RHODE ISLAND GOVERNMENT REGISTER PUBLIC NOTICE OF PROPOSED RULEMAKING

AIRPORT CORPORATION

Title of Rule: Procurement Regulations

Rule Identifier: 800-RICR-00-00-6

Rulemaking Action: Proposed Amendment

Important Dates:

Date of Public Notice: August 12, 2025

End of Public Comment: September 11, 2025

Rulemaking Authority:

R.I. Gen. Laws § 42-64-7(16)

R.I. Gen. Laws § 42-64-7.1

Summary of Rulemaking Action:

RIAChas determined that amending the Procurement Regulations to maintainconsistency with the statutory authority for the Procurement Regulationsprovides the greatest benefit to RIAC's stakeholders. As a result of theamendments, stakeholders will have a clearer understanding that of theprocurement process and costs associated with procurement. R.I.Gen. Laws § 37-2-4 (the "State Purchases Act") applies to every expenditure of public funds, except as otherwise provided by law, by RIAC under any contractor like business agreement, except only those contracts or like businessagreements between RIAC and the State. Therefore, based on this legislative history, many of the dollar amounts used in Chapter 2of Title 37 are outdated and need to align with the current statute.

Additional Information and Public Comments:

All interested parties are invited to request additional information or submit written or oral comments concerning the proposed amendment until September 11, 2025 by contacting the appropriate party at the address listed below:

Brittany Morgan Airport Corporation 2000 Post Road Warwick, RI 02886 bmorgan@flyri.com

In accordance with R.I. Gen. Laws § 42-35-2.8, an oral hearing will be granted if requested by twenty-five (25) persons, by a governmental agency or by an association having at least twenty-five (25) members. A request for an oral hearing must be made within ten (10) days of the publication of this notice.

Regulatory Analysis Summary and Supporting Documentation:

Introduction

The Rhode Island Airport Corporation ("RIAC") is proposing to revise the Procurement Regulations (800-RICR-00-00-6) to update in accordance with recent changes in the law, including Chapter 2 of Title 37. This analysis estimates the societal benefits and costs that result from the adoption of the proposed Procurement Regulations revisions.

Pursuant to the Administrative Procedures Act ("APA"), R.I. Gen. Laws § 42-35-2.9, RIAC has conducted a regulatory analysis for the proposed regulation. For this analysis, RIAC used the best available information at the time of publication to estimate the benefits and costs of the proposed regulatory provisions. This analysis does not attempt to generate benefit and cost estimates solely attributable to the changes in law. The following analysis examines the costs and benefits of the discretionary decisions made by RIAC.

Background

R.I. Gen. Laws § 37-2-4 (the "State Purchases Act") applies to every expenditure of public funds, except as otherwise provided by law, by RIAC under any contract or like business agreement, except only those contracts or like business agreements between RIAC and the State. Therefore, based on this legislative history, many of the dollar amounts used in Chapter 2 of Title 37 are outdated and need to align with the current statute.

The President and CEO has been conferred with the authority to enact these changes to the Procurement Regulations pursuant to RIGL §1-2-1.

Proposed Amendments

Increase the maximum dollar amount for small purchases.

800-RICR-00-00-6.4.5(A)

800-RICR-00-00-6.4.5(A)(1)

800-RICR-00-00-6.4.5(A)(3)

RIAC has determined that the above provisions must be addressed in the regulation in order to remain consistent with the statutory changes enacted.

Regulatory & Cost-Benefit Analysis

Pursuant to RIGL §42-35-2.9, administrative agencies must analyze the benefits and costs of a reasonable range of regulatory alternatives. In this instance, the regulatory amendments are all proposed in order to maintain consistency with the statutory authority underlying the Procure Regulations. Given the intent, there are only two possible alternatives that were considered.

1. Update the Procure Regulations to be Consistent with Legal Authority The first option is to make the amendments to maintain consistency with legal authority. The benefits of the amendments are that the stakeholders of the airports will have a clear understanding of the dollar figures to qualify as a small purchase. In addition, with the inflation and rising costs, increasing the dollar amount for small purchases allows for a more clear and efficient procurement process because products and services have increased in price, so purchases that were formerly considered a small purchase may no longer qualify as a small purchase. These changes will make RIAC operate more efficiently by allowing for small purchases to be made in a cost effective and timely manner, ultimately providing value to the stakeholders. This will also prevent any legal uncertainty for RIAC by ensuring that the Procurement Regulations are consistent with the statutory authority. These changes do not have any obvious costs for the stakeholders.

2.Do not update the Procure Regulations to be Consistent with Legal Authority The only other option is to allow the Procurement Regulations to remain inconsistent with statutory authority. This approach could cause confusion among those in charge of procurement for RIAC as what were traditionally considered to be small purchases may now exceed the dollar amount of the regulations, creating delays and extra steps in the procurement process. In addition, this will also cause legal uncertainty for RIAC in carrying out its statutory duties because of the discrepancies regarding the dollar amount to qualify as a small purchase. This option would have costs for all involved, as those seeking to procure necessary items for RIAC may do so in a manner that is not authorized by statute or be significantly delayed in the procurement process due to different requirements for purchases that are not a small purchase.

Given that the first option provides greater understanding among stakeholders, and has no obvious costs, RIAC has determined that these amendments to the Procurement Regulations provide the most cost-effective approach, and provide the greatest net benefit to the stakeholders in accordance with RIGL §42-35-2.9.

Concise Explanatory Statement

In summary, RIAC has determined that amending the Procurement Regulations to maintain consistency with the statutory authority for the Procurement Regulations provides the greatest benefit to RIAC's stakeholders. As a result of the amendments, stakeholders will have a clearer understanding that of the procurement process and costs associated with procurement.

For full regulatory analysis or supporting documentation contact the agency staffperson listed above.