

Testimony in Support of HB 6468Submitted by Bryce Chinault, Director of External Affairs

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Thank you for the opportunity to submit testimony to the Government Administration and Elections Committee regarding HB <u>6468: An Act Concerning the Review of Existing Regulations of Connecticut State Agencies</u>. My name is Bryce Chinault and I am the Director of External Affairs at Yankee Institute, a non-profit public policy organization in Hartford dedicated to empowering people to forge a better future for themselves and their families.

In 2017 it would have taken the average person <u>329 hours</u> to read the entire *Regulations of Connecticut State Agencies* (RCSA). That translates into over 8 weeks of reading if the average person was reading it as a full-time, 40-hour work week job. If it takes someone that long to simply read the document, how long does it take for anyone to fully understand and comply with the corresponding rules and regulations?

The RCSA at the time contained 96,247 regulatory restrictions and 5.9 million words, and Connecticut's state regulations have only expanded since then. Our businesses and residents must comply with all these burdens on top of other local rules and the ever-increasing scope of federal regulations. Reviewing our state agency <u>regulations</u> to determine if they have proven effective at achieving the goals the General Assembly set out for them, or if they are causing unnecessary burdens on businesses and individuals, will help Connecticut's economy grow and attract new innovations.² There are also ample amounts of bipartisan and

¹ A Snapshot of Connecticut Regulations, 2017. *Mercatus Center at George Mason University* (James Broughel & Daniel Francis, 2017): https://www.mercatus.org/research/policy-briefs/snapshot-connecticut-regulation-2017

² Nudging the Nudger: Toward a Choice Architecture for Regulators. *The George Washington University Regulatory Studies Center* (Susan E. Dudley & Zhoudan Xie, 2020): https://regulatorystudies.columbian.gwu.edu/nudging-nudger-toward-choice-architecture-regulators

international reforms aimed at reviewing and streamlining regulations that Connecticut policymakers can learn from and implement.

An example of bipartisan federal <u>legislation</u> that could serve as a model for Connecticut to improve regulatory review is the Smarter Regulations Through Advance Planning and Review Act of 2015 that was introduced by Senators Heidi Heitkamp (D-ND) and James Lankford (R-OK).³ The Commonwealth of Virginia's recent creation of an Office of Regulatory Management may also provide a helpful <u>structure</u> for how state agencies conduct regulatory reviews.⁴

President Barack Obama issued Executive Orders 13563, 13579 and 13610 that all aimed to expand the scope and effectiveness of federal agency <u>review</u> of regulations.⁵ President Donald Trump issued Executive Order 13771 which further encouraged regulatory agencies to <u>review</u> the effectiveness of previously published rules by requiring them to cut existing rules when they implemented new ones⁶ — similar <u>policies</u> were implemented in Canada, the United Kingdom, Australia and the Netherlands.⁷ These executive orders built on related actions taken by previous bipartisan administrations.⁸

While the addition of any one regulation on the economy may not make a significant difference in economic vitality, it is important for policymakers to keep in mind — as this legislation does — that the accumulation of rules over time blocks necessary economic growth and innovation. It can create conflicting, overlapping and redundant rules that drive up compliance costs for businesses. To

³ S.1817 - Smarter Regs Act of 2015: https://www.congress.gov/bill/114th-congress/senate-bill/1817

⁴ Virginia Charts a Path Forward on Regulatory Modernization. *The Regulatory Review at University of Pennsylvania's Program on Regulation* (Reeve T. Bull, 2023): https://www.theregreview.org/2023/02/20/bull-virginia-charts-a-path-forward-on-regulatory-modernization/

⁵ Learning from Experience: Retrospective Review of Regulations in 2014. *The George Washington University Regulatory Studies Center* (Sofie E. Miller, 2014): https://regulatorystudies.columbian.gwu.edu/learning-experience-retrospective-review-regulations-2014

⁶ Accounting for Regulatory Reform under Executive Order 13771. *Brookings Institution* (Bridget C.E. Dooling, Mark Febrizio, & Daniel R. Pérez, 2019): https://www.brookings.edu/research/accounting-for-regulatory-reform-under-executive-order-13771/

⁷ Implementing a Two-for-One Regulatory Requirement in the U.S. *The George Washington University Regulatory Studies Center* (Marcus Peacock, 2016): https://regulatorystudies.columbian.gwu.edu/implementing-two-one-regulatory-requirement-us

⁸ Improving Regulatory Accountability: Lessons from the Past and Prospects for the Future. *Case Western Reserve University School of Law* (Susan E. Dudley, 2015):

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borrow an analogy, putting any one pebble into a stream isn't likely to stop the stream from flowing, but if you add enough pebbles on top of one another the stream will inevitably slow to a trickle.⁹

Our state's <u>economy</u>¹⁰ has yet to fully recover from the Great Recession, let alone the COVID-19 pandemic, and effective regulatory review will help our economy <u>grow</u>, ¹¹ businesses <u>thrive</u> ¹² and families <u>prosper</u> ¹³ while reducing our state's economic inequality. ¹⁴

Respectfully submitted,

Bryce N.Y. Chinault
Director of External Affairs
Yankee Institute
bryce@yankeeinstitute.org

⁹ Regulatory Improvement Commission: A Politically-Viable Approach to U.S. Regulatory Reform. *Progressive Policy Institute* (Michael Mandel & Diana G. Carew, 2013): https://www.progressivepolicy.org/wp-content/uploads/2013/05/05.2013-Mandel-Carew Regulatory-Improvement-Commission A-Politically-Viable-Approach-to-US-Regulatory-Reform.pdf

¹⁰ Left Behind: Connecticut's Lost Decade. *Yankee Institute for Public Policy* (Ken Girardin, 2022): https://yankeeinstitute.org/2022/09/26/left-behind-connecticuts-lost-decade/

¹¹ Federal Regulation and Aggregate Economic Growth. *Journal of Economic Growth* (John W. Dawson & John J. Seater, 2013) https://link.springer.com/article/10.1007/s10887-013-9088-y

¹² The Impact of Regulation on Growth and Informality. *World Bank* (Norman V. Loayza, Ana Maria Oviedo, & Luis Servan, 2013): https://elibrary.worldbank.org/doi/abs/10.1596/1813-9450-3623

¹³ Regulatory Accumulation and Its Costs. *Mercatus Center at George Mason University* (Patrick McLaughlin, Nita Ghei, & Michael Wilt, 2016): https://www.mercatus.org/research/policy-briefs/regulatory-accumulation-and-its-costs

¹⁴ Breaking Down the Barriers: Three Ways State & Local Governments Can Improve the Lives of the Poor. *Mercatus Center at George Mason University* (Steven Horwitz, 2015): https://www.mercatus.org/students/research/research-papers/breaking-down-barriers-three-ways-state-and-local-governments-can