



Department of Business Regulation Office of the Director

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February 3, 2026

The Honorable Joseph J. Solomon,
Chairperson, House Corporations Committee
State House
Providence, Rhode Island 02903

Re: H7337 An Act Relating to State Affairs and Government – Rhode Island Biotechnology Regulatory Sandbox Act

Dear Chairman Solomon:

I am writing on behalf of the Department of Business Regulation (“DBR”) to provide information on the topic of establishing a biotechnology regulatory sandbox within H7337 to assist the Committee with consideration of this bill.

DBR regulates a wide variety of industries, including financial services (banking, securities and insurance), professionals (real estate salespeople, architects, engineers, and many more), and other areas. H7337 proposes to add a regulatory sandbox to DBR where innovative biotechnology products could seek to receive waivers of federal and state laws, regulations and processes. While this is an interesting proposal, this is not within DBR’s expertise. The bill specifically allows potential waivers of human genetic modification, state or federal environmental protection laws, and ethical standards for human or animal research. However, DBR does not have any expertise in any of these areas. We neither regulate them nor understand them to the level that we would need to waive federal or state laws and regulations. Moreover, we would anticipate considerable federal litigation if we sought to waive federal health and safety laws and regulations. As such, we would need considerable resources to build out expertise (i.e., scientists) in each of these areas, draft regulations and create a licensing system and defend federal court litigation that will likely ensue.

DBR has conservatively estimated that to start implementation of this bill it would need ten (10) additional FTEs (3 scientists of various disciplines, 2 investigators, an analyst, 3 legal counsels including an experienced federal litigator, and an administrator) and approximately \$300,000 to set up a new licensing system for the sandbox. Valuing each FTE at \$300,000 that is a total initial fiscal impact of \$30.3 million to DBR.

We would be happy to provide you with whatever additional information you might need. Please do not hesitate to contact me at elizabeth.dwyer@dbr.ri.gov or 401.462.9615 (office) or 401.578.6653 (mobile).

Thank you for your consideration of our position on this proposed legislation.

Sincerely,

Elizabeth Kelleher Dwyer
Director, Department of Business Regulation

cc. Honorable Members of the House Committee on Corporations
Honorable David J. Place
Nicole McCarty, Esq., Chief Legal Counsel to the Speaker of the House