



**House Committee on Commerce, Labor, and Economic Development
Testimony in Support of House Bill 2821- Regulatory Sandbox
Presented by Eric Stafford, VP of Government Affairs, Kansas Chamber**

Monday, March 18, 2024

Mister Chairman and members of the committee, my name is Eric Stafford, Vice President of Government Affairs for the Kansas Chamber. The Kansas Chamber represents small, medium and large businesses of all industry segments across the state. We appreciate the opportunity to testify in support of House Bill 2821, which would establish the office of regulatory relief and establish Kansas as a “regulatory sandbox” state.

The concept of a regulatory sandbox is relatively new, but states that have adopted the policy are seeing positive results. According to the State Policy Network, “A regulatory sandbox is a legal classification that creates a space where participating businesses won’t be subject to onerous regulations—usually for a limited amount of time. The point is to allow these businesses to “play” in the sandbox without regulations to see if innovative ideas and products can get traction and enter the market.” Arizona, Nevada, Wyoming, Kentucky, West Virginia, Vermont, South Dakota, and Florida have adopted industry-specific sandbox policies, while Utah was the first state to adopt a universal policy for all industries. HB 2821 is modeled off Utah’s statute.

Regulatory sandboxes have several benefits. First, they can be used to help consumers test new products or concepts previously unavailable. Second, they can benefit both industry and the regulatory body overseeing the industry to learn and understand the benefits of the industry, product or service through a more collaborative partnership.

HB 2821 includes provisions to protect against anyone taking action on their own and having free reign by an exemption from state laws or regulations by stating that if the state agency rejects a waiver application, the office shall not approve such application. The ultimate goal here is to give the flexibility needed for new technologies or ideas to flourish without having to first go through the steps to change state law or regulations, so long as there is not a risk to public safety or health.

In closing, Kansas ranks very well in our regulatory climate. House Bill 2821 would add Kansas to the growing list of states recognizing that partnering with the private sector for innovation and advancement can lead to positive outcomes for consumers, businesses, and state government. We respectfully ask for your support of House Bill 2821, and I’d be happy to answer questions at the appropriate time.