Utah continues to garner national praise for our pro-business climate. As it stands, Utah’s administrative code has clear process, requires business engagement and has been continuously improved. In 2011, the state conducted one of the most thorough regulation reviews in the nation. However, in comparison to leading states, Utah’s regulatory structure is becoming outdated.

Regulation reform is among the easiest and simplest ways policymakers can influence economic growth. Every state is subject to many of the same federal regulations, so proactively addressing our state’s regulatory structure is necessary to make an immediate impact on improving Utah’s competitiveness.

We believe key reforms focused on improving analysis and evaluation of rule will greatly improve Utah’s business climate.

### KEY FACTS

- **48%** of Utah’s rules substantially affect business
- **2.88%** of rules included quantitative analysis on the impact in 2015
- **21** states utilize a more robust analysis of the costs and benefits of rules than Utah
- **$?** without better analysis, we do not know how much Utah’s rules cost our economy

### STATES WITH COST-BENEFIT ANALYSIS ON REGULATION

- States with cost-benefit analysis on regulation
- States without cost-benefit analysis on regulation

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**REFORM #1: BETTER EVALUATION**

- Require a Quantitative Analysis of the Fiscal Impact on Every Rule
- Implement a Analysis Tool for Agencies
- Expand Business Impact Categories
- Improve Breakdown on the Fiscal Costs of Rule

**REFORM #2: STOPPING UNNECESSARY REGULATION**

- Flag Legislation That may Produce Increased Regulation
- Perform and Publish a Small Business Impact Reduction Analysis on Every Rule

**REFORM #3: IMPROVING TRANSPARENCY AND OVERSIGHT**

- Establish an Executive Branch Clearinghouse for Regulation
- Emphasize the Impact on Economic Development
- Modernize and Invest in rules.utah.gov
- Place Best Practices in Statute

**REFORM #4: ACHIEVING A NATIONAL MODEL**

- Consider a More Robust Analysis on Costs and Benefits of Rules

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Source: Salt Lake Chamber analysis of fifty state regulatory practices
RANKING UTAH’S REGULATORY CLIMATE

Behind our top national rankings, Utah’s business climate and costs of doing business have been on a relative decline as other states become more competitive, indicating a need for action.

2016 BEST STATE FOR BUSINESS - FORBES
2015 TOP ENTERPRISING STATE - U.S. CHAMBER OF COMMERCE
2016 BEST STATE FOR BUSINESS - FORBES

<table>
<thead>
<tr>
<th>RULES POSTED</th>
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<tr>
<td>BUSINESS CLIMATE - U.S. CHAMBER OF COMMERCE</td>
<td>↓ #7 (2015)</td>
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<td>BUSINESS TAX CLIMATE - TAX FOUNDATION</td>
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<td>SMALL BUSINESS POLICY INDEX - SMALL BUSINESS &amp; ENTREPRENEURSHIP COUNCIL</td>
<td>- #13 (2016)</td>
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Source: Governor Herbert’s 2011 Regulation Review, Utah’s Administrative Code and Salt Lake Chamber.

SUMMARY OF 2015 AUDIT OF STATE FISCAL IMPACT OF RULES ON UTAH BUSINESSES

| OVERALL RULES POSTED | 556 |

- 6.29% May have an unstated impact to business.
- 4.86% State an impact to business as “cannot be determined”
- 2.88% Rules where a quantitative impact was evaluated
- 13.67% Rules with a stated impact on business
- 6.29% State a business impact but do not determine the total number of industry firms that will be impacted.
- 46.58% Contain a statement of hesitancy concerning its impact on business, i.e. ‘to the best of my knowledge’, ‘I believe’, ‘I anticipate’.

Source: Salt Lake Chamber analysis of 2015 administrative rules bulletin.