

RFA Implementation

- 1) Agency Education
- 2) Small Business Activism
- 3) Executive Leadership

State Guide to Regulatory Flexibility for Small Businesses



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U.S. Small Business Administration
Office of Advocacy

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Foreword

More than 93 percent of businesses in every state are small businesses, and they face a disproportionate share of the costs and burdens of regulation. Regulatory flexibility—government initiatives to reduce regulations' heavier burden on small entities—gives small businesses a voice early in the rulemaking process and fosters a climate for entrepreneurial success. For the practice to be successful, it must be effective at both the federal and state levels.

Regulatory flexibility encourages agencies to develop an analytical process for determining how public policy goals can best be achieved without erecting unnecessary barriers to competition, stifling innovation, or imposing undue burdens on small businesses. In doing so, it seeks to level the playing field for small entities.

The Office of Advocacy is pleased with the number of state legislators and policymakers who have supported and passed regulatory flexibility to improve the regulatory environment for small businesses in their states. Implementing the law gives agencies and small businesses opportunities to cultivate collaborative relationships and develop sensible regulations.

My office is strengthened by regional advocates located in the Small Business Administration's 10 federal regions across the country (see Appendix G for a list with contact information). These accomplished individuals are the Office of Advocacy's direct link to small business owners, state and local government bodies, and organizations that support the interests of small entities. The regional advocates stand ready to provide information to you on the status of regulatory flexibility in your state, to assist you with the implementation of regulatory flexibility, and to help ensure the law's effectiveness.

We welcome your comments and suggestions for implementing this important state regulatory flexibility initiative for small business. Contact the regional advocates directly or our office at (202) 205-6533, or email advocacy@sba.gov.



Thomas M. Sullivan
Chief Counsel for Advocacy

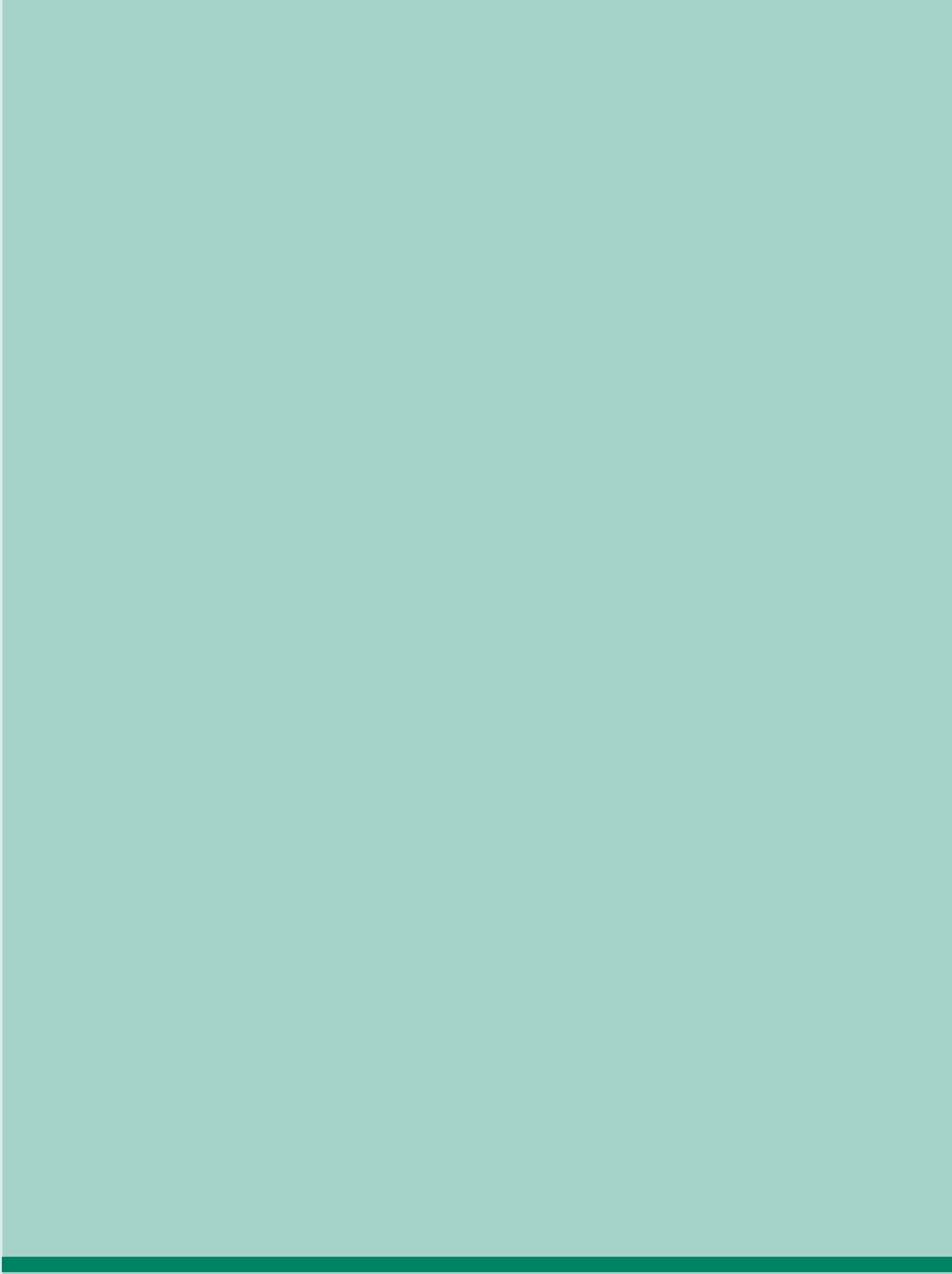
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Regulatory Flexibility: What Is It and Why Does It Matter?

Because regulation imposes similar administrative costs on entities regardless of their size, it has long been known to have disproportionate effects on smaller entities. According to a 2005 study funded by the Office of Advocacy (Advocacy), *The Impact of Regulatory Costs on Small Firms*, by Dr. Mark Crain, firms with fewer than 20 employees annually spend \$7,647 per employee to comply with federal regulations, compared with the \$5,282 per employee spent by firms with 500 or more employees.¹ That is a 45 percent greater burden on small entities than on their larger business counterparts.

In September 1980, Congress enacted the federal Regulatory Flexibility Act (RFA), which mandated that agencies consider the impact of their regulatory proposals on small entities, analyze equally effective alternatives, and make their analysis available for public comment.

In March 1996, Congress was persuaded by 15 years of uneven compliance with the RFA, and by the repeated urging of the small business community, to authorize the courts to review agency RFA compliance. Amendments to the RFA, in the form of the Small Business Regulatory Enforcement Fairness Act (SBREFA), became law and raised the stakes

¹ See <http://www.sba.gov/advo/research/rs264tot.pdf>.



Wayne M. Gatewood, Jr., President of Quality Support, Inc., a service-disabled veteran-owned business, discusses the state RFA initiative with Jaime Willis, author of the model RFA bill, and Advocacy Assistant Advocate Linwood Rayford.

for regulatory agencies. Judicial review was absent in the original statute, which resulted in limited success in curbing excess regulatory burdens. SBREFA gave the RFA “teeth” by adding judicial review and reinforced the RFA requirement that agencies reach out and consider the input of small businesses in the development of regulatory proposals.

Regulatory Flexibility and the States

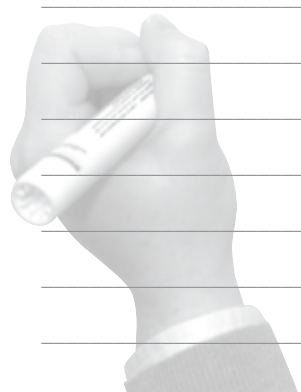
Federal measures are in place to reduce regulatory burdens on small businesses, but the need does not stop at the federal level. Any small business owner on Main Street will explain that the regulatory burden also comes from state capitols. In 2002, the Office of Advocacy drafted model regulatory flexibility legislation for the states based on the federal RFA.



Successful state-level regulatory flexibility laws, the model legislation suggests, address the following areas: 1) a small business definition consistent with existing state practices and permitting authorities, 2) a requirement that state agencies perform an economic impact analysis on the effect of a rule on small business before they regulate, 3) a requirement that state agencies consider less burdensome alternatives for small businesses that still meet the agency's regulatory goals, 4) judicial review to give the law "teeth," and 5) a provision that requires state governments to review existing regulations periodically to minimize the impact on small business.

Many states have some form of regulatory flexibility laws on the books. However, many of these laws do not contain all five critical elements addressed in Advocacy's model legislation. Recognizing that some laws are missing key components that give regulatory flexibility its effectiveness, legislators continue to introduce legislation to strengthen their current systems. Since 2002, 34 state legislatures have considered regulatory flexibility legislation and 19 states have implemented legislation or an executive order.

Advocacy welcomes the opportunity to work with state leaders on their regulatory issues. The text of Advocacy's state regulatory flexibility model legislation and frequently updated information on legislative activity can be found on Advocacy's website at http://www.sba.gov/advo/laws/law_modeleg.html.



Educating Regulatory Officials and Small Businesses about Regulatory Flexibility

Small businesses are the backbone of every state's economy and a source of much of the innovation that gives the economy its vitality. If small businesses are to survive in a competitive marketplace, it is critical that they not be weighed down by excessive regulation. Regulatory flexibility requires agencies to understand the economic impact of proposed rules on small businesses and to consider alternative regulatory solutions that are less burdensome while accomplishing the agency objectives.

An important step in the creation of a friendlier state regulatory environment for small businesses is to enact regulatory flexibility legislation. However, many states have learned that the hard work does not stop there. Once the legislation is passed, implementation of a successful state regulatory flexibility system relies on three things:

1. Agency education in the law's provisions
2. Small business education about the law and activism in the rulemaking process
3. Executive support and leadership



The Arkansas Department of Labor and small business owners worked together to improve elevator regulations. Pictured: Department of Labor Director James L. Salkeld, Chief Elevator Inspector Larry Smothers, and Clayton Billingsley of Tri-B Realty, Inc.

To satisfy the first element, state agencies must know and understand their responsibilities under the law. The second element involves educating small business owners, trade associations, chambers of commerce, and other stakeholder groups about the state regulatory flexibility law and helping them understand the value of their involvement from the beginning of the rulemaking process. Third, support from the governor's office ensures that protections under the law are enforced.

Agency Education

On the federal level, the Office of Advocacy is responsible for educating federal agencies in the requirements of the federal Regulatory Flexibility Act. A team of two attorneys and an economist from Advocacy carry out the training



initiative by meeting with regulatory development staff at various federal agencies in Washington, DC. The goal of the training is to educate them on the key skills and knowledge necessary to craft RFA-compliant rules.

Advocacy has also developed an online educational program closely patterned after the classroom course.² This allows employees who cannot attend the classroom session, those in need of additional instruction, or new employees to access the instruction at their desk. Individuals can go at their own pace and level of expertise.

Many states have recognized that for regulatory flexibility to be effective at the state level, similar educational opportunities need to be provided for state regulatory agencies. An educational session for key regulatory development officials and agency small business ombudsmen focusing on how to prepare an economic impact and regulatory flexibility analysis can help agencies create rules that are less burdensome to small businesses. On the federal level, Advocacy has found that an important message of the training is to encourage agencies to bring small businesses into the regulatory process early in the development of new rules. Similarly, on the state level, by engaging small businesses early, agencies avoid having to go back later and rewrite a rule to consider them.

Several states that have passed regulatory flexibility legislation are making progress in educating agencies in the law. Oregon, for example, passed regulatory flexibility legislation in the summer of 2005, and since then, the Office of Regulatory Streamlining (ORS) has educated more than 600 state agency staff responsible for drafting new rules.

² The online RFA training can be accessed at www.sba.gov/advo/rfaonline-training.html. Advocacy's online training is designed for federal government employees, but has also been made available to the general public. Online visitors to the URL will be prompted to obtain a password from the Office of Advocacy prior to further accessing the training site.

As a result of ORS's efforts, agencies are doing a better job of designing regulations to minimize impacts on small businesses, and the number of draft rules referred back to an agency for further analysis has decreased significantly.

The Wisconsin small business ombudsman within the state Department of Commerce developed an online video program accompanied by a PowerPoint presentation that provides information to agencies about the requirements of the state's regulatory flexibility law, the authority of the Small Business Regulatory Review Board, and instruction in how to comply with the law.³ Notification about the webcast was provided to each agency secretary from both the secretary of the Department of Commerce and the chairman of the Small Business Regulatory Review Board.

For states lacking the resources, there are other options to educate agencies and to gain cooperation. Committees or departments can send a letter to the head of each agency educating or reminding them about the agency's responsibilities under the regulatory statute or governor's executive order (see Appendix A). Policymakers or interested parties can work with the governor's office to send a letter to the head of each state agency, organize a town hall meeting encouraging agencies to participate, or prepare an article for an agency or trade association newsletter on the requirements of the law.

Educating and Activating Stakeholder Groups

For small businesses and small business advocacy groups to realize the benefits of a state regulatory flexibility law, they must understand it. At that point they will be better able to voice concerns and provide substantive comments

³ See <http://www.commerce.state.wi.us/BD/BD-RuleMakerResources.html>.



on rules likely to have adverse effects on small businesses. Outreach to the small business community early in the rule development process also benefits agencies. Small business owners are an important resource agencies can use to understand how regulations affect small firms and to recommend regulatory alternatives that may be less burdensome.

In Alaska, the Department of Commerce, Community, and Economic Development houses the Small Business Regulations Program, which oversees the agency rulemaking process.⁴ The small business regulations coordinator developed a curriculum for one-day seminars to inform small business owners about the rulemaking process and regulatory flexibility, and to encourage them to participate. The Small Business Regulations Program has also partnered with the Alaska State Chamber of Commerce, the State of Alaska Business Licensing Program, and other certification programs to send regulatory notices of proposed rules to its listserv.

In addition to training agency staff, the Wisconsin small business ombudsman has also developed an online video webcast and PowerPoint presentation for small business owners and associations.⁵ The goal of the educational program is to help small businesses understand the state's regulatory flexibility law, agency responsibilities under the law, and the availability and authority of the Small Business Regulatory Review Board.

In South Carolina, the president of every chamber of commerce and rotary club in the state, as well as the executive director of every South Carolina business association, received a letter from the chairman of the Small Business

4 See http://www.commerce.state.ak.us/oed/small_bus/small_bus_regulation.cfm.

5 See <http://www.commerce.state.wi.us/BD/BD-SmallBusinessResources.html>.

Regulatory Review Committee espousing the merits and benefits of the state's Regulatory Flexibility Act. Committee members also provide training in the state law by making presentations to business and association groups throughout the state.⁶

Trade associations, state chambers of commerce, and other small business advocacy groups can also be valuable resources in educating and activating the small business community.⁷ In Colorado, to rally small businesses, the Office of Policy, Research, and Regulatory Reform (OPRRR) conducted a series of town hall meetings in partnership with the Colorado Association of Commerce and Industry and the Colorado Retail Association. OPRRR also conducted a very successful campaign in which it sent emails and faxes to a list of small businesses developed by the regional transportation district. This campaign resulted in a substantial increase in the number of people interested in information on agency regulatory activities.

A key to the success of these efforts by a state department or regulatory review board responsible for overseeing or implementing regulatory flexibility is to develop a program that promotes continuous outreach to small business stakeholder groups. Making small business outreach an integral part of the department or board's everyday activities ensures that it will remain a high priority for present and future administrations.

Another valuable tool in keeping the small business community well informed of agency activities is the state register or similar publication.⁸ State registers typically

6 See <http://www.sccommerce.com/RegulatoryReview.html>.

7 For a list of state chambers of commerce, visit <http://www.uschamber.com/chambers/directory/default>.

8 Each state's register and administrative code can be found at <http://www.nass.org/acr/internet.html>.



contain notices of proposed rules and the complete text of proposed and final rules. An easy-to-read, navigable state register is important because most small business owners are not lawyers. A simple search tool and complete background information on regulations written in plain English helps small businesses understand what the rule is proposing to do and whether it will adversely affect their business.

Indiana houses its state register on its General Assembly website.⁹ This easily understood website allows the user to view proposed rule notices by day, week, or month. For example, by clicking monthly notices for November and then the rules tab, the user can view proposed rules by agency, as well as “related documents,” including small business economic impact statements. This system fosters transparency, provides useful information, and makes the process less intimidating.

Executive Leadership

Governors are instrumental in helping to get regulatory flexibility legislation passed, and their leadership is also critical in executing existing regulatory flexibility laws. Continued support from the governor’s office to ensure that protections under the law are enforced is a necessary step in successful implementation. The following examples from Arkansas and Massachusetts demonstrate positive outcomes for small businesses as a result of executive leadership.

Arkansas Elevates Importance of Regulatory Flexibility

In February 2005, Arkansas Governor Mike Huckabee signed Executive Order 05-04, requiring agencies to evaluate the economic impact of proposed regulations on small businesses and to consider less burdensome alternatives.¹⁰ Under the executive order, agencies must submit their analysis to the Arkansas Department of Economic Development (ADED) Small and Minority Business Unit, which is responsible for the oversight of the state’s regulatory flexibility program.

During the 2005 General Assembly, a law passed requiring the Arkansas Department of Labor (DOL) to license elevator contractors, elevator mechanics, and elevator inspectors. Additionally, the Elevator Safety Board within the DOL was in the process of updating its regulations for the first time in 10 years. Outdated regulations often resulted in contractors having to obtain variances through a cumbersome process, simply to utilize newer technologies recognized in the latest nationally recognized safety code, the American Society of Mechanical Engineers’ (ASME) Safety Codes for Elevators and Escalators.

As the Elevator Safety Board and the agency proceeded through the regulatory flexibility process, it was apparent that there were two expensive compliance issues for small businesses. First, elevators installed from 1963 to 1973, which previously had not been required to install fire service, were going to be required to do so under the revised rules. The Safety Division found that approximately 337 elevators in Arkansas could be affected, and

⁹ The Indiana state register can be found at <http://www.in.gov/legislative/register/index-27.html>.

¹⁰ Arkansas Executive Order 05-04 can be found at http://www.1800arkansas.com/small_business/files/State%20Proc%20EO%2005-04.pdf



of those, 200 were located in small businesses. The cost to install the fire service was estimated at \$10,000 per elevator.

The second compliance issue dealt with a retrofit requirement for hydraulic elevators that have a flat-bottom hydraulic jack, or a single-bottom cylinder. The most recent ASME code required the replacement of the cylinder with a double cylinder or a cylinder with a safety bulkhead to prevent the elevator from falling if an in-ground cylinder ruptured. The agency estimated that approximately 350 elevators installed prior to 1980 might be affected, and of those, 208 were located in small businesses. The least expensive retrofit would cost approximately \$10,000 per elevator.

As the agency received input from the ADED Small and Minority Business Unit, a third issue was identified. Small specialty installation contractors said it was overly burdensome to license and test their employees in the same way a larger company licenses and tests their mechanics. They argued that elevator mechanics who install only wheelchair accessibility lifts should not be subject to the same stringent testing as a mechanic who installs a commercial elevator in a high-rise building.

As a result of the Arkansas regulatory flexibility law, the Elevator Safety Board and DOL received comments and input from the ADED Small and Minority Business Unit and a number of small businesses. Each party recognized the public safety issues involved and approached the process in a cooperative manner. The final regulations, effective September 1, 2006, reflected this collaborative process, and flexible regulatory methods were utilized.

Owners of elevators without fire service or with a flat-bottom hydraulic jack were given five years to come into

compliance. The regulations allow for an exception from these requirements if undue hardship is shown and reasonable safety is assured. Also, a restricted class of license was created for elevator mechanics that exclusively install wheelchair accessibility lifts with a less stringent testing requirement.

Massachusetts Undertakes Comprehensive Regulatory Review

On January 25, 2003, Massachusetts Governor Mitt Romney signed an executive order putting in place procedures to assure that state agencies consider the impact of proposed regulations on small business. Among other things, Executive Order 453 (No. 03-11) requires that state agencies seeking to take a regulatory action prepare a small business impact statement that describes the rule's likely impact on small businesses and whether there are alternative less burdensome means to address the regulatory concern.

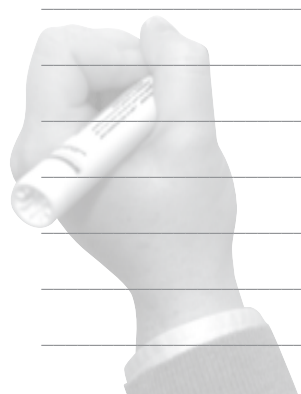
In a proactive response to the executive order, the Massachusetts Office of Consumer Affairs and Business Regulation (OCABR) undertook a comprehensive 10-month review of every regulation promulgated by the seven agencies under its umbrella. The process began with the identification of potentially outdated or unnecessary regulations. Some regulations were clearly outdated, like those governing the manufacture and sale of thermometers made with mercury. Manufacturers long ago developed nontoxic alternatives to mercury. Other regulations, like one that governed contracts between certain banks and bank service corporations, were rescinded for various reasons.

As a result of OCABR's review, almost 50 pages of regulations were eliminated, and many more were revised.



Remaining regulations are more precisely tailored, easier to understand, and easier for agency personnel to apply. One of the key provisions of a strong regulatory flexibility statute is the requirement that agencies review existing regulations periodically. Given the length of time that may have passed since the rule was finalized, technologies, economic conditions, or other relevant factors may have changed significantly in the area affected by the rule. Therefore, it is critical that agencies review rules periodically to determine whether they should be continued without change or amended to minimize the impact on small business.

These examples demonstrate how a strong regulatory flexibility law facilitates a working relationship between small business stakeholders and regulating agencies. The results are better rules that are less harmful to small businesses while still accomplishing agency goals.



How to Prepare the Small Business Economic Impact and Regulatory Flexibility Analysis

Under most state administrative procedure laws, agencies are already required to prepare some form of economic impact analysis to determine how the proposed regulation will affect the potentially regulated entities. And since small businesses bear a disproportionate share of the regulatory burden, quantifying the impact on small businesses is an important additional step.

Because every rule is unique, and the characteristics and composition of the industry or small entity sectors being regulated differ for each rule, the level, scope, and complexity of analysis may vary significantly. This is why it is important for agencies to make every effort to conduct a sufficient and meaningful analysis for each new rule, rather than using boilerplate language.

Economic Impact Analysis

Some states have developed a simple checklist to assist agencies in preparing the economic impact and regulatory



Former SBA Office of Advocacy Region VI Advocate Till Phillips and Texas Governor Rick Perry visit a small business, the Air Motor Company, in San Antonio, Texas.

flexibility analysis.¹¹ The small business advocate within the Rhode Island Economic Development Corporation developed a simple one-page Regulatory Flexibility Analysis Instruction Sheet (see Appendix B). This instruction sheet asks agencies to provide the following information:

- Why the regulation is needed
- The types of small businesses that would be subject to the rule

¹¹ See Appendices B and C for two examples of checklists. Similar agency checklists can be found in the following states: Alaska, http://www.dced.state.ak.us/oed/small_bus/small_bus_regulation.cfm; Arkansas, http://www.1800arkansas.com/small_business/files/Regulation%20Economic%20Impact%20Statement%20Form.pdf; Missouri, <http://www.sbrfb.ded.mo.gov/pdf/sbrfb1.pdf>; South Dakota, <http://legis.state.sd.us/rules/RulesForms.pdf> (go to Form 14); and West Virginia, <http://www.sbdcwv.org/documentsAgencyUse.php#pagetitle>.



- The probable impact on affected small businesses
- The estimated number of small businesses that would be subject to the rule
- The likely per-firm regulatory cost increase
- Whether there are any less intrusive or less costly methods to achieve the purpose of the rule, followed by an explanation of the determination

Several other resources are available to assist agencies in preparing an economic impact analysis. Agencies often have detailed information on regulated companies in their own databases. Licensing and permitting data, for example, can tell the agency precisely what firms will be affected by a change in regulations.

For economic data the first place to look is within the state. State statistics can be useful because they are usually the most current, detailed, and easy to access. Each state has a department of labor, an employment security agency, a bureau of labor statistics, or a similar agency that supplies labor force statistics and other economic data for the state (see table of state labor market information). For example, in North Carolina, the Employment Security Commission provides employment, wage, and contribution data by industry based on the North American Industry Classification System (NAICS).¹²

If a state does not provide a breakdown of the number of firms in an industry based on the number of employees, another good resource is the U.S. Census Bureau. The Statistics of U.S. Businesses webpage is the most helpful and complete, providing state industry information on the number of firms and establishments, employ-

ment, and annual payroll.¹³ This information is updated annually; 2004 is the most current data year available as of this publication. The webpage has a wealth of business information displayed by business size. About halfway down the page, under the heading, "All industries—by State," click the "more" arrow next to each state for detailed state business information, again by size of business. Much of the information is available in Excel format as well.¹⁴

The Census Bureau's State and County QuickFacts page contains information on the number of firms and establishments, employment, annual payroll by employment size, and demographics for individual states, counties, and cities.¹⁵ Similar information can be found on the Geographic Area Series page.¹⁶ This page provides industry-related data for each state. The information on both pages is based on the 2002 Economic Census and is updated every five years.

The Analyst Resource Center website is another good place to look for state information.¹⁷ It lists each state and has a link to relevant data. When data are not readily available, industry sources or other third parties are good sources. If collection by these means is inadequate, agencies can solicit comment on how the rule will affect regulated entities as part of the proposed rulemaking.

The Office of Advocacy's research webpage, specifically the state economic profiles, provides useful small business data.¹⁸ Each state profile contains sections on several topics, including number of firms, industry composition, small business income, banking, women and minority business ownership, and employment in each state.

12 See <http://www.ncesc.com/> (Reporting Units and Employment by Industry and Size Group).

13 See <http://www.census.gov/epcd/susb/latest/us/US--.HTM>.

14 See <http://www.census.gov/csd/susb/susb04.htm> (go to States, sectors).

15 See <http://quickfacts.census.gov/qfd/>.

16 See <http://www.census.gov/econ/census02/guide/geosumm.htm>.

17 See <http://www.almisdb.org/8links.cfm>.

18 See <http://www.sba.gov/advo/research/profiles>.



The following example demonstrates how the Illinois Department of Public Health used a simple methodology to determine a proposed rule’s economic impact on small businesses.

Shock to Small Business Short-Circuited in Illinois

In March 2005, the Illinois Department of Public Health (DPH) proposed a rule requiring indoor physical fitness facilities to have an automated external defibrillator (AED) on the premises at all times. This requirement did not pose a problem for small fitness clubs because most already had an AED on site. For those that did not, the average cost to buy one was about \$3,000.

AEDs typically come with instructions which, through voice prompts, tell the user exactly what to do. However, DPH’s proposed rule also required all fitness clubs to have an AED-trained staff member on the premises during open hours. This posed a problem particularly for facilities that are open 24 hours and, in larger cities, for “key clubs” where members have 24-hour access to the facility when staff may not be present.

According to statistics from the Illinois Department of Commerce and Economic Opportunity (DCEO), 1,000 physical fitness facilities would have been affected by this proposed regulation and required to either hire additional employees or pay existing employees for additional hours. Using the average wage of \$14.97 per hour for a fitness facility employee, DCEO estimated that an AED-trained employee on site at an additional 40 hours per week could cost \$598 or more per week.

Under the Illinois Administrative Procedure Act, DCEO can request that agencies analyze the effect of a proposed rule

on small business, and agencies are required to consider alternative methods for reducing the small business impact. DCEO recognized that DPH’s proposed rule would have an adverse effect on small businesses and sent an email regulatory alert notice to interested small entities. The agency also posted the proposed rule on its website.

Once informed, businesses were eager to comment. Indoor physical fitness facilities, small business advocacy groups, and DCEO recommended to DPH and the Illinois Joint Committee on Administrative Rules (JCAR) that the agency strike the requirement that an AED-trained staff member be on site at all times.

The end result was a victory for small business and did not jeopardize the objective of the agency’s proposal. Through successful outreach efforts, fitness facilities that would have had to incur the most costs as a result of the rule were exempted. All other fitness facilities were no longer required to have an AED-trained staff member present during all open hours, but could satisfy the requirement by having one trained member on the staff.

This example demonstrates the importance of a strong regulatory flexibility system at the state level. Illinois law requires agencies to consider the impact of regulations on small businesses, as well as less costly methods for achieving the purposes of proposed rules. DCEO’s small business activism was an important tool. Small business owners are the best source for an understanding of how regulations affect small entities and for suggestions of alternatives that may be less burdensome.



State Labor Market Information

STATE	AGENCY/DEPARTMENT	LABOR MARKET INFORMATION
Alabama	Dept. of Industrial Relations	http://www2.dir.state.al.us/
Alaska	Dept. of Labor and Workforce Development	http://almis.labor.state.ak.us/?PAGEID=67andSUBID=230
Arizona	Employment Security Dept.	http://www.workforce.az.gov/
Arkansas	Employment Security Admin.	http://www.discoverarkansas.net/?PAGEID=67andSUBID=124
California	Employment Development Dept.	http://www.labormarketinfo.edd.ca.gov/cgi/dataanalysis/?PAGEID=94
Colorado	Dept. of Labor and Employment	http://www.coworkforce.com/lmi/Intro/research.asp
Connecticut	Dept. of Labor	http://www.ctdol.state.ct.us/lmi/rsrch_dt.htm
Delaware	Delaware Dept. of Labor	http://www.delawareworks.com/oolmi/welcome.shtml
District of Columbia	Dept. of Employment Services	http://www.does.dc.gov/does/cwp/view,a,1233,q,538345,doesNav,32064.asp
Florida	Agency for Workforce Innovation	http://www.labormarketinfo.com/stats.htm
Georgia	Georgia Dept. of Labor	http://www.dol.state.ga.us/wp/industry_data.htm
Hawaii	Dept. of Labor and Industrial Relations	http://hawaii.gov/labor/rs/
Idaho	Idaho Dept. of Labor	http://lmi.idaho.gov/
Illinois	Dept. of Employment Security	http://lmi.ides.state.il.us/
Indiana	Dept. of Workforce Development	http://www.hoosierdata.in.gov/nav.asp?id=43
Iowa	Iowa Workforce Development	http://iwin.iwd.state.ia.us/iowa/OlmisZine
Kansas	Kansas Dept. of Labor	http://laborstats.dol.ks.gov/
Kentucky	Office of Employment and Training	http://www.workforcekentucky.ky.gov/
Louisiana	Louisiana Dept. of Labor	http://www.ldol.state.la.us/qm_lmi.asp
Maine	Maine Dept. of Labor	http://www.state.me.us/labor/labor_stats/index.html
Maryland	Division of Employment and Training	http://www.dllr.state.md.us/
Massachusetts	Dept. of Workforce Development	http://lmi2.detma.org/Lmi/LMIDataProg.asp
Michigan	Dept. of Labor and Economic Growth	http://www.milmi.org/
Minnesota	Dept. of Employment and Economic Growth	http://www.deed.state.mn.us/lmi/Home.htm
Mississippi	Dept. of Employment Security	http://mesc.virtuallmi.com/
Missouri	Dept. of Labor and Industrial Relations	http://www.missourieconomy.org/index.stm
Montana	Dept. of Labor and Industry	http://www.ourfactsyourfuture.org/cgi/databrowsing/?PAGEID=4

STATE	AGENCY/DEPARTMENT	LABOR MARKET INFORMATION
Nebraska	Nebraska Dept. of Labor	http://www.dol.state.ne.us/nwd/center.cfm?PRICAT=4andSUBCAT=4CandAPP=4C6
Nevada	Dept. of Employment Training and Rehabilitation	http://www.nevadaworkforce.com/
New Hampshire	Economic and Labor Market Information Bureau	http://www.nhes.state.nh.us/elmi/econanalys.htm
New Jersey	Dept. of Labor and Workforce Development	http://www.nj.gov/labor/lra/
New Mexico	New Mexico Dept. of Labor	http://www.dol.state.nm.us/dol_lmif.html
New York	New York Dept. of Labor	http://www.labor.state.ny.us/workforceindustrydata/index.asp
North Carolina	North Carolina Employment Security Commission	http://www.ncesc.com/lmi/industry/industryMain.asp
North Dakota	North Dakota Job Service	http://www.jobsnd.com/data/warehouse_home.html
Ohio	Dept. of Job and Family Services	http://www.ohioworkforceinformer.org/cgi/dataanalysis/dataTypeSelection.asp?tableName=notable
Oklahoma	Employment Security Commission	http://www.oesc.state.ok.us/lmi/
Oregon	Oregon Employment Dept.	http://www.qualityinfo.org/olmisj/OlmisZine
Pennsylvania	Pennsylvania Dept. of Labor and Industry	http://www.paworkstats.state.pa.us/
Rhode Island	Rhode Island Dept. of Labor and Training	http://www.dlt.ri.gov/lmi/data.htm
South Carolina	South Carolina Employment Security Commission	http://www.sces.org/lmi/data/edata.asp
South Dakota	South Dakota Dept. of Labor	http://www.state.sd.us/dol/lmic/index.htm
Tennessee	Dept. of Labor and Workforce Development	http://thesource.tnui.net/
Texas	Texas Workforce Commission	http://www.twc.state.tx.us/customers/rpm/rpmsub3.html
Utah	Dept. of Workforce Services	http://jobs.utah.gov/opencms/wi/employer/
Vermont	Dept. of Employment and Training	http://www.vtlmi.info/industry.cfm
Virginia	Virginia Employment Commission	http://velma.virtuallmi.com/
Washington	State Employment Security	http://www.workforceexplorer.com/cgi/dataanalysis/?PAGEID=94andSUBID=149
West Virginia	Bureau of Employment Programs	http://www.wvbep.org/bep/LMI/default.htm
Wisconsin	Dept. of Workforce Development	http://commerce.wi.gov/BD/BD-COM-3999.html
Wyoming	Wyoming Dept. of Employment	http://eadiv.state.wy.us/iande/iande.asp

Regulatory Flexibility Analysis

The keystone of the regulatory flexibility analysis is agency consideration of alternatives to the proposed rule that accomplish the state objective while minimizing the economic burden on small businesses. The development and adoption of alternatives can provide regulatory relief to small entities.

Small business owners are experts in their field and understand the day-to-day operations and costs of their businesses. To discover the least costly method of attaining a regulatory objective, it is important for the agency to communicate with small business owners and to consider the following methods for reducing a rule's impact:

- Establishing less stringent compliance or reporting requirements for small businesses
- Establishing less stringent schedules or deadlines for compliance or reporting requirements for small businesses
- Consolidating or simplifying compliance or reporting requirements for small businesses
- Establishing performance standards for small businesses to replace design or operational standards required in the proposed regulation
- Exempting small businesses from all or any part of the requirements contained in the proposed regulation



Creating Transparency in the Rulemaking Process

A transparent agency rulemaking process allows small business owners to stay informed of agency actions that may have adverse effects on their business and to participate in the regulatory process. On the federal level, the Office of Advocacy uses the Internet as a tool for creating transparency and implementing regulatory flexibility legislation. A comprehensive, easy-to-navigate, and understandable website provides good information to regulated entities about rulemaking actions that may affect their businesses.

A regulatory alert system, referred to in some states as an e-notification system, allows interested parties to sign up and receive free, automatic regulatory alerts by email when agencies file a notice for a proposed rule that may affect their business. This system is usually developed by the state economic development or similar department or the secretary of state's office. Creating a user-friendly Internet-based tool allows small business owners, trade associations, chambers of commerce, and other interested parties to stay on top of agency activities that may have an impact on business. It also serves as a way for stakeholders to voice their concerns about the adverse effects of a proposed rule and to suggest less burdensome regulatory alternatives.



Alaska's Small Business Regulations Coordinator Jennifer Abbott.

Under the Colorado Administrative Procedure Act, as amended by a regulatory flexibility bill in 2003, all state agencies must file drafts of proposed rules (or amendments to existing rules) with the Department of Regulatory Agencies' Office of Policy, Research, and Regulatory Reform (OPRRR). Upon receiving a proposed rule, OPRRR generates an automatic email notification to interested parties, along with information about key agency staff contacts and the logistics of the public rulemaking hearing.¹⁹ This proactive email notification is a free service. Recipients may select areas of interest from various subject categories. The notification also tells citizens and business owners how to provide input on the proposed rule to the regulating agency and OPRRR. Many state agencies sign up so that they can track what other agencies

¹⁹ See http://www.dora.state.co.us/pls/real/sb121_web.signup_form.



are proposing and avoid creating duplicative or conflicting state rules.

In Rhode Island, the rules tracker system is housed in the Office of the Secretary of State.²⁰ Individuals can customize their updates by specifying the agencies or sub-agencies and key words they want to track. For example, they can opt to receive daily, weekly, or monthly updates about rules submitted by the Department of Environmental Management’s Fish and Wildlife Division that include the keyword, “crustacean.”

To provide enough information to the stakeholder, generally email notifications include the title of the proposed rule, an easy-to-read summary, a link to the full text, staff contact details, and public hearing information. The regulatory alert email should also tell an interested person how to submit comments on the proposed rule. In Colorado, small business owners who sign up for the email regulatory alerts system can submit comments by simply replying to the email. An alternative, for agencies that have established a system for comments to be submitted online, is to provide a link to the agency’s website.

An informative and easy-to-navigate website also facilitates transparency in the rulemaking process. The Commonwealth of Virginia’s Department of Planning and Budget has developed the Virginia Regulatory Town Hall website, which allows interested parties to follow proposed regulations electronically (see Appendix D).²¹ After registering (a free service), the public can follow the regulatory process from the initial proposal to the final rule. The website is continuously updated, and registered users are notified of all new postings. The complete text of a proposed rule, an analysis of its effects on small

businesses, and alternatives reviewed and suggested by the Department of Planning and Budget are also available on this website. A contact person is listed for each proposing agency, including name, telephone number, and email address.

South Carolina has also implemented a website through the auspices of the Department of Commerce.²² This website allows all small businesses to access information about the South Carolina Regulatory Flexibility Act, the Small Business Regulatory Review Committee, state agency guidelines for determining if there is an adverse economic impact on small businesses, minutes of all publicly held committee meetings, and opportunities for small businesses to email concerns or questions directly to the chairman of the Small Business Regulatory Review Committee.

Once a website or regulatory alert system is in place, it is important to spread the word so that interested parties will make use of the information and sign up for the alerts. States have used town hall meetings, met with area chambers, and used trade association databases to send group faxes, letters, or emails providing information and encouraging stakeholders to sign up. Another idea is to create a workgroup tasked with assisting departments in implementation. Agencies may also be amenable to putting a notice about the regulatory alerts system in their newsletter or a link to the department on their website.

20 See <http://www.sec.state.ri.us/rules/>.

21 Virginia’s Regulatory Town Hall website is <http://townhall.state.va.us/>. See Appendix D.

22 See <http://www.sccommerce.com/smallbusiness.html>.



Examples of State Internet Tools that Promote Transparency

Alaska

Alaska's State Chamber of Commerce, the Alaska Business Licensing Program, and other certification programs, have listservs through which they disseminate notices of proposed rule changes from the Department of Commerce, Community, and Economic Development, Small Business Regulations Program, and encourage involvement in the process. For more information, visit http://www.commerce.state.ak.us/oed/small_bus/small_bus_regulation.cfm.

Colorado

The Department of Regulatory Agencies (DORA), Office of Policy, Research, and Regulatory Reform, provides regulatory notices. Those who sign up receive an alert when a proposed rule has been submitted to the office for review. Under Colorado law, DORA has the power to request a cost-benefit analysis from the agency after review of a rule. Regulatory alert recipients receive an automatic notice when such a request is made and the analysis is received. For more information, visit <http://www.dora.state.co.us/>.

Illinois

To sign up for regulatory alerts, an interested party must contact the Illinois Department of Commerce and Economic Opportunity, Entrepreneurship Network Business Information Center. For more information, visit <http://www.Illinoisbiz.biz/dceo/Bureaus/Entrepreneurship+and+Small+Business/hidden/IEN+Business+Information+Center/Regulatory+Alerts.htm>.

Kentucky

The Kentucky Commission on Small Business Advocacy, within the Cabinet for Economic Development, provides a list on its website of proposed regulations published in the *Administrative Register of Kentucky* that may affect small businesses in the state. The Commission on Small Business Advocacy encourages affected small businesses to comment on proposed regulations and provides a link below each regulation summary to do so. For more information, visit http://www.thinkkentucky.com/Advocacy/Reg_Alerts.aspx.

Nebraska

The Nebraska Secretary of State Rules and Regulations webpage allows an interested person to track regulations through the rulemaking stages. It also provides an avenue to submit comments online, if permitted by the agency, and to receive email notification of regulatory changes. For more information, visit <http://www.sos.state.ne.us/business/explanation.html>.

Rhode Island

The Rhode Island Rules Tracker system is housed within the Office of the Secretary of State. This automated email system offers daily, weekly, or monthly updates on agency rules. Recipients can customize their updates by agency and key word. The technology for this open source program can be freely shared with any state interested in implementing a regulatory alerts program. For more information, visit www.rules.state.ri.us/rules/.



Virginia

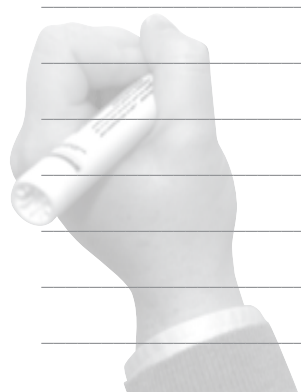
The Virginia Department of Planning and Budget's Regulatory Town Hall allows an interested person to receive notification of regulatory actions and meeting dates and to submit online comments. For more information, visit <https://www.townhall.virginia.gov/Notification/register.cfm>.

Wisconsin

Wisconsin's regulatory alert system is located in the Department of Commerce. Recipients of its regulatory alert email subscription service receive monthly emails on rules being developed by state agencies. For more information, visit <http://www.commerce.wi.gov/BD/MT-FAX-0905.html>.

The Office of Advocacy

The U.S. Small Business Administration, Office of Advocacy's regulatory alert system applies to federal regulations, but its webpage is a good example of a comprehensive regulatory alert notice. For more information, visit www.sba.gov/advo/laws/law_regalerts.html.



Measuring and Documenting the Success of State Regulatory Flexibility

By working with federal agencies to implement the RFA, Advocacy saved small businesses nationwide more than \$7 billion in foregone regulatory costs in FY 2006. This measurement was determined by calculating the difference between the cost of a rule to small businesses as originally proposed, and the cost of the final rule after Advocacy worked with the agency and a flexible regulatory alternative for small business was implemented.

Some states have similar procedures and data in place to estimate the cost savings of regulatory flexibility to small businesses. In Alaska, the Small Business Regulations Program within the state Department of Commerce, Community, and Economic Development is keeping databases of comments that address regulatory costs. The small business regulations coordinator is planning a statewide small business survey to collect additional cost information directly from small businesses.

Rhode Island has developed a creative way of measuring the success of its regulatory flexibility program. The small business advocate within the Rhode Island Economic Development Corporation (RIEDC) developed a vision statement and called for a partnership between agencies and small businesses in adopting "FIRST" principles (fair, innovative, responsive, simple, and transparent). To mea-



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sure the success of agency response to these principles, the small business advocate developed a scorecard that rates agency performance on a scale from "exemplifies principles" to "ignores principles." This system creates healthy competition among the agencies and increases agency accountability for adhering to the regulatory flexibility statutory requirements.

Another effective way of measuring the success of state regulatory flexibility is to document "real life" examples in which small businesses and agencies work together to create rules that are not overly burdensome to small businesses but still accomplish agency objectives. The following two examples demonstrate a successful state regulatory flexibility scheme.



Colorado's Cork-N-Go Rule

Under Colorado law, hotels and restaurants are permitted to reseal, and allow a customer to remove from the premises, an open bottle of partially consumed wine purchased at the hotel or restaurant with some limitations.

To implement this law, the Colorado Department of Revenue proposed an amendment to a rule that would require hotels and restaurants offering resealing of opened bottles to purchase commercially manufactured stoppers and sealable containers such as bags or boxes. The overall cost of compliance for this regulatory proposal was estimated at \$1,771,500 to \$3,275,000.²³

Based on the definition of small business under the Colorado Administrative Procedure Act (500 or fewer employees) more than 4,000 firms in the state operate with an active liquor license and would have been affected by the rule. Under Colorado's regulatory flexibility structure, the Department of Regulatory Agencies reviews proposed rules affecting small businesses and can request that an agency prepare an analysis of the small business economic impact. In this circumstance, DORA requested that the Department of Revenue determine the cost that would be incurred by small businesses to comply with the proposed rule.

During the rule review process, DORA held that the law under which the rule was promulgated did not specify how bottles were required to be recorked, nor did it specify that sealable containers, in addition to the stoppers, are required. The Colorado Restaurant Association, on behalf of its small members, also objected to the rule on the basis that the cost of compliance would be overly burdensome to the regulated small entities.

²³ This number is approximate, based on the cost of a commercially manufactured stopper, corks, and overstocking charges multiplied by the number of small businesses in Colorado subject to the rule.

After discussion with DORA and the Colorado Restaurant Association, and before going further with the rulemaking process, the Department of Revenue agreed to revise its initial proposal. The revised rule was a success for small businesses, as it provides a more economical way for them to comply with the rule by allowing the use of the original cork to recork the bottle. While businesses are still required to use sealable bags, they are no longer required to incur the expense of commercially manufactured stoppers and corks.

The Department of Revenue, DORA, and small businesses worked together under Colorado's regulatory flexibility law. In addition, DORA's small business outreach was an important tool. Small business owners are agencies' best source for an understanding of how regulations affect small entities and what alternatives may be less burdensome. Here, the end result was a cost savings to small businesses without compromising the agency's objective. The example illustrates how agencies and small businesses in other states can benefit by implementing a comprehensive regulatory flexibility system.

Virginia Body Piercing Regulations

The Virginia State Board for Barbers and Cosmetology within the Department of Professional and Occupational Regulations regulates businesses and individuals engaged in activities such as cutting and styling hair, performing manicures and pedicures, and tattooing. In 2002, the Virginia General Assembly directed the board to issue rules specifically for body-piercing practitioners and the salons where these services are provided.

In 2006, the board proposed regulations to comply with the statute. The purpose of these regulations is to make body-piercing procedures and salons safe and sanitary. The new



regulations contain requirements for obtaining a license, license renewal and reinstatement, safety and sanitation procedures, and standards of professional conduct.

Under the Virginia Administrative Procedure Act (APA), a small business is defined as an entity employing fewer than 500 employees or that has gross sales of less than \$6 million. The Department of Planning and Budget and the agency determined that 770 jewelry stores and 260 department stores that offer piercing in Virginia employ fewer than 500 employees. They also found that all salons solely offering body-piercing services are small businesses. The Department of Professional and Occupational Regulations estimated that approximately 200 body-piercing practitioners and facilities will need to become licensed.

The body piercing sector consists of businesses offering services in several different categories: general body piercer, body piercer “ear only,” body-piercing salon, or body-piercing “ear only” salon. Under the proposed rule, obtaining a license as a new body piercer requires five hours of health education, payment of certain fees up to \$280, completion of an approved body-piercing apprenticeship program (which must include at least 1,500 hours of specific instruction), and a passing grade on the board-approved examination. Originally these precicensing conditions also pertained to “ear only” body piercers.

Under the APA, the Department of Planning and Budget, in coordination with the agency, must prepare an economic impact analysis of the proposed regulation if it will have an adverse impact on small businesses. This analysis found that the proposed licensing requirements would be extremely costly for small businesses that offered the “ear only” piercing, but not other forms of body piercing. As a result of the cost, many small businesses that offered “ear only” piercing would no longer be able to do so.

The Virginia APA also requires agencies to prepare a regulatory flexibility analysis in which the agency must consider alternative regulatory solutions that will accomplish its objective while minimizing the adverse impact on small entities. In this case, to minimize the high cost of the proposed rule to small entities, the agency proposed a separate “ear only” license. The agency determined that it could still accomplish its goal of making the piercing procedures safe while at the same time establishing requirements for the “ear only” license that are less burdensome to small entities.

As a result of this flexible alternative, small businesses engaged in “ear only” piercing in Virginia will be better able to comply with the licensing requirements without compromising safe and sanitary body-piercing practices.

State Regulatory Flexibility Programs

Alaska

The Alaska Department of Commerce, Community, and Economic Development houses the small business regulations coordinator and the Small Business Regulations Program. Prior to adopting a regulation that affects small businesses, certain agencies are required to notify the coordinator and complete a small business economic impact and regulatory flexibility analysis. The coordinator advises and assists the agencies in complying with the law, informs business groups about proposed regulations, and encourages small businesses to comment and help shape regulations. The coordinator has also held one-day seminars to educate small businesses on



Alaska’s regulatory process. [For more information, visit http://www.dced.state.ak.us/oed/small_bus/small_bus_regulation.cfm](http://www.dced.state.ak.us/oed/small_bus/small_bus_regulation.cfm).

Arizona

The Governor’s Regulatory Review Council (GRRC) is composed of six members and chaired by the director of the Department of Administration. GRRC’s economists work with agencies at the beginning stages of the rulemaking process to address concerns with the agency analysis so that when the rule is delivered to the council for final review, very little guidance or suggested changes are necessary. [For more information, visit http://www.grrc.state.az.us/](http://www.grrc.state.az.us/).

Also in Arizona, by statutory requirement, the Arizona Senate Committee on Government Accountability and Reform holds meetings of the Interim Regulatory Reform and Enforcement Study Committee. The goal of these meetings is to give small businesses a forum to communicate concerns and provide recommendations on how the regulatory environment in the state can be improved. The process has resulted in legislation to continually improve the state’s current regulatory flexibility system.

Arkansas

The Arkansas Department of Economic Development’s Small and Minority Business Unit is responsible for oversight of the state’s regulatory flexibility executive order. Its website provides a regulatory flexibility introduction letter sent to agencies explaining their responsibilities under the executive order governing regulatory flexibility, a fact sheet on frequently asked questions about regulatory flexibility, a copy of the governor’s executive order,

a flow chart on the regulatory flexibility process in Arkansas, and an economic impact statement form. [For more information, visit http://www.1800arkansas.com/small_business/#top](http://www.1800arkansas.com/small_business/#top).

Colorado

The Department of Regulatory Agencies (DORA), Office of Policy, Research, and Regulatory Reform (OPRRR) has the authority to require agencies to prepare a cost-benefit analysis for rules that may have an adverse effect on small businesses. To assist agencies with this analysis, DORA developed a short questionnaire asking agencies a series of questions about the impact of the rule on small businesses. OPRRR also manages an email regulatory notification system. [For more information, visit http://www.dora.state.co.us/opr/index.htm](http://www.dora.state.co.us/opr/index.htm).

Hawaii

The Small Business Regulatory Review Board, established under the Hawaii Small Business Regulatory Flexibility Act, is housed within the Department of Business, Economic Development, and Tourism. The board consists of current or former owners or officers of small businesses from across the state, appointed by the governor with the consent of the Senate, who serve on a voluntary basis. Its responsibilities include commenting to the regulating agency on proposed rules, identifying and commenting on business impacts of existing administrative rules, recommending the need for a rule or legislative amendment to the governor’s office or to an agency or the legislature, and reviewing small business complaints about effects of rules on businesses. [For more information, visit http://www.hawaii.gov/dbedt/business/start_grow/small-business-info/sbrrb/](http://www.hawaii.gov/dbedt/business/start_grow/small-business-info/sbrrb/).



Illinois

Under the Illinois Administrative Procedure Act, the Illinois Department of Commerce and Economic Opportunity is responsible for oversight of its regulatory flexibility law. After reviewing a rule, DCEO can request that agencies analyze the economic impacts on small businesses, and agencies are required to consider alternative methods for reducing the small business impact. DCEO also regularly provides email regulatory alerts on rules that may be of interest to small businesses. [For more information, visit http://www.commerce.state.il.us/dceo/Bureaus/Entrepreneurship+and+Small+Business/](http://www.commerce.state.il.us/dceo/Bureaus/Entrepreneurship+and+Small+Business/).

Kentucky

The Commission on Small Business Advocacy within the Kentucky Cabinet for Economic Development addresses a variety of small business concerns related to government affairs, regulation, and facilitating relationships between state agencies and the small business community. Included on the commission website is a Regulatory Alerts page listing proposed rules that may affect small businesses in Kentucky, with a link below each rule summary to submit comments. Useful links are also provided to the Kentucky Administrative Regulations, procedures, and contacts. [For more information, visit http://www.thinkkentucky.com/advocacy/](http://www.thinkkentucky.com/advocacy/).

The Kentucky Cabinet for Economic Development has also established an ombudsman to address questions or concerns that small businesses may have about regulatory issues. [For more information, visit http://www.thinkkentucky.com/SMBD/SBOmbudsman.aspx](http://www.thinkkentucky.com/SMBD/SBOmbudsman.aspx).

Maine

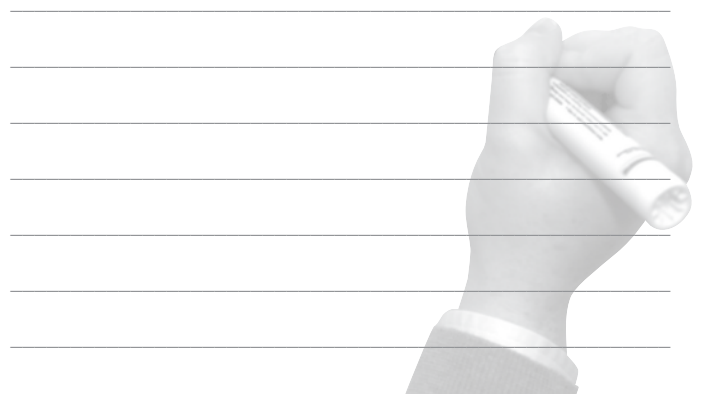
Maine created the Regulatory Fairness Board to listen to comments from businesses on issues of excessive enforcement and recommendations for regulatory and statutory changes to enhance the state's business climate. The board must report to the governor and the legislature on their findings at least annually. [For more information, visit http://janus.state.me.us/legis/ros/lom/LOM122nd/11Pub451-461/Pub451-461-74.htm](http://janus.state.me.us/legis/ros/lom/LOM122nd/11Pub451-461/Pub451-461-74.htm).

Missouri

The Missouri Small Business Regulatory Fairness Board was established within the Department of Economic Development to ensure that small businesses have a voice in Missouri's regulatory process. The board consists of nine appointed members and is charged with soliciting comments from small businesses and providing state agencies with input about rules that adversely affect small businesses. It also holds hearings around the state with state agencies and small business owners and publishes an annual report that evaluates state agency performance. In addition to looking at proposed rules, Missouri's board also listens to small business concerns with respect to existing rules and unfair enforcement. [For more information, visit http://www.sbrfb.ded.mo.gov/who.htm](http://www.sbrfb.ded.mo.gov/who.htm).

New York

In 1995, New York Governor George Pataki signed Executive Order 20 establishing the Governor's Office of Regulatory Reform (GORR) to provide oversight of state agency rulemaking. GORR reviews proposed rules for necessity, clarity, and consistency, and looks at efforts to reduce



burdensome effects. The office may extend the comment period, require an agency to provide more information, or require a public hearing. [For more information, visit http://www.gorr.state.ny.us/generalinfo.html.](http://www.gorr.state.ny.us/generalinfo.html)

Oklahoma

The Oklahoma Small Business Regulatory Review Committee (SBRRRC) works as an advocacy group for small businesses in Oklahoma. The SBRRRC is composed of 13 small business owners from various backgrounds and expertise from all trades and areas of the state, as well as the chairs of the Oklahoma House and Senate Small Business Committees. Its role is to ensure that agencies proposing rules consider impacts on small businesses as well as alternatives to proposed rules. [For more information, visit http://www.okcommerce.gov/index.php?option=content&task=view&id=15&Itemid=39.](http://www.okcommerce.gov/index.php?option=content&task=view&id=15&Itemid=39)

Oregon

The Office of Regulatory Streamlining (ORS) within the Department of Consumer and Business Services was established in 2003 to facilitate state government's effort to simplify business regulations. The office provides ongoing research to identify opportunities for regulatory streamlining and serves as a clearinghouse for agency streamlining efforts. ORS spotlights regulatory streamlining successes and offers best practices, facilitation, process-improvement support, and resource referrals. [For more information, visit http://egov.oregon.gov/DCBS/RSL/index.shtml.](http://egov.oregon.gov/DCBS/RSL/index.shtml)

The small business ombudsman created by the Oregon legislature in 1990 provides assistance and information to small businesses on workers' compensation insurance

issues, and claims processing matters. [For more information, visit http://www.oregon.gov/DCBS/SBO/message.shtml.](http://www.oregon.gov/DCBS/SBO/message.shtml)

Rhode Island

The Rhode Island Economic Development Corporation (RIEDC) acts as the small business advocate under the state's regulatory flexibility laws. Agencies are required to submit a proposed regulation to the RIEDC, which identifies and conveys specific concerns raised by small businesses. [For more information, visit http://www.riedc.com/riedc/business_services/8/.](http://www.riedc.com/riedc/business_services/8/)

A Small Business Advisory Council in the Rhode Island lieutenant governor's office brings together public and private sector leaders to address the needs of small business owners in the state. The lieutenant governor serves as chairman of the council; the other 20 members include small business owners and advocates and chamber of commerce directors. [For more information, visit http://www.ltgov.state.ri.us/smallbusiness.](http://www.ltgov.state.ri.us/smallbusiness)

South Carolina

The South Carolina Small Business Regulatory Review Committee (SBRRRC) consists of 11 small business owners and the chairs of the South Carolina House and Senate Labor, Commerce, and Industry Committees. The SBRRRC reviews proposed and existing rules that may have adverse effects on small businesses and advises the agencies on alternative regulatory solutions. It is also developing internal guidelines to be used in reviewing agency regulations for compliance with economic impact and regulatory flexibility analysis requirements. [For more information, visit http://www.sccommerce.com/RegulatoryReview.html.](http://www.sccommerce.com/RegulatoryReview.html)



Virginia

The Virginia Regulatory Town Hall within the state Department of Planning and Budget is a comprehensive source of information about regulations in Virginia. The Town Hall helps users find regulations and track proposed changes, as well as submit online comments about regulatory changes. [For more information, visit https://www.townhall.virginia.gov](https://www.townhall.virginia.gov).

In 2006, Virginia Attorney General Robert McDonnell formed a Government and Regulatory Reform Task Force to conduct a review of state regulations to “minimize the adverse impact on commerce and society while preserving the important public safety, health, and welfare protections that many of the regulations provide.” Among the three working groups within the task force is a Small Business Working Group responsible for making regulatory reform recommendations to the task force. [For more information, visit http://www.oag.state.va.us/PRESS_RELEASES/News-Archive/080206_Government_and_Regulatory_Reform_Task_Force.html](http://www.oag.state.va.us/PRESS_RELEASES/News-Archive/080206_Government_and_Regulatory_Reform_Task_Force.html).

Washington

The Washington State Office of Regulatory Assistance (ORA) oversees the Governor’s Regulatory Improvement Program (GRIP), which was developed to improve the business environment in the state of Washington. The ORA website provides information on the rulemaking process in Washington and links to state agencies. [For more information, visit http://www.ora.wa.gov/rules/rules.htm](http://www.ora.wa.gov/rules/rules.htm).

In 2006, ORA developed a “Rules Best Practices Survey” asking agencies a series of questions about their rulemaking and implementation processes. The survey was distributed to all rules coordinators in Washington state agencies,

as well as to the Executive Cabinet, Small Agency Cabinet, secretary of state, Office of the Insurance Commissioner, and superintendent of public schools. The goal of the survey was to understand if and how agencies are improving and simplifying their regulatory processes.

West Virginia

In 2003, Governor Bob Wise signed Executive Order 20-03, requiring agencies to consider small business impacts in the rulemaking process. The director of the West Virginia Small Business Development Center (SBDC) has the authority to execute EO 20-30’s requirements. The SBDC developed tools to assist agencies with their analysis, including an adverse impact analysis questionnaire, a certification document for use when the executive order does not apply, and a guide for agencies on how to comply. The SBDC has a small business ombudsman as well as a regulatory alerts program. [For more information, visit http://www.sbdcwv.org/](http://www.sbdcwv.org/).

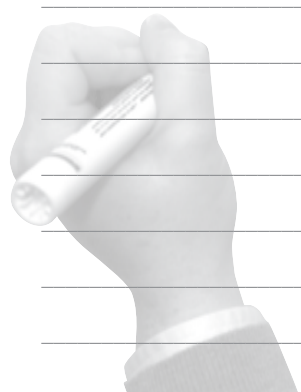
Wisconsin

The small business ombudsman in the Wisconsin Department of Commerce assists business owners by providing monthly notifications of rules being developed by state agencies through a Regulatory Alert email subscription service; receiving specific complaints about state laws, administrative rules, or agency interpretations; providing information and referrals on special programs; monitoring the progress of legislation and rules and acting as a small business advocate; training and organizing local networks to encourage entrepreneurship; and providing technical support to the Small Business Regulatory Review Board, which oversees implementation of Wisconsin’s Regulatory Flexibility Act.



The small business ombudsman has also developed an online video training guide accompanied by a PowerPoint presentation to educate both small business owners and regulating agencies on the state's regulatory flexibility law. For more information, visit <http://www.commerce.wi.gov/BD/MT-FAX-0905.html>.

Wisconsin also has a Small Business Regulatory Review Board (SBRRB) consisting of six small business representatives, eight state agency representatives and one representative each from the state Senate and Assembly. The SBRRB has the statutory authority to oversee agency compliance with the state's Regulatory Flexibility Act and to suggest flexible regulatory alternatives for small businesses. For more information, visit <http://www.commerce.wi.gov/BD/BD-SBRRB.html>.



Arkansas Department of Economic Development Regulatory Flexibility Introduction Letter

Dear Colleague:

As you most likely know, the 215,300 small businesses in our state contributed \$5.9 billion to Arkansas's economy last year alone. A whopping 97 percent of employers in this state are small firms. While most small businesses are doing well, we must remain mindful of the 54% increase in business closures last year. This significant increase should motivate us to become more strident than ever in our efforts to strengthen small businesses.

In an effort to minimize the regulatory burden on small business, the Governor signed EO 05-04 which created a process called regulatory flexibility in the state of Arkansas. Through this executive order the Governor has challenged us to establish rules and regulations to protect our citizens, while also being mindful of the financial burden that over-regulation can impose on our state's small business owners.

This EO is not retroactive, but it will need to be followed as you create new regulations.

Section 3 of the EO requires a regulatory agency, as defined in the executive order, to submit an economic impact statement that determines:

- The types of small businesses affected by the proposed regulation,
- A description of any adverse effect on small businesses,
- The cost to small businesses,
- Alternative measures that could be considered, and
- A comparison of similar rules in other states.

Section 4 requires you to send a copy of the proposed rule or regulation and the economic impact statement (see attached) to my office for review. I understand that these issues may be time-sensitive, so my staff and I will complete the review and respond in writing within 15 business days of receiving the rule or regulation.

I have designated Sylvester Smith, the leader of ADED's Small Business Development Unit, as the point of contact for regulatory flexibility. If you have questions, you may contact him at 682-6105 or ssmith@1800arkansas.com – or contact me at 682-7351 or lwalthers@1800arkansas.com.

Thank you for your assistance in this matter.

Sincerely,

Larry Walther

Attached: Economic impact statement form

Rhode Island Agency Small Business Economic Impact and Regulatory Flexibility Checklist

The following checklist was developed by the Rhode Island Economic Development Corporation

The Regulatory Flexibility Analysis shall include:

1. Brief explanation of why the regulation is needed, no more than 250 words, in plain English.
i.e. How it will make the regulatory process more efficient? _____

2. What type of small businesses would be subject to the rule? _____

3. What is the most probable effect on impacted small businesses? i.e. increased reporting requirements; increased staffing; increased legal or accounting fees? _____

4. Estimate the number of small businesses that would be subject to the rule?
 1 – 99 100 – 499 500 – 4,999 More than 5,000
 Unknown – Explain _____

5. Given the type of small business and probable effect, what is the most likely per firm regulatory cost increase? _____
6. Are there any less intrusive or less costly methods to achieve the purpose of the rule?
(Less than 250 words)
 No – please explain. Yes – please explain.

The RIEDC would expect no longer than fifteen to thirty day time period for the completion of the regulatory flexibility analysis.

South Dakota Agency Small Business Economic Impact and Regulatory Flexibility Checklist

FORM 14
SMALL BUSINESS IMPACT STATEMENT FORM
See SDCL 1-26-2.1

(NOTE: This form must be signed by either the head of the agency or the presiding officer of the board or commission empowered to adopt the rules. Check your statutes to see who is authorized to promulgate rules. A small business is defined as any business with 25 or fewer full-time employees. When a set of rules is proposed, a general summary shall be provided; each proposed rule amendment shall also be explained thoroughly. In the case of a large set of proposed rules which all have a single purpose and impact, one explanation is sufficient. The law makes it clear that agencies or commissions shall use readily available information and existing resources to prepare the impact statement.)

1. Our agency has determined that the rule/s we are proposing have the following type of impact on small businesses:

- Direct impact (please complete remainder of form)
- Indirect impact (please provide a brief explanation, then sign, date, and submit form.
Questions 2 through 8 do not need to be answered)

2. A general narrative and overview of the effect of the rule(s) on small business - written in plain, easy to read language:

3. What is the basis for the enactment of the rule(s)?

- Required to meet changes in federal law
- Required to meet changes in state law
- Required solely due to changes in date (i.e. must be changed annually)

Other: _____

4. Why is the rule(s) needed? _____

5. What small businesses or types of small businesses would be subject to the rule?

6. Estimate the number of small businesses that would be subject to the rule.

- 1-99 100-499 500-999 1,000-4,999

More than 5,000

Unknown - please explain _____

7. Are small businesses required to file or maintain any reports or records under this rule?

Yes No

a. If "yes," how many reports must a small business submit to the state on an annual basis?

b. If "yes," how much ongoing recordkeeping within the business is necessary? _____

c. If "yes," what type of professional skills would be necessary to prepare the reports or records?

- The average owner of a small business should be able to complete the reports and/or records with no assistance
- It is likely that a bookkeeper for a small business should be able to complete the reports and/or records
- It is likely that a small business person would need the assistance of a CPA to complete the reports and/or records
- It is likely that a small business person would need the assistance of an attorney to complete the reports and/or records
- Other _____
- Unknown - please explain _____

8. Are there any less intrusive or less costly methods to achieve the purpose of the rule (i.e. fewer reports, less recordkeeping, lower penalties)?

No - please explain _____

Yes - please explain _____

Dated

Authorized Signature

Name of Agency

The Commonwealth of Virginia Department of Planning and Budget's Regulatory Town Hall Website

The screenshot shows a web browser window with the Virginia Regulatory Town Hall website. The page title is "Stage Information". The main content area displays the following information:

- Agency:** Department of Criminal Justice Services
- Board:** Criminal Justice Services Board
- Regulation:** Regulations Relating to Property & Surety Bail Bondsmen (6 VAC 20-250)
- Buttons: [Return to action](#) and [Open for Comment](#)

Below this is a table titled "Stage Information":

Stage Information	
Action title	Property & Surety Bail Bondsmen Regulations (New)
Stage	Proposed
Va. Register citation	Date: 11/13/2006 Volume 23 Issue 5 Page 0
Identical to Emergency? Submission	No
Material incorporated by reference?	No
Comment period	11/13/2006 through 1/12/2007 View public comment forum
Adverse Effect on Small Business	Yes. Upon submission to the Registrar, JCAR will be notified.
Public Hearings/ Other Meetings	None Scheduled
Documents	Agency Statement 5/15/2006 (197k) Proposed Text 10/24/2006 (191k) Economic Impact Analysis (EIA) 10/18/2006 (22k) Agency Response to EIA 10/20/2006 (2k)

Below the table is a section titled "Contact Information":

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The Virginia Regulatory Town Hall is accessed at <https://www.townhall.virginia.gov/>.

Appendix E

State Administrative Procedure and Regulatory Flexibility Statutes, 2006

State	Citation	Small Business Definition	Economic Impact Analysis	Regulatory Flexibility Analysis	Periodic Review	Judicial Review	Exemptions	Legislation Introduced in 2006
Alabama	Ala. Code T. 41 Ch. 22 §	None.	41-22-23(f) ¹	42-22-23(g) ¹	None.	41-22-10 ¹	41-22-2(e) 41-22-3(1)	HB 320
Alaska	Ak. Stat. T. 24, Ch. 20 T. 44, Ch. 62 §	44.62.218(i)(6)	44.62.218(a) 44.62.218(c)	44.62.218(a) 44.62.218(d)	44.62.125 (b)(3)	44.62.218(h) 44.62.300 ¹	44.62.218(g)	None.
Arizona	Ariz. Rev. Stat. T. 41, Ch. 6 §	41-1001(19)	41-1055(B)	41-1035 41-1055(B)	41-1056(A)	41-1034 ¹ 41-1056.01	41-1005 41-1057	N/A ²
Arkansas	Ark. Code T. 25 Ch. 15 § Exec. Order 05-04	EO Sec. 1	25-15-204(d) ¹ EO Sec. 3	EO Sec. 3	25-15-216	25-15-207 ¹	25-15-202(2)(c)	None.
California	Cal. Gov. Code T. 2 Div. 3 Ch. 3.5 §	11342.610	11346.3 ¹ 11346.5(a)(7) ¹	11346.2(b)(3) 11346.9(a)(5)	None.	11350 ¹	11340.9 11346.1	None.
Colorado	Col. Rev. Stat. T. 24 Art. 4 §	24-4-102(18)	24-4-103(2.5)	24-4-103(2.5)	None.	24-4-106 ^{1,3}	24-4-102(3) 24-4-103(2.5)(e)	HB 1041 ⁴ Passed
Connecticut	Conn. Gen. Stat. T. 4 Ch. 54 §	4-168a(a)(2)	None.	4-168a(b)	4-189i	4-175 ^{1,3} 4-183	4-166(1) 4-168a(a)(d)	None.
Delaware	Del. Code T. 29 Ch. 101 §	10403(3)	10404(b)	10404(a)	None.	10141 ¹	10403(1)	None.
District of Columbia	DC Code T. 1 §	None.	None.	None.	None.	Sec. 10	None.	None.
Florida	Fla. Stat. T. X Ch. 120 §	288.703	120.541(2)(d)	120.54(3)(b)	120.74	120.68 ¹	120.50 120.63 120.80	None.
Georgia	Ga. Code T. 50 Ch. 13 §	50-13-4(a)(3)	None.	50-13-4(a)(3) 50-13-4(a)(4)	EO ⁵	50-13-10 ¹	50-13-2(1) 15-13-42	E.O. signed 3/4/06 ⁵
Guam	5 GCA Ch. 9 §	None.	9301(f) ¹	None.	None.	9309 ³	9301(i) 9302	None.
Hawaii	Haw. Rev. Stat. Ch. 201M §	201M-1	201M-2	201M-2	201M-7	201M-6 91-7 ¹	None.	N/A ²
Idaho	Idaho Code T. 67 Ch. 52 §	None.	67-5223(2) ¹	None.	67-5292	67-5271 ^{1,3}	67-5201(2)	None.
Illinois	5 Ill. Comp. Stat. 100 §	100/1-75	100/5-30(c)	100/5-30(a)	100/5-130	100/5-35 100/5-150 ¹	100/1-5(c)	HB 5388
Indiana	Ind. Code T. 4 Art. 22 §	4-22-2.1-4	4-22-2.1-5	4-22-2.1-5	4-22-2.5-3.1	4-22-2.1-8	4-22-2.1-1	N/A ²

State	Citation	Small Business Definition	Economic Impact Analysis	Regulatory Flexibility Analysis	Periodic Review	Judicial Review	Exemptions	Legislation Introduced in 2006
Iowa	Iowa Code T. 1, Subt. 6 Ch. 17A §	17A.4A(7)	17A.4(3) ¹ 17A.4A(2)(a) ¹	17A.4A(2)(b)	17A.33	17A.19 ^{1,3}	None.	None.
Kansas	Kan. Sta. Ch. 77 §	None.	77-416(b) ¹	77-416(b) ¹	None.	77-607 ^{1,3} 77-612 77-621	None.	HB 2821
Kentucky	Ky. Rev. Stat. T. 3 Ch. 13A §	13A.010(14)	13A.240 ¹	13A.210	None.	13A.337 ¹ 13B.140 ^{1,3}	None.	None.
Louisiana	La. Rev. Stat. T. 49 Ch. 13 §	49:965.1	49:953 ¹	None.	None.	49:963 ^{1,3} 49:964 49:965.1	49:967	None.
Maine	Me. Rev. Stat. T. 5, Pt. 18 Ch. 375 §	8052.5-A	8057-A.1(D)	8052.5-A	None.	8058 ¹	8054	None.
Maryland	Md. Code State Govt. §	None.	10-124 ¹	10-124 ¹	10-132 10-132.1 10-133	10-125 ¹	10-102(b) 10-120	None.
Massachusetts	Mass. Gen. Law T. III Ch. 30A § Exec. Order 03-11	None.	30A-5 EO Sec.5	30A-5 EO Sec.2 EO Sec.5	None.	30A-7 ¹	None.	None.
Michigan	Mich. Comp. Laws Ch. 24 Act 306 §	24.207a 24.240(2)	24.245(3)	24.240	None.	24.264 ^{1,3} 24.301	24.315	HB 5812 HB 5849 HB 5850
Minnesota	Minn. Stat. Ch. 14 §	None.	14.131 ¹	14.131 ¹ 14.055	14.05 (subd.5)	14.44 ¹	14.03	None.
Mississippi	Miss. Code T. 25 Ch. 43 §	None.	25.43-3.105(2)(d) 25.43-6	25.43-3.105(2)(f) ¹ 3.105(2)(g) ¹	25.43-3.114	25.43-3.105(3) 25.43-17	25.43-3.108 25.43-6(4)	HB 1113 SB 2881
Missouri	Mo. Rev. Stat. T. 36 Ch. 536 §	536.010(7)	536.300	536.300	536.325	536.328	536.025 536.300(4)	N/A ²
Montana	Mt. Code T. 2 Ch. 4 §	None.	2-4-405 ¹	2-4-405 ¹	2-4-314	2-4-506 ¹	2-4-102(2)	None.
Nebraska	Ne. Rev. St. Ch. 84 §	None.	84-907 ¹	None.	None.	84-911 ¹	84-901(1)	LB 1170
Nevada	Nev. Rev. Stat. T. 18 Ch. 233B §	233B.0382	233B.0608 233B.0609	233B.0608 233B.0609	233B.050 (1)(e)	233B.105 233B.110 ^{1,3}	233B.039	N/A ²
New Hampshire	N.H. Rev. Stat. T. LV Ch. 541A §	541-A:5(IV)(e)	541-A:5(IV)(e)	None.	None.	541-A:24 ¹	541-A:21	None.
New Jersey	N.J. Stat. T. 52, Subt. 3 Ch. 14B §	52:14B-17	52:14B-19	52:14B-18	None.	None.	None.	A 2327 S 1335

State	Citation	Small Business Definition	Economic Impact Analysis	Regulatory Flexibility Analysis	Periodic Review	Judicial Review	Exemptions	Legislation Introduced in 2006
New Mexico	N.M. Stat. Ch. 12 Art. 8 §	14-4A-3	None.	14-4A-4(b)	14-4A-6	12-8-8(A) ¹	None.	None.
New York	NY CLS St. Admin. P Act §	102(8)	202-b	202-b	207	205 ^{1,3}	202-b(3)	N/A ²
North Carolina	N.C. Gen. Stat. Ch. 150B §	None.	150B-21.4(b1) ¹ 150B-21.4(b2) ¹	None.	None.	150B-43 ^{1,3}	150B-1(b)	None.
North Dakota	N.D. Cent. Code T. 28 Ch. 32 §	28-32-08.1	28-32-08.1	28-32-08.1	None.	28-32-08.1	28-32-08.1	N/A ²
Ohio	Ohio Rev. Code T.1 Ch. 119 §	121.24(9)	119.03(H) 121.24(B) 127.18	None.	121.24(D)	None.	119.01	None.
Oklahoma	Okla. Stat. T. 74 §	75-502	75-504(A)	75-504(C)	None.	75-306 ¹ 75-505	75-250.4 75-250.5	N/A ²
Oregon	Or. Revised Stat. Ch. 183 §	183.310(10)	183.335(2)(b) 183.336	183.540	183.405	183.400 ¹	183.315	N/A ²
Pennsylvania	Pa. Cons. Stat. T. 71 Ch. 4A §	None.	745.5(a) ¹	745.5(a) ¹	745.5(a)(13) 745.8.1	T. 42, Ch. 7 §761	745.3	HB 236 ⁶ SB 842
Puerto Rico	P.R. St. T. 3 Ch. 79 §	2251(d)	2254	2254	2259	2260	2251(a)	N/A ²
Rhode Island	R.I. Gen. Laws T. 42 Ch. 35 §	42-35-1(i)	42-35-3.3	42-35-3.3	42-35-3.4	42-35-7 ¹	42-35-1.1 42-35-3.3(d)	N/A ²
South Carolina	S.C. Code T. 1, Ch. 23 §	1-23-270(B)	1-23-270(C)	1-23-270(D)	1-23-270(F)	1-23-270(E)	None.	N/A ²
South Dakota	S.D. Codified Laws T. 1 Ch. 26 §	1-26-1(8A)	1-26-2.1	1-26-2.1(5)	None.	1-26-14 ¹	None.	SB 74 ⁷ SB 75 Passed
Tennessee	Tenn. Code T. 4, Ch. 5 §	T. 29, Ch. 37 §103	EO Sec. 3	EO Sec. 2	4-5-226	4-5-225 ^{1,3}	4-5-106	E.O. 38 Signed 5/22/06 ⁸
Texas	Tex. Govt. Code T. 10 Ch. 2006 §	2006.001	2006.002	2006.002	2001.39	2001.038 ¹	2006.012	None.
Utah	Utah Code T. 63 Ch. 46a §	None.	63-46a-4(5) ¹	63-46a-4(3) ¹	63-46a-9	63-46a-12.1	63-46a-7	None.
Vermont	Vt. Stat. T. 3 Ch. 25 §	801	838(c) ¹	832a 838(c)(3)	834	807 ¹	816 832	None.
Virgin Islands	None.	None.	None.	None.	None.	None.	None.	None.

State	Citation	Small Business Definition	Economic Impact Analysis	Regulatory Flexibility Analysis	Periodic Review	Judicial Review	Exemptions	Legislation Introduced in 2006
Virginia	Va. Code T. 2.2 Ch. 40 §	2.2-4007.1(A)	2.2-4007(H)(2)	2.2-4007.1(B)	2.2-4007.1(D), (E), (F)	2.2-4027	2.2-4002 2.2-4006	N/A ²
Washington	Wash. Rev. Code T. 19, Ch. 85 T. 34, Ch. 5 §	19.85.020	19.85.030 19.85.040	19.85.030	34.05.630	34.05.570 ¹	19.85.025 34.05.030	HB 1445
West Virginia	W. Va. Code Ch. 29A § Exec. Order No. 20-03	None.	EO 3.A	EO 3.A, 3.B	EO 3.C, 3.D	29A-4-2 ¹	29A-1-3	None.
Wisconsin	Wis. Stat. Ch. 27 §	227.114(1)	227.19(3)(e) 227.19(3m)	227.114(2) 227.19(3)(e)	227.30	227.40 ¹	227.24	N/A ²
Wyoming	Wyo. Stat. T. 16, Ch. 3 §	None.	None.	None.	None.	16-3-114 ^{1,3}	16-3-103(b)	None.

Abbreviations: HB = House Bill, SB= Senate Bill, LB = Legislative Bill., EO = Executive Order, N/A = Not Applicable.

1 Not small business specific.

2 This column is not applicable to this state because it has a regulatory flexibility statute in active use.

3 Petitioner must first exhaust administrative remedies.

4 Colorado's HB 1041 continues the requirement that state agencies prepare a cost-benefit analysis to proposed rules that may affect small businesses.

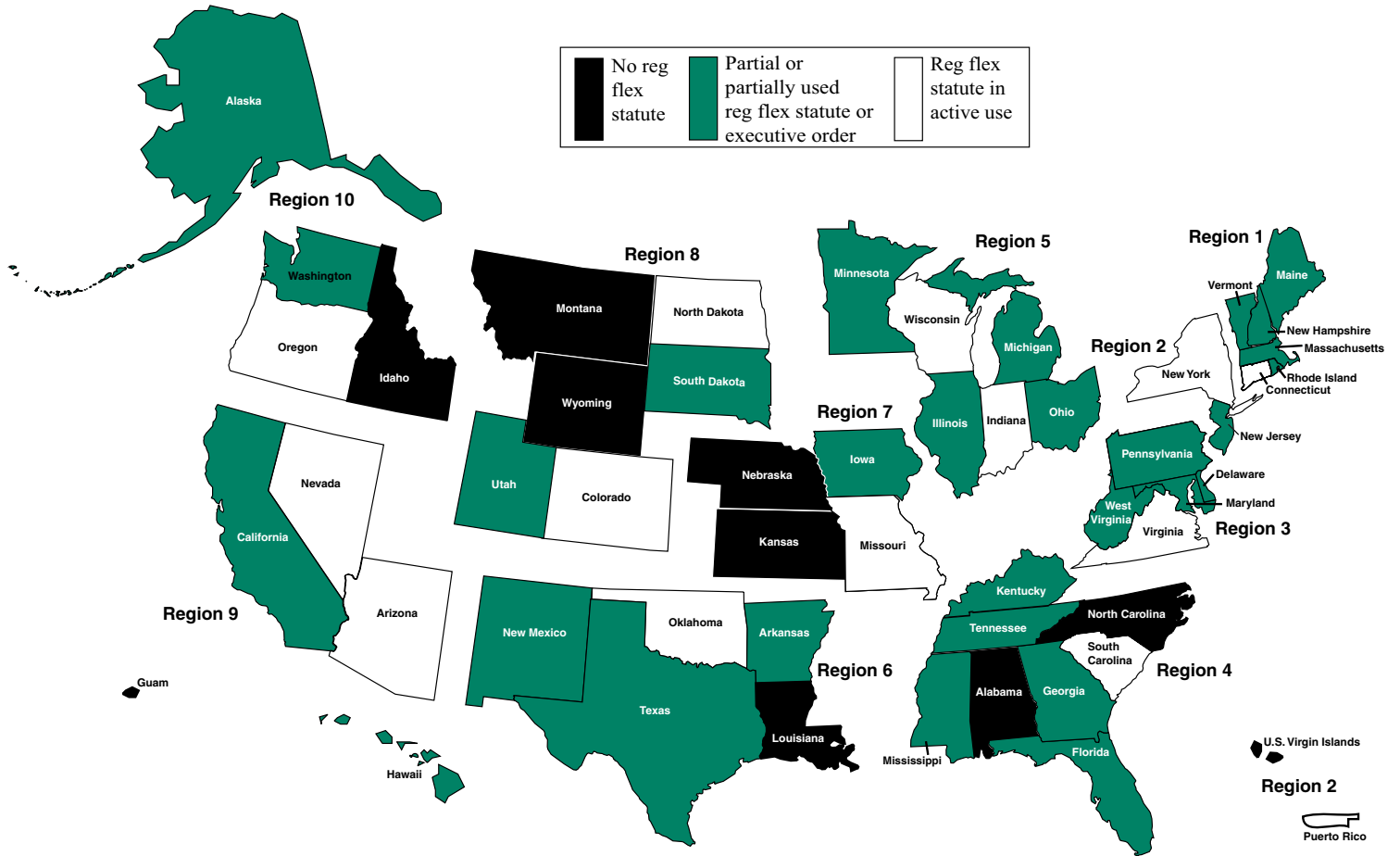
5 Governor George Perdue signed an executive order in March 2006 requiring state agencies to, among other things, comply with the current rulemaking provisions governing regulatory flexibility for small businesses and, in coordination with the state office of planning and budget, develop a plan to review proposed and existing rules that create an undue burden on small businesses and can be streamlined.

6 HB 236 passed the Pennsylvania legislature but was vetoed by the governor.

7 South Dakota's SB 74 extended the current regulatory flexibility provisions relating to the small business impact statement.

8 Tennessee's EO 38 requires agencies to analyze the economic impact of a proposed rule on small business and to examine whether there is a less costly alternative that does not compromise the objective of the rule.

Map of Regulatory Flexibility Laws in the States



February 2007

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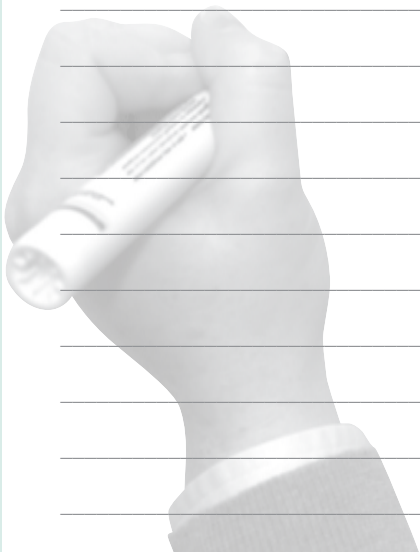
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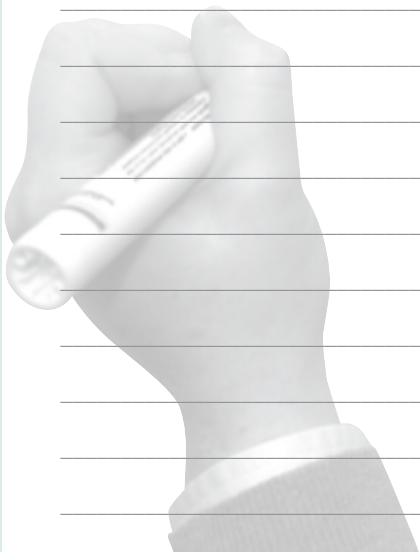
Abbreviations

ADED	Arkansas Department of Economic Development
AED	automated external defibrillator
APA	Administrative Procedure Act (Virginia, also U.S.)
ASME	American Society of Mechanical Engineers
DCEO	Department of Commerce and Economic Opportunity (Illinois)
DOL	Department of Labor (Arkansas)
DORA	Department of Regulatory Agencies (Colorado)
DPH	Department of Public Health (Illinois)
FIRST	fair, innovative, responsive, simple, and transparent (Rhode Island)
GORR	Governor's Office of Regulatory Reform (New York)
GRIP	Governor's Regulatory Improvement Program (Washington State)
GRRC	Governor's Regulatory Review Council (Arizona)
JCAR	Joint Committee on Administrative Rules (Illinois)
NAICS	North American Industry Classification System
OCABR	Office of Consumer Affairs and Business Regulation (Massachusetts)
OPRRR	Office of Policy, Research, and Regulatory Reform (Colorado)
ORA	Office of Regulatory Awareness (Washington State)
ORS	Office of Regulatory Streamlining (Oregon)
RFA	Regulatory Flexibility Act
RIEDC	Rhode Island Economic Development Corporation
SBDC	Small Business Development Center
SBREFA	Small Business Regulatory Enforcement Fairness Act
SBRRB	Small Business Regulatory Review Board (Wisconsin)
SBRRC	Small Business Regulatory Review Committee (Oklahoma and South Carolina)

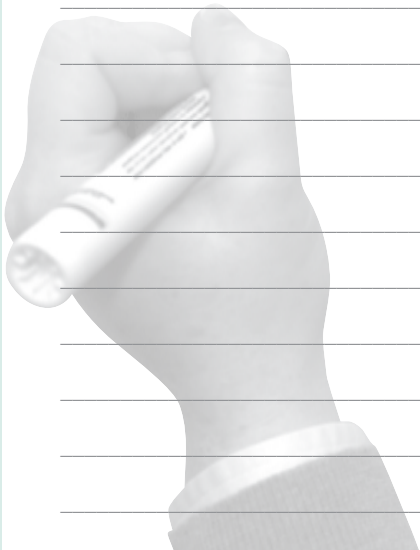


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Ewing Marion
KAUFFMAN
Foundation

