government

CHAPTER 42-35.1 Small Business Regulatory Fairness in Administrative Procedures

SECTION 42-35.1-3

§ 42-35.1-3 Economic Impact statements. – (a) Prior to the adoption of any proposed regulation that may have an adverse impact on small businesses, with the exception of emergency regulations adopted in accordance with subsection 42-35-3(b) and excluding those businesses defined in subsection (c) of this section, each agency shall prepare, in conjunction with assistance and oversight from the office of regulatory reform and in congruence with the analysis required in subsection (b) of this section, an economic impact statement that includes the following:

(1) An identification and estimate of the number of the small businesses subject to the proposed regulation;

(2) The projected reporting, recordkeeping, and other administrative costs required for compliance with the proposed regulation, including the type of professional skills necessary for preparation of the report or record;

(3) A statement of the effect or probable effect on impacted small businesses;

(4) A description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation.

(b) The economic impact statement required herein shall be published in guide form as well as posted on the department of administration and the office of management and budget websites. The guide should be published and/or posted on or around the same date as the regulation change and shall include a description of actions need by the small business to meet the requirement of the regulation. The office of regulatory reform shall develop criteria for the economic impact statement.

(c) The following professional and business activities shall not be considered a small business for purposes of this section:

(1) Financial institutions including banks, trusts, savings and loan associations, thrift institutions, consumer and industrial finance companies, credit unions, mortgage and investment bankers and stock and bond brokers;

(2) Insurance companies, both stock and mutual;

(3) Mineral, oil and gas brokers;

(4) Subdividers and developers;

(5) Landscape architects, architects and building designers;

(6) Entities organized as nonprofit institutions;

(7) Entertainment activities and productions including motion pictures, stage performances, television and radio stations and production companies;

(8) All utilities, water companies and power transmission companies, except electrical power generating transmission companies providing less than four and one-half (4.5) kilowatts; and

(9) All petroleum and natural gas producers, refiners and pipelines.

History of Section. (P.L. 2009, ch. 229, § 1; P.L. 2009, ch. 230, § 1; P.L. 2012, ch. 89, § 2; P.L. 2012, ch. 120, § 2; P.L. 2012, ch. 445, § 1.)

Attachment B - Economic Impact Statement Template for Existing Regulations

<u>Guidance for Determining How Many Small Businesses will be Impacted by the Proposed</u> <u>Regulation</u>

The U.S. Small Business Administration (SBA) defines small businesses according to size standards which are matched to the North American Industry Classification Systems (NAICS). The SBA table of small business size standards can be found at the following URL: <u>http://www.sba.gov/content/table-small-business-size-standards</u>. The SBA defines a small business differently depending on the industrial classification using either employee number or annual revenue. Because staff will most likely not have access to annual revenue data, small businesses should be considered to have an employee size of NO MORE THAN:

- 100 for Wholesale Trade (Sector 42);
- 200 for Retail Trade (Sector 44-45); and
- A small business is defined as one with fewer than 500 employees
- Step 1: Identify Business Sectors to be Impacted: Staff developing the regulation should generate a list of the business sectors (using the 6-digit NAICS codes) which their program thinks will be impacted by the regulation.
 - For the most current list of NAICS codes with definitions: http://www.census.gov/eos/www/naics/2007NAICS/2007_Definition_File.pdf
- Step 2: Determine the Number of Small Businesses in Each Sector: Once there is a list of 6-digit NAICS codes that are expected to be impacted by the regulation, determine the *number* of small businesses in Rhode Island with those NAICS codes by going to the SBA's online searchable database of self-certified small businesses: http://dsbs.sba.gov/dsbs/search/dsp_dsbs.cfm

Once at the SBA "Dynamic Small Business Search" page:

- i) In the first section ("Location of Firm"), scroll down to highlight Rhode Island. (Leave all other selections [congressional district, county, etc.] blank.)
- ii) Leave the "Government Certifications" selections as "Not Required" (this should be the default setting).
- iii) Leave the "Ownership and Self-Certifications" selections blank.
- iv) In "Specific Nature of Business," enter the 6-digit NAICS code(s) from step one above.
- v) Leave the next four sections blank (General Nature of Business; Profile Last Updated; Maximum Acceptable Bonding Levels; and Quality Assurance Standards).
- vi) In the "Size" section, select "No More Than" and enter 500 employees (leave "Annual Revenue" blank).
- vii)Do not make any entries under "Capabilities" or "Searching for a Specific Profile."

- viii) Under "Search Results Display Options" select the number of results you want to be shown (e.g. 500), and leave the columns to be displayed and tabular format at the default setting.
- ix) At the bottom of the screen, click on "Search Using These Criteria."
- x) The number of firms displayed in your results table is the number of small businesses to be impacted by this regulation for the NAICS codes selected.

<u>Note:</u> In some cases, staff will already have a list of businesses in RI that are projected to be impacted because the industry is currently regulated by an existing regulatory program and the information is collected in an existing database. Staff should determine whether this method will yield a more accurate list of small businesses to be impacted as opposed to searching the SBA database by NAICS code.

SMALL BUSINESS IMPACT STATEMENT

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.

Agency submitting regulation:

Subject matter of regulation:

ERLID Number:

Statutory authority:

Other agencies affected:

Other regulations that may duplicate or conflict with the regulation:

Describe the scope and objectives of the regulation:

What was the rationale for establishing this regulation?

Does the rationale still exist?

Is the rationale still relevant?

Business industry(ies) affected by the regulation:

Types of businesses included in the industry(ies):

<u>Total number of small businesses included in the regulated industry(ies)</u> *Please see the attached guidance documents for assistance determining the total number of small businesses*:

Number of small businesses potentially subject to the proposed regulation:

How often do small businesses contact your agency for assistance with clarification of the regulation and/or receive assistance with compliance issues?

What is the cost to your agency of establishing and enforcing this regulation?

What would the consequences be if the regulation did not exist?

Effective date used in cost estimate:

	Yes	No	*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.
1.	Yes	No	Do small businesses have to create, file, or issue additional reports?
2.	Yes	No	Do small businesses have to implement additional recordkeeping procedures?
3.	Yes	No	Do small businesses have to provide additional administrative oversight?
4.	Yes	No	Do small businesses have to hire additional employees in order to comply with the proposed regulation?
5.	Yes	No	Does compliance with the regulation require small businesses to hire other
			professionals (e.g. a lawyer, accountant, engineer, etc.)?
6.	Yes	No	Does the regulation require small businesses to purchase a product or make
			any other capital investments in order to comply with the regulation?
7.	Yes	No	Are performance standards more appropriate than design standards?
8.	Yes	No	Does the regulation require small businesses to cooperate with audits,

			inspections, or other regulatory enforcement activities?
			inspections, or other regulatory emoreclinent activities.
9.	Yes	No	Does the regulation have the effect of creating additional taxes and/or fees for
			small businesses?
10	X	NT	
10.	Yes	No	Does the regulation require small businesses to provide educational services to
			keep up to date with regulatory requirements?
11.	Yes	No	Is the regulation likely to <i>deter</i> the formation of small businesses in RI?
12.	Yes	No	Is the regulation likely to <i>encourage</i> the formation of small businesses in RI?
13.	Yes	No	Can the regulation provide for less stringent compliance or reporting
			requirements for small businesses?
14.	Yes	No	Can the regulation establish less stringent schedules or deadlines for
1			compliance or reporting requirements for small businesses?
			compriance of reporting requirements for small submesses.
15.	Yes	No	Can the compliance or reporting requirements be consolidated or simplified
			for small businesses?
16.	Yes	No	Can performance standards for small businesses replace design or operational
10.			standards?
			Stativate vis •
17.	Yes	No	Are there alternative regulatory methods that would minimize the adverse
			impact on small businesses?
18.	Yes	No	Have any small businesses on small business enconinctions have contacted
18.			Have any small businesses or small business organizations been contacted during the propagation of this document? If so places describe
			during the preparation of this document? If so, please describe.
L	1	1	1

Attachment C – State and Municipal Contacts

State Regulatory Contacts

First Name	Last Name	Title	Department
		Acting Implementation	
		Director of Policy and	
Susan	Bowler	Programs	Children, Youth and Families
Mike	Canole	Division of Taxation	Taxation
		Director of First Stop	
Kelly	Carello	Business Information Center	Secretary of State
John E.	Chartier	State Fire Marshal	Fire Marshal
Edward	D'Arezzo	Assistant Director of Health	Health
Lou	DeQuattro	Legal Counsel	Business Regulation
Terry	Gray	Associate Director	Environmental Management
Thomas	Kogut	Associate Administrator	Public Utilities Commission
Phillip	Kydd	Deputy Director	Transportation
		State Building Code	
John P.	Leyden	Commissioner	Building Commissioner
		Government Affairs	
Joanne	Maceroni	Manager	Narragansett Bay Commission
Paul	McGreevy	Director	Business Regulation
Michael	Vispo		Motor Vehicles
		Chief of Program	
Matthew	Weldon	Development	Labor and Training
Jeffrey	Willis	Deputy Director	Coastal Resources

Municipal Regulatory Contacts

Barrington Town Hall	Town Manager	Peter A.	DeAngelis Jr.
City of Central Falls	Mayor	James	Diossa
City of Cranston	Mayor	Allan	Fung
City of East Providence Planning			
Department	Interim City Manager	Orlando	Andreoni
City of Newport	Mayor	Stephen	Waluk
City of Pawtucket	Mayor	Donald	Grebien
City of Providence	Mayor	Angel	Taveras
City of Warwick	Mayor	Scott	Avedisian
City of Woonsocket	Mayor	Leo	Fontaine
East Greenwich Town Hall	Town Manager	William	Sequino, Jr.
Glocester Town Hall	Town Council President	Walter	Steere
Hopkinton Town Hall	Town Manager	William	McGarry
Jamestown Town Hall	Town Administrator	Bruce R.	Keiser
Middletown Town Hall	Town Manager	Shawn J.	Brown
Portsmouth Town Hall	Town Administrator	Robert	Driscoll
Town of Bristol	Town Administrator	Diane	Mederos
Town of Burrillville	Town Manager	Michael	Wood
Town of Charlestown	Town Administrator	William	DiLibero
Town of Coventry	Town Manager	Thomas	Hoover
Town of Cumberland	Mayor	Daniel	МсКее
Town of Exeter	Town Council President	Arlene	Hicks
Town of Foster	Town Council President	Gordon	Rogers
Town of Johnston	Mayor	Joseph	Polisena
Town of Lincoln	Town Administrator	T. Jospeh	Almond
Town of Little Compton	Town Business Manager	Thomas	Dunn, III
Town of Narragansett	Town Manager	Grady	Miller
Town of New Shoreham	Town Planner/Director	Nancy	Dodge
Town of North Kingstown	Town Manager	Michael	Embury
Town of North Providence	Mayor	Charles	Lombardi
Town of Richmond	Town Council President	B. Joe	Reddish, III
Town of Scituate	Town Council President	Charles	Collins
Town of Smithfield	Town Manager	Dennis	Finlay
Town of South Kingstown	Town Manager	Stephen	Alfred
Town of Tiverton	Town Administrator	James	Goncalo
Town of Warren	Town Manager	C. Richard	Paduch
Town of West Warwick	Town Manager	James	Thomas
West Greenwich Town Hall	Town Administrator	Kevin	Breene
			Hartford,
Westerly Town Hall	Town Manager	Steven T.	Esq.

Attachment D – Agency Timelines

DEM Permitting Status Report

Reporting Period: January 1, 2012 to March 31, 2012

Permit Type: Air Pollution Pre-Construction Permits

Permits Issued During Reporting Period: 19

Туре	Average Total Time to Issuance
General Permits	122 days
Minor Source Permits	221 days
Major Source Permits	No permits issued/pending

Longest Pending Application as of March 31, 2012

Application Date	5/30/08

Permit Type: Site Remediation Investigations

Remedial Decision Letters Issued During Reporting Period:

Туре	Average Total Time to Issuance of RDL
Voluntary Parties	175
Responsible Parties	145

Longest Pending Voluntary Investigation on March 31, 2012

Application Date	The Notification of Release was received on
	11/10/2010; The VPL was issued on
	12/1/2010; The SIR was received on 6/8/11.
	Comments on the SIR were issued on
	7/7/2011; Responses to comments have
	never been submitted to the DEM.

Permit Type: Approval of Site Remediation-Remedial Action

Remedial Action Work Plan Approvals Issued During Reporting Period:

Туре	Average Total Time to Issuance of RA Approval
Voluntary Parties	29
Responsible Parties	37

Longest Pending Voluntary Party Remedial Action Work Plan on March 31, 2012

Application Date	2/15/08 *

*Customer requested that the project be put on hold due to the economy. Department sent comment letter on the Remedial Action Work Plan on 3/7/10. To date, the comments on the RAWP have not been responded to.

Permit Type: Waste Facility Management Permits

Licenses Issued During Reporting Period:

Туре	Average Total Time to Issuance
Transfer Stations	23 days
Compost Facilities	15 days
Landfills	N/A
Construction and Demolition Facilities	N/A
Medical Waste Facilities	N/A
Other Facilities (HW Xfr Stations)	35 days
Lengest Dending Angliestics on March 21, 2012	

Longest Pending Application on March 31, 2012

Application Date	September 2010

Permit Type: Leaking Tank Site Investigations

Site Investigation Report Approval Letters Issued During Reporting Period:

Туре	Average Total Time to Issuance
Site Investigation Report Approval	29 days
Letters	
Longast Donding Site Investigation Depart on March 21, 2012	

Longest Pending Site Investigation Report on March 31, 2012

Application Date	2-9-12

Permit Type: Approval of Leaking Tanks Correction Action Plans

Corrective Action Plan Approvals Issued During Reporting Period

Туре	Average Total Time to Issuance of RA Approval
Corrective Action Plan	28 days
Longest Pending Corrective Action Plan on March 31, 2012	

Application Date	1-26-12

Permit Type: Freshwater Wetlands Program Permits

Permits Issued During Reporting Period: January to March 2012

Туре	Average Total Time to Issuance
Preliminary Determinations	102
Alteration	831 (includes violation on #08-0079)

Longest Pending Application as of: 4/12/12

Application Date	4/27/09

Permit Type: Onsite Wastewater Treatment Systems

Permits Issued During Reporting Period: January to March 2012

Туре	Average Total Time to Issuance
New Building	49
Variances	49

Longest Pending Application as of: 4/8/12

Application Date	7/15/08

Permit Type: Water Quality Certifications:

Permits Issued During Reporting Period: January to March 2012

Туре	Average Total Time to Issuance
WQC	(7) 51 business days

Longest Pending Application as of:

Application Date	5/21/08

Permit Type: Underground Injection Control:

Permits Issued During Reporting Period: January to March 2012

Туре	Average Total Time to Issuance
Stormwater	5 129 days
Orders of Approval	2 20 days

Longest Pending Application as of: 3/31/12 (261 days)

Application Date	7/15/11

Permit Type: RIPDES Permits:

Permits Issued During Reporting Period: January to March 2012

Туре	Average Total Time to Issuance
Construction General Permits	29 – 45 Days
Remediation General Permit	0
Multi Sector (90 day auto approval)	0
Individual	0

Longest Pending Application on Day:

Application Date	Jan. 31, 2011

Permit Type: Order of Approval for Design of Wastewater Treatment Facilities and Sewer Systems:

Туре	Average Total Time to Issuance
WWTFs	0 (none submitted or issued during this period)
Sewers	18 days

Permits Issued During Reporting Period: January to March 2012

Longest Pending Application as of: 3/31/12

Application Date	8/23/11 (Customer subsequently redesigned the
	sewer since their initial submittal. We are still
	waiting for the formal Order of Approval
	submittal)

DEM Permitting Status Report

Reporting Period: April 1, 2012 to June 30, 2012

Permit Type: Air Pollution Pre-Construction Permits

Permits Issued During Reporting Period: 25

Туре	Average Total Time to Issuance
General Permits	174
Minor Source Permits	272
Major Source Permits	No permits issued/pending
Longest Dending Application as of June 20, 2012	

Longest Pending Application as of June 30, 2012

Application Date	5/30/08

Permit Type: Site Remediation Investigations

Remedial Decision Letters Issued During Reporting Period:

Average Total Time to Issuance of RDL	
No RDLs issued to Voluntary Parties during this quarter	
Responsible Parties 11 RDLs issued to RPs – 63 days	

Longest Pending Voluntary Investigation on June 30, 2012

Application Date	The Notification of Release was received on
	10/22/2010; The VPL was issued on
	2/10/2011; The SIR was received on 10/22/10.
	The Program Letter was issued on 2/10/2011;
	Post-SI Public Notice has not taken place.

Permit Type: Approval of Site Remediation-Remedial Action

Remedial Action Work Plan Approvals Issued During Reporting Period:

Туре	Average Total Time to Issuance of RA Approval
Voluntary Parties	No Remedial Approvals to VPLs this quarter
Responsible Parties	37 days

Longest Pending Voluntary Party Remedial Action Work Plan on June 30, 2012

Application Date	2/15/08 *

*Customer requested that the project be put on hold due to the economy. Department sent comment letter on the Remedial Action Work Plan on 3/7/10. To date, the comments on the RAWP have not been responded to; however OWM met recently with the developer who is going to close out Phases 1 and 2 by recording ELUR. Rubble was removed from Phase 3 and developer put down 2" of loam and seed as a temporary measure. They cut grass and maintain and eventually plan to build on it once the economy turns for housing.

Permit Type: Waste Facility Management Permits

Licenses Issued During Reporting Period:

25 days
35 days
N/A
N/A
N/A
195 days

Longest Pending Application on June 30, 2012

Application Date	September 2010

Permit Type: Leaking Tank Site Investigations

Site Investigation Report Approval Letters Issued During Reporting Period:

Туре	Average Total Time to Issuance
Site Investigation Report Approval	25 days
Letters	

Longest Pending Site Investigation Report on June 30, 2012 (None this quarter)

Application Date	N/A

Permit Type: Approval of Leaking Tanks Correction Action Plans

Corrective Action Plan Approvals Issued during Reporting Period (There were no Corrective Action Plans submitted or approved this past quarter.)

Туре	Average Total Time to Issuance of RA Approval
Corrective Action Plan 27	

Longest Pending Corrective Action Plan on June 30, 2012

Application Date	N/A

No Pending CAP's on June 30, 2012

Permit Type: Freshwater Wetlands Program Permits

Permits Issued During Reporting Period: April to June 2012

Туре	Average Total Time to Issuance
Preliminary Determinations	80 Days
Alteration	238 Days

Longest Pending Application as of: 7/17/12

Application Date	4/27/09

Permit Type: Onsite Wastewater Treatment Systems

Permits Issued During Reporting Period: <u>April to June 2012</u>

Туре	Average Total Time to Issuance
New Building	55 Days
Variances	182 Days

Longest Pending Application as of:

Application Date	7/15/08 (Pending Nitrex approval changes)

Permit Type: Water Quality Certifications:

Permits Issued During Reporting Period: <u>April to June 2012</u>

Туре	Average Total Time to Issuance
WQC	81 business days

Longest Pending Application as of:

Application Date	5/21/08

Permit Type: Underground Injection Control:

Permits Issued During Reporting Period: <u>April to June 2012</u>

Туре	Average Total Time to Issuance						
Stormwater	137 days						
Orders of Approval	38 days						

Longest Pending Application as of: June 30, 2012

Application Date	11/16/11

Permit Type: RIPDES Permits:

Permits Issued During Reporting Period: <u>April to June 2012</u>

Туре	Average Total Time to Issuance
Construction General Permits	3 – 18 Days
Remediation General Permit	1 – 20 Days
Multi Sector (90 day auto approval)	0
Individual	0 (Does not include re-issuances)

Longest Pending Application on Day:

Application Date	January 31, 2011

Permit Type: Order of Approval for Design of Wastewater Treatment Facilities and Sewer Systems:

Permits Issued During Reporting Period: <u>April to June 2012</u>

Туре	Average Total Time to Issuance						
WWTFs	none issued during reporting period						
Sewers	40 days						

Longest Pending Application as of:

Application Date	8/26/2011
	-, -, -

Sewer Connection Permit and Wastewater Discharge Permit Program 2012

Permit	Number of Applications Submitted				Avera	ige Num pro	ber of D cess	ays to	Longest Outstanding Permit Applications			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Sewer Connection	47	59	50	58	2.64	1.9	1.84	1.21	0	0	0	0
Wastewater Discharge	48	47	27	20	16	17	17	22	0	0	0	0

2012 Permit Summary Report

Rhode Island Division of State Fire Marshal's



2012 Permit Summary Report

APPRov.		Quarter 1			Quarter 2			Quarter 3		Quarter 4		
Permit Type	Average Processing Time (Days)	Total Permits	Shortest / Longest Time (Days)	Average Processing Time (Days)	Total Permits	Shortest / Longest Time (Days)	Average Processing Time (Days)	Total Permits	Shortest / Longest Time	Average Processing Time (Days)	Total Permits	Shortest / Longest Time (Days)
Class "b" Blasting Permit	6.64	14	0/83	NA	NA	NA	1.23	22	0/20	0.64	14	0/6
Explosives Dealer	NA	NA	NA	NA	NA	NA	NA	NA	NA	0.00	3	0/0
Explosives Possessor	10.00	1	10/10	NA	NA	NA	44.00	1	44/44	1.00	3	0/3
Group Iii Flame Effect	NA	NA	NA	NA	NA	NA	NA	NA	NA	0.00	2	0/0
Liquid Propane Tank Exchange	20.59	59	0/42	NA	NA	NA	20.96	52	0/85	14.44	61	0/41
Liquid Propane Tank Filing	20.25	19	8/27	NA	NA	NA	28.00	3	0/50	NA	NA	NA
Permit to Service Fixed Extinguishing Equipment	13.00	38	0/69	NA	NA	NA	NA	NA	NA	NA	NA	NA
Permit to Service Portable Fire Extinguishers	13.65	48	0/69	NA	NA	NA	NA	NA	NA	NA	NA	NA
Plan Review - Building Renovation	21.88	43	0/45	NA	NA	NA	NA	NA	NA	37.00	28	1/59
Plan Review - Extinguishing System	11.43	7	0/44	NA	NA	NA	28.00	2	27/29	35.33	3	20/58
Plan Review - Fire Alarm System	11.31	50	0/44	NA	NA	NA	NA	NA	NA	11.80	13	0/41
Plan Review - New Building	28.00	6	28/28	NA	NA	NA	25.33	7	9/44	13.30	3	0/26
Plan Review - Sprinkler System	25.42	33	0/65	NA	NA	NA	27.06	19	0/77	25.43	11	16/36
Pyrotechnics Display Permit	NA	NA	NA	NA	NA	NA	0.00	2	0/0	0.00	4	0/0
Verification of Certificate of Competency & Insurance Coverage	10.89	19	1/17	NA	NA	NA	0.97	30	0/10	0.13	8	0/1

	Public Utilities						•				
Motor Car	riers - Certificates of	Public	Neces	sity Co	nveni	ence a	nd Ope	erating Authority			
	N	Number Filed					Number Pending From Previous Qua				
	Q1	Q2	Q2 Q3		Q1	Q2	Q3	Q4			
Permit Type											
Towing	0	2	2	3	1	0	0	2			
Taxi/Public Motor Vehicle	5	3	2	5	0	1	0	0			
Bulk and Dry Freight	1	1	1	2	0	1	0	0			
Household Goods Authority	0	0	2	0	0	0	0	0			
Petroleum	0	0	0	0	0	0	0	1			
Jitney	0	0	3	0	0	0	0	0			
Office Furniture Goods	2	0	0	0	0	1	0	0			
Courier Services	1	0	0	0	0	0	0	0			
Ferry Service CPNC	0	0	0	0	0	0	0	0			
Human Remains Authority	0	0	0	0	0	0	0	0			
		Average Processing From Filing Date By Number of Days			Ave	Order to be Issued (Post Hearing) By Number of Days					
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Permit Type											
Towing	Pending	27	33	38	6	17	N/A	7			
Taxi/Public Motor Vehicle	24	20	24	35	4	15	2	2			
Bulk and Dry Freight	Pending	23	N/A	21	N/A	5	N/A	3			
Household Goods Authority	57	N/A	N/A	N/A	N/A	N/A	30	N/A			
Petroleum	N/A	33	N/A	N/A	N/A	N/A	N/A	5			
Jitney	48	N/A	N/A	N/A	N/A	N/A	17	N/A			
Office Furniture Goods	N/A	N/A	N/A	27	N/A	5	N/A	N/A			
Courier Services	0	N/A	17	N/A	17	N/A	0	N/A			
Ferry Service CPNC	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
Human Remains Authority	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			

Attachment E - RIGL§ 42-35-1

TITLE 42 State Affairs and Government

CHAPTER 42-35 Administrative Procedures

SECTION 42-35-1

§ 42-35-1 Definitions. – As used in this chapter:

(1) "Agency" includes each state board, commission, department, or officer, other than the legislature or the courts, authorized by law to make rules or to determine contested cases, and all "authorities", as that term is defined below;

(2) "Authorities" includes the following: the Rhode Island industrial building authority, the Rhode Island recreational building authority, the Rhode Island economic development corporation, the Rhode Island industrial facilities corporation, the Rhode Island refunding bond authority, the Rhode Island housing and mortgage finance corporation, the Rhode Island solid waste management corporation, the Rhode Island public transit authority, the Rhode Island student loan authority, the Howard development corporation, the water resources board, the Rhode Island health and educational building corporation, the Rhode Island higher education assistance authority, the Rhode Island turnpike and bridge authority, the Blackstone Valley district commission, the Narragansett Bay water quality management district commission, their successors and assigns, and any body corporate and politic with the power to issue bonds and notes, which are direct, guaranteed, contingent, or moral obligations of the state, which is hereinafter created or established in this state.

(3) "Contested case" means a proceeding, including but not restricted to ratemaking, price fixing, and licensing, in which the legal rights, duties, or privileges of a specific party are required by law to be determined by an agency after an opportunity for hearing;

(4) "License" includes the whole or part of any agency permit, certificate, approval, registration, charter, or similar form of permission required by law, but it does not include a license required solely for revenue purposes;

(5) "Licensing" includes the agency process respecting the grant, denial, renewal, revocation, suspension, annulment, withdrawal, or amendment of a license;

(6) "Party" means each person or agency named or admitted as a party, or properly seeking and entitled as of right to be admitted as a party;

(7) "Person" means any individual, partnership, corporation, association, the department of environmental management, governmental subdivision, or public or private organization of any character other than an agency;

(8) "Rule" means each agency statement of general applicability that implements, interprets, or prescribes law or policy or describes the organization, procedure, or practice requirements of any agency. The term includes the amendment or repeal of a prior rule, but does not include: (1) statements concerning only the internal management of an agency and not affecting private rights or procedures available to the public, or (2) declaratory rulings issued pursuant to § 42-35-8, (3) intra-agency memoranda, or (4) an order;

(9) "Small business" shall have the same meanings that are provided for under title 13, volume 1, part 121 of the Code of Federal Regulations (13 CFR 121, as may be amended from time to time);

(10) "Order" means the whole or a part of a final disposition, whether affirmative, negative, injunctive or declaratory in form, of a contested case;

(11) "Small business advocate" means the person appointed by the director of the economic development corporation as provided in § 42-64-34.

History of Section.

(G.L. 1956, § 42-35-1, P.L. 1962, ch. 112, § 1; P.L. 1984, ch. 368, § 1; P.L. 1986, ch. 253, § 1; P.L. 1986, ch. 281, § 2; P.L. 2004, ch. 335, § 1; P.L. 2004, ch. 400, § 1; P.L. 2005, ch. 96, § 2; P.L. 2005, ch. 100, § 2; P.L. 2010, ch. 88, § 2; P.L. 2010, ch. 114, § 2.)