

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- SMALL BUSINESS  
REGULATORY FAIRNESS IN ADMINISTRATIVE PROCEDURES-ECONOMIC IMPACT  
STATEMENTS

Introduced By: Senators Dimitri, LaMountain, Raptakis, Thompson, Famiglietti, Paolino,  
de la Cruz, Rogers, and E Morgan

Date Introduced: February 27, 2026

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 42-35.1-3 of the General Laws in Chapter 42-35.1 entitled "Small  
2 Business Regulatory Fairness in Administrative Procedures" is hereby amended to read as follows:

3 **42-35.1-3. Economic impact statements.**

4 (a) Prior to the adoption of any proposed regulation that may have an adverse impact on  
5 small businesses, with the exception of emergency regulations adopted in accordance with § 42-  
6 35-2.10 and excluding those businesses defined in subsection (c) of this section, each agency shall  
7 prepare and submit, in conjunction with assistance and oversight from the office of regulatory  
8 reform, the proposed regulations to both the governor's office and the office of regulatory reform  
9 at least fifteen (15) days in advance of the commencement of the formal rulemaking process, and  
10 in congruence with the analysis required in subsection (b) of this section, an economic impact  
11 statement that includes the following:

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

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

17 (3) A statement of the effect or probable effect on impacted small businesses [and a finding](#)  
18 [that the anticipated compliance costs of a proposed rule scale proportionally with the business size,](#)

1 [and do not impose fixed costs that larger businesses are able to absorb more easily;](#)

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

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

10 (c) The following professional and business activities, extensively regulated pursuant to  
11 state and federal law and subject to significant capital requirements and other regulatory standards,  
12 shall be excluded from this section:

13 (1) All public utilities, as defined in § 39-1-2, whose rates are subject to approval by the  
14 public utilities commission; and

15 (2) All regulated institutions as defined in § 19-1-1; broker-dealers as defined in § 7-11-  
16 101(1); and insurance companies chartered or licensed pursuant to chapters 1 and 2 of title 27.

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

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

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1           This act would require that agencies preparing economic impact statements for proposed  
2 rules applying to small businesses contain a finding that the anticipated compliance costs of the  
3 proposed rule scale proportionally with the business size, and do not impose fixed costs that larger  
4 businesses are able to absorb more easily.

5           This act would take effect upon passage.

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