

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:

Employees' Retirement System of Rhode Island within the Office of the General Treasurer

Subject matter of regulation:

Employees' Retirement System of Rhode Island and Municipal Employees' Retirement System Regulations

ERLID No:

Amending 7381

Statutory authority:

Section 36-8-3 of the Rhode Island General Laws

Other agencies affected:

State agencies, municipalities and other public employers of members of the state administered retirement system.

Other regulations that may duplicate or conflict with the regulation:

None

Describe the scope and objectives of the regulation:

The Purpose of this amendment is to add **Regulation 16** to the Employees' Retirement System of Rhode Island and Municipal Employees' Retirement System Regulations. Rhode Island General Laws §36-10-10.3 and §45-21-17.2, which pertain to Social Security Supplemental Option, permit a vested member to elect an option which provides for payment of a larger benefit before the attainment of age 62 and a reduced amount thereafter. This regulation sets forth rules and regulations regarding eligibility and procedures for modification.

What was the rationale for establishing this regulation?

The rationale is to provide the retirement board, ERSRI staff, members and beneficiaries of the state administered retirement systems and their employers with a uniform set of procedures regarding administration of retirement benefits.

Does the rationale still exist?

Yes

Is the rationale still relevant?

Yes

Business industry (s) affected by the regulation:

The regulation does not impact any industry as a whole.

Types of businesses included in the industry (s):

The regulation does not impact any industry as a whole.

Total number of small businesses included in the regulated industry (s):

Zero

Number of small businesses potentially subject to the proposed regulation:

Zero

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

Based on available information, no small businesses have contacted Treasury or the Employees' Retirement System of Rhode Island with compliance issues relating the regulation.

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

The regulation is designed to increase efficiency as it relates to the administration of the state retirement system. The actual or net cost of establishing and enforcing the regulation is difficult to calculate and would be factored into the total administrative expenses of the retirement system.

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

The retirement board, ERSRI staff, members and beneficiaries of the state administered retirement systems and their employers would not have a uniform set of procedures to rely on which could result in inconsistent administrative decisions.

Effective date used in cost estimate:

N/A

For each question below, 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 X	Do small businesses have to create, file, or issue additional reports?
2.	Yes	No X	Do small businesses have to implement additional recordkeeping procedures?
3.	Yes	No X	Do small businesses have to provide additional administrative oversight?
4.	Yes	No X	Do small businesses have to hire additional employees in order to comply with the proposed regulation?

5.	Yes	No X	Does compliance with the regulation require small businesses to hire other professionals (e.g. a lawyer, accountant, engineer, etc.)?
6.	Yes	No X	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? N/A
8.	Yes	No X	Does the regulation require small businesses to cooperate with audits, inspections, or other regulatory enforcement activities?
9.	Yes	No X	Does the regulation have the effect of creating additional taxes and/or fees for small businesses?
10.	Yes	No X	Does the regulation require small businesses to provide educational services to keep up to date with regulatory requirements?

11.	Yes	No X	Is the regulation likely to <i>deter</i> the formation of small businesses in RI?
12.	Yes	No X	Is the regulation likely to <i>encourage</i> the formation of small businesses in RI?
13.	Yes	No X	Can the regulation provide for less stringent compliance or reporting requirements for small businesses?
14.	Yes	No X	Can the regulation establish less stringent schedules or deadlines for compliance or reporting requirements for small businesses?
15.	Yes	No X	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 standards? N/A

17.	Yes	No X	Are there alternative regulatory methods that would minimize the adverse impact on small businesses?
18.	Yes	No X	<p>Have any small businesses or small business organizations been contacted during the preparation of this document? If so, please describe.</p> <p>The proposed amendment will be promulgated in accordance with the Administrative Procedures Act which will allow any person or business to provide ERSRI with comments and concerns regarding the proposed amendments.</p>