



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
OFFICE OF REGULATORY REFORM
OFFICE OF MANAGEMENT & BUDGET
DEPARTMENT OF ADMINISTRATION

One Capitol Hill
Providence, RI 02908
Office: (401) 574-8430
www.omb.ri.gov

TO: Agency Heads
FROM: Erik Godwin, Director of the Office of Regulatory Reform
SUBJECT: Executive Order 15-07, "Improving Rhode Island's Regulatory Climate to Create Opportunity"
DATE: March 5, 2015

Governor Raimondo recently signed Executive Order 15-07 as part of her initiative to improve Rhode Island's regulatory and business climate. EO 15-07 outlines the importance of up-to-date, transparent regulations that use rigorous analysis to balance health, safety, welfare, and the environment with the need to minimize regulatory burdens on Rhode Island businesses and individuals.

While the Governor urges all rulemakers to participate, EO 15-07 specifically applies to all Executive branch entities with rulemaking authority, and to all regulations (including emergency regulations) not filed as Final Regulations with the Secretary of State on or before February 17, 2015.

Key Points

The Office of Management and Budget (OMB) is charged with ensuring that all Executive branch regulations adhere to the Regulatory Principles in EO 15-07 Section 2. To that end:

- Agencies must submit proposed regulations and associated documents, including an economic impact statement as defined in EO 15-07, to OMB's Office of Regulatory Reform (ORR).
- Covered regulations must receive ORR approval before moving forward with formal rulemaking. ORR has up to 30 days to perform an in-depth review, contact agencies for additional information, and approve or respond to the regulation and associated analysis. If no ORR response is received within 30 days, the agency may publish the Notice of Proposed Rulemaking.
- If a rulemaking action receives comment during the Public Comment period, the agency must submit the revised regulation, with received comments, to ORR for a second round of review before it may file the regulation as final with the Secretary of State. ORR again has up to 30 days for this second review.
- The enclosed "Transitional Guidance to New Requirements under Executive Order 15-07" flow chart provides a timeline and a comparison of prior requirements (under the Administrative Procedures Act or APA) and new requirements (incorporating the APA with EO 15-07).
- Each agency must designate one ORR point of contact, to whom ORR will direct all related emails and phone calls. Agencies may designate the named Rules Coordinator or another individual.

Upcoming Guidance and Training

In collaboration with the Executive Office of Commerce (EOC), OMB's Office of Regulatory Reform (ORR) will develop a standard analytical approach and format for economic impact statements that fulfill the requirements of EO 15-07. ORR will provide full guidance, forms, processes, and agency training sessions for EO 15-07 in April 2015, with a focus on quantifying societal costs and benefits.

Transitional Period

ORR has the authority to review any regulation not filed on or before February 17, 2015, including any Proposed Regulations prompting Public Comment (per EO 15-07 Section 3(5)). However, ORR recognizes that regulations already in the rulemaking process are time-sensitive. ORR will help agencies determine the level of analysis required during this transitional period.

- For regulations currently under review by ORR’s Small Business Ombudsman (SBO), agencies do not need to submit any additional documentation unless requested by ORR.
- For all other regulations, agencies should submit the new “EO 15-07 Submission Form” (attached), all documentation previously required by the SBO, and any other analysis deemed necessary to satisfy the Regulatory Principles in EO 15-07.
- The full list of requirements for ORR Review of Proposed Regulations is outlined in the box below. ORR will advise on submissions for any required ORR Review of Final Regulations.

Agencies should contact ORR with questions as early in the process as needed. To discuss these or any other issues related to the Executive Order, please contact:

Lisa Read
lisa.read@omb.ri.gov
(401) 574-8424

Transitional Period Documentation Required for ORR Review of Proposed Regulations

Email all submissions to omb.regsubmissions@omb.ri.gov, preferably in Microsoft Word (this email is for submissions only; send all questions to ORR staff). Begin all email subject lines and names of documents with the agency’s acronym or short name (e.g. DOA, EOHHS).

The following are required for all regulations:

- 1) **EO 15-07 Submission Form**: New fillable form attached.
- 2) **Notice of Proposed Rulemaking**: Use current format, but note that public hearing and comment dates may not be able to be set at time of submission. All dates related to public comment will need to accommodate the 30-day window available to ORR under EO 15-07.
- 3) **Summary of Changes**: Use current format. Required only for amendments or for adoptions replacing existing regulations.
- 4) **Proposed Regulations**: Use current format, annotating changes with strikethrough/underline.
- 5) **Any other analysis** that may be required to meet the requirements of EO 15-07. Contact Lisa Read at ORR to discuss the level of analysis needed for specific regulations.

The following are required ONLY if applicable under current Regulatory Flexibility guidelines. Contact Lisa Read at ORR (see above) for these forms or to discuss current Regulatory Flexibility requirements.

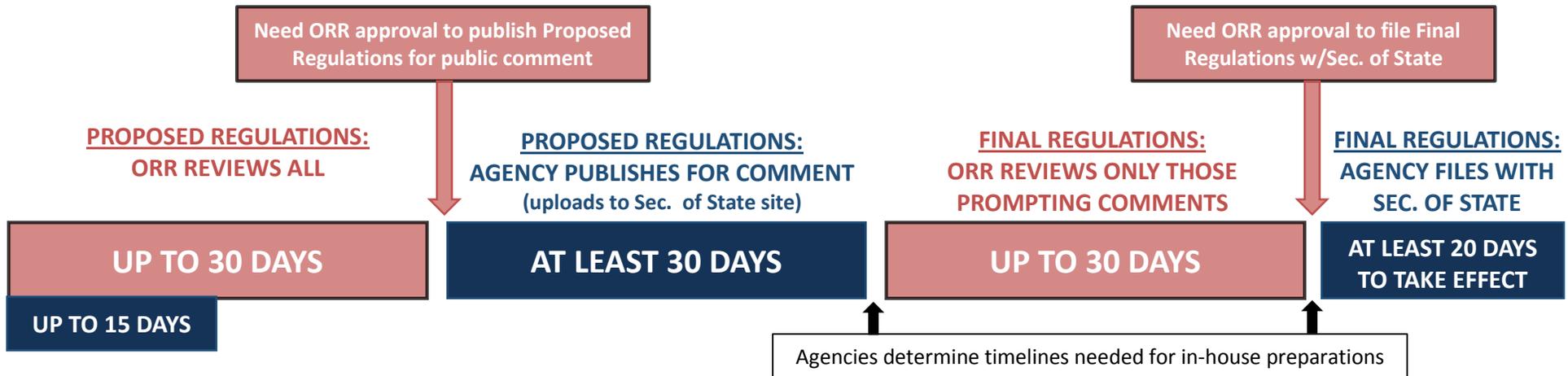
- 6) **Regulatory Flexibility Analysis** (only as necessary per RIGL § 42-35.1-4).
- 7) **Economic Impact Statement** (only as necessary per RIGL § 42-35.1-3).
- 8) **Fiscal Note** (only as necessary per RIGL § 22-12-1.1).

This submission satisfies all required regulatory review submissions to the Small Business Ombudsman, the Governor’s Office, the Executive Secretary of Commerce, and the Budget Office. Agencies no longer need to send documents to any of these offices; ORR will handle this distribution.

Transitional Guidance to New Requirements under Executive Order 15-07

Key: **APA requirements**

EO 15-07 requirements



	Prior requirements (APA)	New requirements (APA and EO 15-07)
ORR Review of Proposed Regulations	<ul style="list-style-type: none"> Reviewed for Regulatory Flexibility Submitted Reg Flex Package only Sent to multiple offices ORR had up to 15 days to make recommendations Could publish Proposed Regulations regardless of ORR recommendations 	<ul style="list-style-type: none"> Review is of EO 15-07 requirements and Regulatory Flexibility Submit Reg Flex Package (no change), EO 15-07 Submission Form, and any additional analysis required to meet EO 15-07 requirements (ORR will advise) Send to omb.regsubmission@omb.ri.gov; ORR will distribute as needed ORR has up to 30 days to approve or return to agency for revision Cannot publish Proposed Regulations to begin Public Comment period without ORR approval (or unless ORR takes no action within 30 days)
ORR Review of Final Regulations	<ul style="list-style-type: none"> No review required 	<ul style="list-style-type: none"> Review required only if comments were received or if changes were made Submit Final Regulations, comments, and updated analyses if needed (ORR will advise) Send to omb.regsubmission@omb.ri.gov; ORR will distribute as needed ORR has up to 30 days to approve or return to agency for revision Cannot file Final Regulations without ORR approval (or unless ORR takes no action within 30 days)

- Once ORR approves Proposed Regulations to be published, all APA requirements for the 30-day Public Comment period remain the same.
- Once ORR approves Final Regulations to be filed, all APA requirements for filing and the 20-day period before regulations take effect remain the same.

Full guidance available in April 2015. For questions, contact:

Lisa Read, (401) 574-8424
lisa.read@omb.ri.gov