

=====  
LC004318  
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- UNIVERSAL REGULATORY  
SANDBOX ACT

Introduced By: Representatives Place, Hopkins, Fascia, and Santucci

Date Introduced: January 28, 2026

Referred To: House State Government & Elections

It is enacted by the General Assembly as follows:

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

CHAPTER 64.35

UNIVERSAL REGULATORY SANDBOX ACT

**42-64.35-1. Purpose.**

This chapter establishes a universal regulatory sandbox, which allows businesses, under  
the observation of regulators, to develop and attempt to implement innovative products, services,  
and business models while temporarily receiving a waiver of specified laws and/or regulations.

**42-64.35-2. Definitions.**

(1) "Advisory committee" means the general regulatory sandbox program created in § 42-  
64.35- 4.

(2) "Applicable agency" means a department or agency of the state that by law regulates a  
business activity and persons engaged in such business activity, including the issuance of licenses  
or other types of authorization, which the regulatory relief office determines would otherwise  
regulate a sandbox participant.

(3) "Applicant" means a person that applies to participate in the regulatory sandbox.

(4) "Blockchain technology" means the use of a digital database containing records of  
financial transactions, which can be simultaneously used and shared within a decentralized,

1 publicly accessible network and can record transactions between two (2) parties in a verifiable and  
2 permanent way.

3 (5) “Consumer” means a person that purchases or otherwise enters into a transaction or  
4 agreement to receive an offering pursuant to a demonstration by a sandbox participant.

5 (6) “Demonstrate” or “demonstration” means to temporarily provide an offering in  
6 accordance with the provisions of the regulatory sandbox program described in this chapter.

7 (7) “Executive director” means the secretary of commerce of the commerce corporation.

8 (8) “Financial product or service” means:

9 (i) A financial product or financial service that requires state licensure or registration; or

10 (ii) A financial product, financial service, or banking business that includes a business  
11 model, delivery mechanism, offering of deposit accounts, or element that may require other  
12 authorization to act as a financial institution, enterprise, or other entity that is regulated by the  
13 department of business regulation.

14 (9) “Innovation” means the use or incorporation of a new or existing idea, a new or  
15 emerging technology, or a new use of existing technology, including blockchain technology, to  
16 address a problem, provide a benefit, or otherwise offer a product, production method, or service.

17 (10) “Insurance product or service” means an insurance product or insurance service that  
18 requires state licensure, registration, or other authorization as regulated by title 27, including an  
19 insurance product or insurance service that includes a business model, delivery mechanism, or  
20 element that requires a license, registration, or other authorization to do an insurance business, act  
21 as an insurance producer or consultant, or engage in insurance adjusting as regulated by department  
22 of business regulation, insurance division.

23 (11) “Offering” means a product, production method, or service, including a financial  
24 product or service or an insurance product or service, that includes an innovation.

25 (12) “Product” means a commercially distributed good that is:

26 (i) Tangible personal property;

27 (ii) The result of a production process; and

28 (iii) Passed through the distribution channel before consumption.

29 (13) “Production” means the method or process of creating or obtaining a good, which may  
30 include assembling, breeding, capturing, collecting, extracting, fabricating, farming, fishing,  
31 gathering, growing, harvesting, hunting, manufacturing, mining, processing, raising, or trapping a  
32 good.

33 (14) “Regulatory relief office” means the office of regulatory reform (ORR) created within  
34 the commerce corporation.

1           (15) “Regulatory sandbox” means the general regulatory sandbox program created in this  
2 chapter which allows a person to temporarily demonstrate an offering under a waiver or suspension  
3 of one or more state laws or regulations.

4           (16) “Sandbox participant” means a person whose application to participate in the  
5 regulatory sandbox is approved in accordance with the provisions of this chapter.

6           (17) “Service” means any commercial activity, duty, or labor performed for another person.

7           **42-64.35-3. Regulatory relief office - Appointment of director - Responsibilities.**

8           (a) There is hereby created within the commerce corporation, the regulatory relief office.

9           (b) The regulatory relief office shall be administered by a director appointed by the  
10 executive director.

11           (c) The director shall report to the executive director and may appoint staff subject to the  
12 approval of the executive director.

13           (d) The regulatory relief office shall:

14           (1) Administer the provisions of this chapter;

15           (2) Administer the regulatory sandbox program; and

16           (3) Act as a liaison between private businesses and applicable agencies to identify state  
17 laws or regulations that could potentially be waived or suspended under the regulatory sandbox  
18 program.

19           (e) The regulatory relief office shall:

20           (1) Review state laws and regulations that may unnecessarily inhibit the creation and  
21 success of new companies or industries and provide recommendations to the governor and the  
22 general assembly on modifying such state laws and regulations;

23           (2) Create a framework for analyzing the risk level to the health, safety, and financial well-  
24 being of consumers related to permanently removing or temporarily waiving laws and regulations  
25 inhibiting the creation or success of new and existing companies or industries;

26           (3) Propose potential reciprocity agreements between states that use or are proposing to  
27 use similar regulatory sandbox programs as described in this chapter;

28           (f) In accordance with chapter 35 of title 42 ("administrative procedures"), and the  
29 provisions of this chapter, make rules regarding:

30           (1) Administering the regulatory sandbox, including promulgating rules and regulations  
31 regarding the application process and the reporting requirements of sandbox participants; and

32           (2) Cooperating and consulting with other agencies in the state that administer sandbox  
33 programs.

34           **42-64.35-4. Advisory committee.**

1           (a) There is hereby created the general regulatory sandbox program advisory committee.

2           (b) The advisory committee shall have eleven (11) members as follows:

3           (1) Six (6) members appointed by the regulatory relief office director ("office director")  
4 who represent businesses interests and are selected from a variety of industry clusters; three (3)  
5 members appointed by the office director who represent state agencies that regulate businesses; one  
6 member of the senate, appointed by the president of the senate; and one member of the house of  
7 representatives, appointed by the speaker of the house of representatives.

8           (2) Subject to subsection (c) of this section, members of the advisory committee who are  
9 not legislators shall be appointed to a four (4) year term.

10          (c) Notwithstanding the requirements of subsection (b) of this section, the office director  
11 may adjust the length of terms of appointments and reappointments to the advisory committee in  
12 order that approximately fifty percent (50%) of the advisory committee is appointed every two (2)  
13 years.

14          (d) The office director shall select a chair of the advisory committee on an annual basis.

15          (e) A majority of the advisory committee constitutes a quorum for the purpose of  
16 conducting advisory committee business, and the action of the majority of a quorum constitutes the  
17 action of the advisory committee.

18          (f) The advisory committee shall advise and make recommendations to the regulatory relief  
19 office as described in this chapter.

20          (g) The regulatory relief office shall provide administrative staff support for the advisory  
21 committee.

22          (h) A member shall not receive compensation or benefits for the member's service;  
23 provided, however, a member appointed under subsection (b)(1) of this section representing  
24 businesses interest may receive per diem and travel expenses.

25           **42-64.35-5. General regulatory sandbox program and application requirements.**

26          (a) There is created in the regulatory relief office, the general regulatory sandbox program.  
27 In administering the regulatory sandbox, the regulatory relief office:

28           (1) Shall consult with each applicable agency;

29           (2) Shall establish a program to enable a person to obtain legal protections and limited  
30 access to the market in the state to demonstrate an offering without obtaining a license or other  
31 authorization that might otherwise be required;

32           (3) May enter into agreements with or adopt the best practices of corresponding federal  
33 regulatory agencies or other states that are administering similar programs; and

34           (4) May consult with businesses in the state about existing or potential proposals for the

1 regulatory sandbox.

2 (b) An applicant for the regulatory sandbox may contact the regulatory relief office to  
3 request a consultation regarding the regulatory sandbox before submitting an application. The  
4 regulatory relief office shall provide assistance to an applicant in preparing an application for  
5 submission.

6 (c) An applicant for the regulatory sandbox shall provide to the regulatory relief office an  
7 application in a form prescribed by the regulatory relief office that:

8 (1) Confirms the applicant is subject to the jurisdiction of the state;

9 (2) Confirms the applicant has established a physical or virtual location in the state, from  
10 which the demonstration of an offering shall be developed and performed and where all required  
11 records, documents, and data shall be maintained;

12 (3) Contains relevant personal and contact information for the applicant, including legal  
13 names, addresses, telephone numbers, email addresses, website addresses, and other information  
14 required by the regulatory relief office;

15 (4) Discloses criminal convictions of the applicant or other participating personnel, if any;

16 (5) Contains a description of the offering to be demonstrated, including statements  
17 regarding:

18 (i) How the offering is subject to licensing, legal prohibition, or other authorization  
19 requirements outside of the regulatory sandbox;

20 (ii) Each law or regulation that the applicant seeks to have waived or suspended while  
21 participating in the regulatory sandbox program;

22 (iii) How the offering would benefit consumers;

23 (iv) How the offering is different from other offerings available in the state;

24 (v) What risks might exist for consumers who use or purchase the offering;

25 (vi) How participating in the regulatory sandbox would enable a successful demonstration  
26 of the offering;

27 (vii) A description of the proposed demonstration plan, including estimated time periods  
28 for beginning and ending the demonstration;

29 (viii) Recognition that the applicant will be subject to all laws and regulations pertaining  
30 to the applicant's offering after conclusion of the demonstration;

31 (ix) How the applicant will end the demonstration and protect consumers if the  
32 demonstration fails;

33 (x) Lists each government agency, if any, that the applicant knows regulates the applicant's  
34 business; and

1           (xi) Provides any other required information as determined by the regulatory relief office.

2           (d) The regulatory relief office may collect an application fee from an applicant.

3           (e) An applicant shall file a separate application for each offering that the applicant intends  
4 to demonstrate.

5           (f) After an application is filed, the regulatory relief office shall:

6           (1) Classify, as protected record, any part of the application that the office determines is  
7 nonpublic, confidential information that if disclosed would result in actual economic harm to the  
8 applicant in accordance with chapter 2 of title 38 ("access to public records");

9           (2) Consult with each applicable government agency that regulates the applicant's business  
10 regarding whether more information is needed from the applicant; and

11           (3) Seek additional information from the applicant that the regulatory relief office  
12 determines is necessary.

13           (g) No later than five (5) business days after the day on which a complete application is  
14 received by the regulatory relief office, the regulatory relief office shall:

15           (1) Review the application and refer the application to each applicable government agency  
16 that regulates the applicant's business;

17           (2) Provide to the applicant:

18           (i) An acknowledgment of receipt of the application; and

19           (ii) The identity and contact information of each regulatory agency to which the application  
20 has been referred for review;

21           (3) Provide public notice, on the office's website and through other appropriate means, of  
22 each law or regulation that the office is considering to suspend or waive under the application.

23           (h) Subject to subsections (h)(3) and (h)(7) of this section, no later than thirty (30) days  
24 after the day on which an applicable agency receives a complete application for review, the  
25 applicable agency shall provide a written report to the office director of the applicable agency's  
26 findings.

27           (1) The report shall:

28           (i) Describe any identifiable, likely, and significant harm to the health, safety, or financial  
29 well-being of consumers that the relevant law or regulation protects against; and

30           (ii) Make a recommendation to the regulatory relief office that the applicant either be  
31 admitted or denied entrance into the regulatory sandbox.

32           (2) The applicable agency may request an additional five (5) business days to deliver the  
33 written report by providing notice to the office director, which request shall automatically be  
34 granted.

1           (3) The applicable agency shall only request one extension per application.

2           (4) If the applicable agency recommends an applicant under this section be denied entrance  
3 into the regulatory sandbox, the written report shall include a description of the reasons for the  
4 recommendation, including why a temporary waiver or suspension of the relevant laws or  
5 regulations would potentially significantly harm the health, safety, or financial well-being of  
6 consumers or the public and the likelihood of such harm occurring.

7           (5) If the agency determines that the consumer's or public's health, safety, or financial  
8 well-being can be protected through less restrictive means than the existing relevant laws or  
9 regulations, then the applicable agency shall provide a recommendation of how that can be  
10 achieved.

11           (6) If an applicable agency fails to deliver a written report as described in subsection (h)(1)  
12 of this section, the office director shall assume that the applicable agency does not object to the  
13 temporary waiver or suspension of the relevant laws or regulations for an applicant seeking to  
14 participate in the regulatory sandbox.

15           (7) Notwithstanding any other provision of this section, an applicable agency shall by  
16 written notice to the regulatory relief office:

17           (i) Within the thirty (30) days after the day on which the applicable agency receives a  
18 complete application for review, or within thirty-five (35) days if an extension has been requested  
19 by the applicable agency, reject an application if the applicable agency determines, in the applicable  
20 agency's sole discretion, that the applicant's offering fails to comply with standards or  
21 specifications:

22           (A) Required by federal law or regulation; or

23           (B) Previously approved for use by a federal agency; or

24           (ii) Reject an application preliminarily approved by the regulatory relief office, if the  
25 applicable agency:

26           (A) Recommended rejection of the application in accordance with subsection (h)(4) of this  
27 section in the agency's written report; and

28           (B) Provided in the written notice under subsection (h)(7) of this section, a description of  
29 the applicable agency's reasons why approval of the application would create a substantial risk of  
30 harm to the health or safety of the public, or create unreasonable expenses for taxpayers in the state.

31           (8) If an applicable agency rejects an application under subsection (h)(7) of this section,  
32 the regulatory relief office shall not approve the application.

33           (i) Upon receiving a written report described in subsection (h)(1) of this section, the  
34 director shall provide the application and the written report to the advisory committee.

1           (A) The office director may call the advisory committee to meet as needed; provided,  
2           however, not less than once per quarter if applications are available for review.

3           (B) After receiving and reviewing the application and each written report, the advisory  
4           committee shall provide to the office director the advisory committee's recommendation as to  
5           whether or not the applicant should be admitted as a sandbox participant under this chapter.

6           (C) As part of the advisory committee's review of each written report, the advisory  
7           committee shall use the criteria required for an applicable agency as described in subsection (h)(1)  
8           of this section.

9           (j) In reviewing an application and each applicable agency's written report, the regulatory  
10          relief office shall consult with each applicable agency and the advisory committee before admitting  
11          an applicant into the regulatory sandbox. The consultation with each applicable agency and the  
12          consultation with the advisory committee may include seeking information about whether:

13           (i) The applicable agency has previously issued a license or other authorization to the  
14           applicant; and

15           (ii) The applicable agency has previously investigated, sanctioned, or pursued legal action  
16           against the applicant.

17          (k) In reviewing an application under this section, the regulatory relief office and applicable  
18          agency shall consider whether a competitor to the applicant is or has been a sandbox participant  
19          and, if so, weigh that as a factor in favor of allowing the applicant to also become a sandbox  
20          participant.

21          (l) In reviewing an application under this section, the regulatory relief office shall consider  
22          whether:

23           (1) The applicant's plan will adequately protect consumers from potential harm identified  
24           by an applicable agency in the applicable agency's written report;

25           (2) The risk of harm to consumers is outweighed by the potential benefits to consumers  
26           from the applicant's participation in the regulatory sandbox; and

27           (3) Certain state laws or regulations that regulate an offering should not be waived or  
28           suspended even if the applicant is approved as a sandbox participant, including applicable antifraud  
29           or disclosure provisions.

30          (m) An applicant becomes a sandbox participant if the regulatory relief office approves the  
31          application for the regulatory sandbox and enters into a written agreement with the applicant  
32          describing the specific laws and regulations that are waived or suspended as part of participation in  
33          the regulatory sandbox. Notwithstanding any other provision of this chapter, the regulatory relief  
34          office shall not enter into a written agreement with an applicant that waives or suspends a tax, fee,



1 or charge that is administered by the department of revenue or the division of taxation.

2 (n) The office director may deny at the office director's sole discretion any application  
3 submitted under this section for any reason, including if the office director determines that the  
4 preponderance of evidence demonstrates that suspending or waiving enforcement of a law or  
5 regulation would cause a significant risk of harm to consumers or residents of the state. If the office  
6 director denies an application submitted under this section, the regulatory relief office shall provide  
7 to the applicant a written description of the reasons for not allowing the applicant to be a sandbox  
8 participant. The denial of an application submitted under this section is not subject to:

9 (1) Agency or judicial review; or

10 (2) The provisions of chapter 35 of title 42 ("administrative procedures").

11 (o) The office director shall deny an application for participation in the regulatory sandbox  
12 described by this section if the applicant or any person who seeks to participate with the applicant  
13 in demonstrating an offering has been convicted, entered a plea of nolo contendere, or entered a  
14 plea of guilty or nolo contendere held in abeyance, for any crime involving significant theft, fraud,  
15 or dishonesty if the crime bears a significant relationship to the applicant's or other participant's  
16 ability to safely and competently participate in the regulatory sandbox program.

17 (p) When an applicant is approved for participation in the regulatory sandbox, the director  
18 shall provide public notice of the approval on the office's website and through other appropriate  
19 means. The public notice shall state:

20 (1) The name of the sandbox participant;

21 (2) The industries the sandbox participant represents; and

22 (3) Each law or regulation that is suspended or waived for the sandbox participant as  
23 allowed by the regulatory sandbox.

24 (q) In addition to the information described in subsection (p) of this section, the office shall  
25 make the following information available on the office's website and through other appropriate  
26 means:

27 (1) Documentation regarding the office's determination and grounds for approving each  
28 sandbox participant; and

29 (2) Public notice regarding any sandbox participant's revocation to participate in the  
30 regulatory sandbox.

31 **42-64.35-6. Scope of the regulatory sandbox.**

32 (a) If the regulatory relief office approves an application under the provisions of this  
33 chapter, the sandbox participant has twelve (12) months after the day on which the application was  
34 approved to demonstrate the offering described in the sandbox participant's application.

1           **(b) An offering that is demonstrated within the regulatory sandbox is subject to the**  
2 **following:**

3           **(1) Each consumer shall be a resident of the state; and**

4           **(2) No law or regulation may be waived or suspended if waiving or suspending the law or**  
5 **regulation would prevent a consumer from seeking restitution in the event that the consumer is**  
6 **harmed.**

7           **(c) This section does not restrict a sandbox participant who holds a license or other**  
8 **authorization in another jurisdiction from acting in accordance with that license or other**  
9 **authorization.**

10           **(d) A sandbox participant is deemed to possess an appropriate license or other authorization**  
11 **under the laws of the state for the purposes of any provision of federal law requiring licensure or**  
12 **other authorization by the state.**

13           **(e) Subject to subsection (f) of this section:**

14           **(1) During the demonstration period, a sandbox participant is not subject to the**  
15 **enforcement of state laws or regulations identified in the written agreement between the regulatory**  
16 **relief office and the sandbox participant;**

17           **(2) The department of the attorney general shall not file or pursue charges pertaining to a**  
18 **law or regulation identified in the written agreement between the regulatory relief office and the**  
19 **sandbox participant that occurs during the demonstration period; and**

20           **(3) A state agency shall not file or pursue any punitive action against a sandbox participant,**  
21 **including a fine or license suspension or revocation, for the violation of a law or regulation that:**

22           **(i) Is identified as being waived or suspended in the written agreement between the**  
23 **regulatory relief office and the sandbox participant; and**

24           **(ii) Occurs during the demonstration period.**

25           **(f) Notwithstanding any other provision of this section:**

26           **(1) A sandbox participant does not have immunity related to any criminal offense**  
27 **committed during the sandbox participant's participation in the regulatory sandbox; and**

28           **(2) A sandbox participant that provides an offering that is a financial product or service**  
29 **shall comply with all applicable federal laws and regulations governing consumer protection.**

30           **(g) By written notice, the regulatory relief office may end a sandbox participant's**  
31 **participation in the regulatory sandbox at any time and for any reason, including if the office**  
32 **director determines that a sandbox participant is not operating in good faith to bring an offering to**  
33 **market.**

34           **(h) The regulatory relief office and the regulatory relief office's employees shall not be**

1 liable for any business losses or the recouping of application expenses or other expenses related to  
2 the regulatory sandbox, including for:

3 (1) Denying an applicant's application to participate in the regulatory sandbox for any  
4 reason; or

5 (2) Ending a sandbox participant's participation in the regulatory sandbox at any time and  
6 for any reason.

7 **42-64.35-7. Annual report.**

8 (a) The executive director shall include in the annual report described in this section a  
9 written report from the office director on the activities of the regulatory relief office, which report  
10 shall include:

11 (1) Information regarding each participant in the regulatory sandbox, including which  
12 industries each participant represents and the anticipated or actual cost savings that each participant  
13 experienced;

14 (2) Recommendations regarding any laws or regulations that should be permanently  
15 modified;

16 (3) Information regarding outcomes for consumers; and

17 (4) Recommendations for changes to the regulatory sandbox program or other duties of the  
18 regulatory relief office.

19 (b) By October 1 of each year, the executive director shall provide the written report from  
20 the office director on the activities of the regulatory relief office described in subsection (a) of this  
21 section to the general assembly.

22 **42-64.35-8. Consumer protection for regulatory sandbox.**

23 (a) Before demonstrating an offering to a consumer, a sandbox participant shall disclose  
24 the following to the consumer:

25 (1) The name and contact information of the sandbox participant;

26 (2) That the offering is authorized pursuant to the regulatory sandbox and, if applicable,  
27 that the sandbox participant does not have a license or other authorization to provide an offering  
28 under state laws that regulate offerings outside of the regulatory sandbox;

29 (3) That the offering is undergoing testing and may not function as intended and may  
30 expose the consumer to certain risks as identified by the applicable agency's written report;

31 (4) That the provider of the offering is not immune from civil liability for any losses or  
32 damages caused by the offering;

33 (5) That the provider of the offering is not immune from criminal prosecution for violations  
34 of state law or regulations that are not suspended or waived as allowed by the regulatory sandbox;

1           (6) That the offering is a temporary demonstration that may be discounted at the end of the  
2 demonstration period;

3           (7) The expected end date of the demonstration period; and

4           (8) That a consumer may contact the regulatory relief office and file a complaint regarding  
5 the offering being demonstrated and provide the regulatory relief office's telephone number and  
6 website address where a complaint may be filed.

7           (b) The disclosures required by subsection (a) of this section shall be provided to a  
8 consumer in a clear and conspicuous form and, for an Internet or application-based offering, a  
9 consumer shall acknowledge receipt of the disclosure before any transaction may be completed.

10          (c) The regulatory relief office may require that a sandbox participant make additional  
11 disclosures to a consumer.

12           **42-64.35-9. Requirements for exiting regulatory sandbox.**

13          (a) At least thirty (30) days before the end of the twelve (12) month regulatory sandbox  
14 demonstration period, a sandbox participant shall:

15           (1) Notify the regulatory relief office that the sandbox participant will exit the regulatory  
16 sandbox and discontinue the sandbox participant's demonstration after the day on which the twelve  
17 (12) month demonstration period ends; or

18           (2) Seek an extension under § 42-64.35-10.

19          (b) Subject to subsection (c) of this section, if the regulatory relief office does not receive  
20 notification as required by subsection (a) of this section, the regulatory sandbox demonstration  
21 period ends at the end of the twelve (12) month testing period.

22          (c) If a demonstration includes an offering that requires ongoing duties, the sandbox  
23 participant may continue to do so; provided, however, the participant will be subject to enforcement  
24 of the laws or regulations that were waived or suspended as part of the regulatory sandbox.

25           **42-64.35-10. Extensions.**

26          (a) Not later than thirty (30) days before the end of the twelve (12) month regulatory  
27 sandbox demonstration period, a sandbox participant may request an extension of the regulatory  
28 sandbox demonstration period.

29          (b) The regulatory relief office shall grant or deny a request for an extension in accordance  
30 with subsection (a) of this section by the end of the twelve (12) month regulatory sandbox testing  
31 period.

32          (c) The regulatory relief office may grant an extension in accordance with this section for  
33 not more than twelve (12) months after the end of the regulatory sandbox demonstration period.

34           **42-64.35-11. Record keeping and reporting requirements.**

1       (a) A sandbox participant shall retain records, documents, and data produced in the  
2       ordinary course of business regarding an offering demonstrated in the regulatory sandbox.

3       (b) If a sandbox participant ceases to provide an offering before the end of a demonstration  
4       period, the sandbox participant shall notify the regulatory relief office and each applicable agency  
5       and report on actions taken by the sandbox participant to ensure consumers have not been harmed  
6       as a result.

7       (c) The regulatory relief office shall establish quarterly reporting requirements for a  
8       sandbox participant, including information about any consumer complaints.

9       (d) The regulatory relief office may request records, documents, and data from a sandbox  
10       participant and, upon the regulatory relief office's request, the sandbox participant shall make such  
11       records, documents, and data available for inspection by the regulatory relief office.

12       (e)(1) The sandbox participant shall notify the regulatory relief office and each applicable  
13       agency of any incidents that result in harm to the health, safety, or financial well-being of a  
14       consumer.

15       (2) If a sandbox participant fails to notify the regulatory relief office and each applicable  
16       agency of any incidents as described in subsection (e)(1) of this section, or the regulatory relief  
17       office or an applicable agency has evidence that significant harm to a consumer has occurred, the  
18       regulatory relief office shall immediately remove the sandbox participant from the regulatory  
19       sandbox.

20       (f) No later than thirty (30) days after the day on which a sandbox participant exits the  
21       regulatory sandbox, the sandbox participant shall submit a written report to the regulatory relief  
22       office and each applicable agency describing an overview of the sandbox participant's  
23       demonstration, including any:

24       (1) Incidents of harm to consumers;

25       (2) Legal action filed against the participant as a result of the participant's demonstration;  
26       and

27       (3) Complaints filed with an applicable agency as a result of the participant's  
28       demonstration.

29       (g) No later than thirty (30) days after the day on which an applicable agency receives the  
30       quarterly reporting described in subsection (c) of this section or a written report from a sandbox  
31       participant as described in subsection (e)(1) of this section, the applicable agency shall provide a  
32       written report to the regulatory relief office on the demonstration that describes any statutory or  
33       regulatory reform the applicable agency recommends as a result of the demonstration.

34       (h) The regulatory relief office may remove a sandbox participant from the regulatory

1 sandbox at any time if the regulatory relief office determines that a sandbox participant has engaged  
2 in, is engaging in, or is about to engage in any practice or transaction that is in violation of this  
3 chapter or that constitutes a violation of a law or regulation for which suspension or waiver has not  
4 been granted.

5 **42-64.35-12. Regulatory relief webpage.**

6 (a) The regulatory relief office shall create and maintain on its website a webpage that  
7 invites residents and businesses in the state to make suggestions regarding laws and regulations that  
8 could be modified or eliminated to reduce the regulatory burden of residents and businesses in the  
9 state.

10 (b) On at least a quarterly basis, the regulatory relief office shall compile the results of  
11 suggestions from the webpage and provide a written report to the governor, and the general  
12 assembly that describes the most common suggestions.

13 (c) In creating the report described in subsection (b) of this section, the regulatory relief  
14 office and the advisory committee:

15 (1) Shall ensure that private information of residents and businesses that make suggestions  
16 on the webpage is not made public; and

17 (2) May evaluate the suggestions and provide analysis and suggestions regarding which  
18 state laws and regulations could be modified or eliminated to reduce the regulatory burden of  
19 residents and businesses in the state while still protecting consumers.

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

=====  
LC004318  
=====

EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO STATE AFFAIRS AND GOVERNMENT -- UNIVERSAL REGULATORY  
SANDBOX ACT

\*\*\*

- 1
- This act shall establish a regulatory sandbox program designed to provide a depository for
- 2
- ideas in a regulatory approach, typically summarized in writing and published, that allows live,
- 3
- time-bound testing of innovations under a regulator's oversight in an effort to modify or eliminate
- 4
- state laws and regulations which produce a regulatory burden on residents and businesses in the
- 5
- state while still protecting consumers.
- 6
- This act would take effect upon passage.

=====  
LC004318  
=====