

**REGULATORY FLEXIBILITY ANALYSIS**  
**(FORMERLY SMALL BUSINESS IMPACT STATEMENT)**

**SECTION A**

**Date: October 18, 2022**

**Agency Submitting Proposed Regulation: State of Connecticut Office of the Comptroller**

**Proposed Regulation Title: Distribution of funds**

Prior to or concomitant with the posting of a notice pursuant to C.G.S. § 4-168a, as amended by Public Act 16-32, each agency shall prepare a regulatory flexibility analysis. Agencies must complete this document and upload it into the eRegulations System prior to posting the Notice of Intent described in C.G.S. § 4-168(a)(1). This document will automatically publish to eregulations.ct.gov at the time the filing agency posts the Notice of Intent.

Reminder: Pursuant to C.G.S. § 4-168a(c), prior to the adoption of any proposed regulation that may have an adverse impact on small businesses, each agency shall notify the Department of Economic and Community Development and the joint standing committee of the General Assembly having cognizance of matters relating to commerce of its intent to adopt the proposed regulation.

**Scope and Objectives of the Proposed Regulation (mandatory for all filers):**

Section 31-424 of the Connecticut General Statutes was amended by Public Act 22-118 to require the Comptroller to adopt regulations governing the distribution of funds from the Connecticut Retirement Security Program. Participants in the program have the right to receive a distribution of the funds from their individual retirement accounts established and maintained by the program at any time. The new proposed regulation provides the methods by which participants can request a distribution of funds from their accounts. The new proposed regulation also provides that there may be tax obligations and penalties associated with such distribution.

Please check the appropriate box:

- ☒ The regulatory action will not have an effect on small businesses. *If you check this box, do not complete SECTION B.*
- ☐ The regulatory action will have an effect on small businesses, but will not have an adverse effect on such small businesses. *If you check this box, complete SECTION B.*
- ☐ The regulatory action may have an adverse effect on small businesses, but no alternatives considered would be both as effective in achieving the purpose of the action and less burdensome to potentially effected small business. *Note: alternatives considered may include those listed in C.G.S. § 4-168a(b)(6). If you check this box, complete SECTION B.*
- ☐ The regulatory action will have an adverse effect on small businesses that cannot be minimized in a manner that is consistent with public health, safety and welfare. *If you check this box, complete SECTION B.*

## **SECTION B**

For regulatory actions which affect or may affect small businesses, please provide responses to the following:

**Types of Businesses Potentially Affected by the Proposed Regulation:**

**Total Number of Small Businesses Potentially Subject to the Proposed Regulation:**

**Will small businesses, in order to comply with the proposed regulation, have additional requirements as listed in C.G.S. § 4-168a(b)(4)? If so, identify the requirements and provide an explanation for each.**

**Has the agency communicated with small businesses or small business organizations in developing the proposed regulation and the regulatory flexibility analysis, if applicable? If so, to what extent?**

**Does the proposed regulation provide alternative compliance methods for small businesses that will accomplish the objectives of applicable statutes while minimizing the adverse impact on small businesses? If so, to what extent?**

