

May 6, 2010

The Honorable Joshua Miller, Chairman  
Senate Committee on Corporations

RE: "An Act Making It Easier to Do Business in Rhode Island"

Dear Chairman Miller and Committee Members:

The Rhode Island Association of REALTORS supports all parts of this legislation and applauds the hard work of the Senate Task Force on Small Business Growth and Development to create it. We believe this legislation will help to make Rhode Island more attractive and friendly to small business owners.

■ **Directing the Secretary of State's office to create a master application form for businesses.** This is a wonderful idea to assist businesses. RIAR urges you to ensure that these enhancements also address the needs of the self-employed, which may include sole proprietorships, LLC's, LLP's and professional corporations. The First Stop Business Information Center on the Secretary of State's web site already includes a lot of good information but it would be even more helpful if it could include links to forms like these that a businessperson would not easily discover on his/her own.

*Designation of Agent for Nonresident Landlord form* - R.I.G.L. 34-18-22.3 requires all businesses and individuals who own rental property in Rhode Island to file this form with both the Secretary of State and the clerk of the town or city in which the property is located. A landlord legally cannot collect rent until he/she files both notices. Some landlords learn about this law only when they try to evict a tenant for non-payment of rent and are ordered to refund all of the rent that the tenant has paid to date.

*Notice of Designation as Independent Contractor form* - R.I.G.L. § 28-29-17.1 requires an individual who is working as an independent contractor (insurance salesperson, real estate salesperson, free-lance writer, insurance agent, etc.) to file this form with the RI Division of Labor and Training.

Also, individuals – particularly those who are from other states and accustomed to dealing with state and county government - may not be aware that municipalities have their own regulations that are stricter than state regulations in areas such as fire safety requirements and inspections, zoning, and mandatory septic system inspections. Could the state make it easier for business owners to learn about municipal regulations and requirements?

■ **Encouraging the RI Economic Development Council to focus on retaining and attracting small businesses.** Small business owners have the impression that the EDC and the state in general are more focused on encouraging large companies to relocate to Rhode Island rather than focusing on retaining or attracting small entrepreneurs who have a connection to Rhode Island. Changing the composition of the EDC board to include a minimum of four small, independently-owned business owners.

The Rhode Island Association of REALTORS urges you to support this legislation.

Very truly yours,

Monica S. Staaf  
Legal Counsel

