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## **Removing red tape to spur economic development - by Elizabeth Tanner**

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Red tape. Bureaucracy. Regulations. All words that undoubtedly give any commercial real estate leader pause.

And that pause isn't unwarranted. Red tape has a direct, negative impact on some of the most pressing long-term issues our country faces today. One such situation fueled by excessive red tape is the housing crisis which, because of regulation, is burdened with long wait times associated with development approvals. This delay not only increases costs for developers but can result in reduced project scopes that can directly impact local communities. For example, a reduction in the proposed number of affordable units to recoup money lost during the regulatory approval process.

At a macro level, data shows that regulations also have a significant negative impact on the broader economy. British Columbia, for example, consistently experienced economic growth below the national average. However, after cutting its regulations by 50%, the province outpaced the Canadian national average each year following. Findings such as these underscore the importance of removing burdensome regulations to drive economies forward, which is exactly what Rhode Island's Department of Business Regulation sought out to do.

In 2015, Rhode Island began modernizing and reforming the state's regulatory code under an executive order issued by governor Raimondo. The following year, additional laws were passed to reform the Administrative Procedures Act, the main piece of legislation that governs how regulatory rules are made. These changes in policy led to the digitization of Rhode Island's regulatory codes, moving the physical, paper filing system to an easily accessible and searchable online database. It also reduced the number of rules by 31%, eliminating more than 8,000 in total.

Through these digitization efforts, building professionals and homeowners can now do all of their permitting online via the state's e-permitting system, eliminating the need for in-person applications. Instead of having to drive to a town hall to fill out a paper permit, one can simply request a permit from the comfort of their homes — or even on their phones — saving all parties involved an

incredible amount of time.

Beyond permitting, Rhode Island Commerce worked hard to create tools that would make it easier for companies to connect with the state's business resources. Entrepreneurs and emerging business leaders have direct access to a Commerce business advisor who helps navigate the appropriate forms and licenses necessary for operation in a timely manner. For existing business owners, help with operational aspects, as well as marketing strategies, is also available. This collaboration allows business leaders to spend more time focused on their companies and less time worrying about administrative tasks.

By removing outdated regulations, creating an e-permitting system, and offering free resources for prospective and existing businesses, Rhode Island has made it easier to do business in the state.

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