



House Bill 208

Virginia General Assembly

Committee members,

Thank you for the opportunity to support of House Bill 208 on behalf of Opportunity Solutions Project (OSP), a nonprofit that advocates for free enterprise and government accountability.

OSP supports HB 208 because it offers a practical solution to remove red tape for entrepreneurs and innovative businesses. Though the costs of regulatory policies can be difficult to measure, their consequences are not abstract.ⁱ Needless regulation stands in the way of innovation.

HB 208 isn't a free-for-all, it's a framework. It would create a regulatory sandbox, allowing a business from any industry to receive a temporary waiver from outdated regulations that hamper a new idea. Regulators would monitor the new product/service as it enters the market and make recommendations to reform regulations accordingly. The result is carefully crafted regulations, as opposed to needless barriers.

Utah created a general-purpose regulatory sandbox, while nine states have sandboxes for specific industries, including West Virginia and North Carolina. HB 208 would place Virginia at the front of the pack with Utah, as the policy is general-purpose. Though it could require public expenditure, creating a regulatory sandbox for all industries could attract business to the Commonwealth without corporate handouts like subsidies or tax breaks.

Thank you for your time.

Haley Holik
Opportunity Solutions Project

ⁱ Howard Beales et al., "Government Regulation: The Good, The Bad, & The Ugly," Regulatory Transparency Project of the Federalist Society (2017), <https://regproject.org/paper/government-regulation-the-good-the-bad-the-ugly/>.