



EXECUTIVE ORDER

2016-13

EXECUTIVE ORDER ESTABLISHING
THE ILLINOIS COMPETITIVENESS COUNCIL

WHEREAS, in the World Economic Forum's *Global Competitiveness Report*, international economic experts found that "[g]overnment attitudes toward markets and freedoms and the efficiency of its operations" are "very important" to "sustaining prosperity and raising the well-being of its citizens"; and

WHEREAS, the World Economic Forum also found that "excessive bureaucracy and red tape, overregulation, corruption, dishonesty in dealing with public contracts, lack of transparency and trustworthiness, inability to provide appropriate services for the business sector and political dependence on the judicial system impose significant economic costs to businesses and slow the process of economic development"; and

WHEREAS, by statutory mandates, administrative rules, licensing requirements, and internal agency policies, the State of Illinois has placed a tremendous regulatory burden on its citizens, social service providers and businesses that increase the cost of doing business in Illinois, stretch the resources of social service providers and prevent our citizens from obtaining critical services in a timely manner; and

WHEREAS, burdensome and unnecessary regulations, policies, and licensing requirements impose a disproportionate economic impact on small businesses and, according to one study published by the State of California, add as much as \$134,000 in additional expenses on every small business each year; and

WHEREAS, Illinois trails other states, such as Arizona, Colorado, Florida, Indiana, Kentucky, Massachusetts, Michigan, New Jersey, and Wisconsin, which have implemented comprehensive reviews and reforms of anti-competitive laws, rules, and policies that impose unnecessary costs on their businesses and citizens, giving those states a competitive edge over Illinois when it comes to attracting businesses and entrepreneurs; and

WHEREAS, government regulations should promote economic development, increase government effectiveness, and help our most vulnerable citizens obtain services in an efficient and expeditious manner; and

WHEREAS, Illinois' regulatory process should be transparent and take into account public input, and agencies should be responsive to regulated communities to ensure compliance; and

WHEREAS, many of the State's agencies have outdated, redundant or inconsistent regulations, resulting in an inconsistent and unnecessary regulatory framework across the State and public frustration; and

WHEREAS, licensing rules cause those seeking a license a delay in pursuing their chosen profession and create anti-competitive barriers to entry into the marketplace; and

WHEREAS, there is no clear, concise guidance for drafting and implementing new policies and regulations and therefore, state agencies apply an inconsistent patchwork of anti-competitive standards to the rule making process; and

WHEREAS, a comprehensive review of existing administrative rules and internal agency policies is essential to determine their current necessity and relieve citizens, businesses and social service providers from the crush of unnecessary, outdated and inconsistent regulations; and

WHEREAS, Illinois' government should strive for the most legally-grounded, least onerous, least costly and most efficient and effective body of administrative law possible; and

WHEREAS, without compromising the health, safety or welfare of Illinois' citizens, this review should result in the elimination or simplification of unnecessary or unduly burdensome and anti-competitive administrative rules and policies; and

THEREFORE, I, Bruce Rauner, Governor of Illinois, by virtue of the executive authority vested in me by Section 8 of Article V of the Constitution of the State of Illinois, do hereby order as follows:

I. CUTTING THE RED TAPE

All agencies, boards, commissions, and authorities of the Executive Branch of the State of Illinois under the jurisdiction of the Governor (each an "Agency") shall conduct a comprehensive review of their administrative rules and policies, (collectively "Regulations"), as part of the Cutting the Red Tape Initiative. All other State agencies are also urged to conduct a similar review. In conducting such review, each Agency shall ensure that all current and new regulations meet the following guidelines:

1. Regulation is up to date and reflective of current Agency functions and programs.
2. Regulation is drafted in such a way as to be understood by the general public. Regulations should be clear, concise and drafted in readily understood language. Regulations should not create legal uncertainty.
3. Regulation is consistent with other rules across Agencies. Agencies should coordinate to ensure rules are not conflicting or have duplicative requirements.
4. Regulation should not cause an undue administrative delay or backlog in processing necessary paperwork for businesses or citizens.
5. Regulation does not impose unduly burdensome requirements on business, whether through time or cost, or have a negative effect on the State's overall job growth. In considering this criterion, the Agency should consider whether there are less burdensome alternatives to achieve the Regulation's purpose.
6. Regulation does not impose unnecessary burden on social service providers or recipients, whether through time or cost. In considering this criterion, the Agency should consider whether there are ways to revise the Regulation to make it easier for social service providers and recipients to provide or receive services.
7. There is a clear need and statutory authority for the Regulation. Regulation should not exceed the Agency's statutory authority and should be drafted so as to impose statutory requirements in the least restrictive way possible. In considering these criteria, the Agency should also consider whether the Regulation exceeds federal requirements or duplicates local regulations or procedures.

Each Agency shall complete their review of their administrative rules by May 1, 2017. Each Agency shall provide the Competitiveness Council established by this Executive Order with quarterly reports until such review is complete. Any current or proposed Regulation that does not meet each of the above criteria should be revised or repealed. Upon completion of the Agency's review, the Agency shall submit all revisions and repeals of administrative rules to the Joint

Committee on Administrative Rules and the Secretary of State in accordance with the Administrative Procedure Act (5 ILCS 100). For any internal agency policy not required by the Administrative Procedure Act to be submitted to the Joint Committee on Administrative Rules and the Secretary of State, the Agency shall promptly process all revisions and appeals in accordance with Agency procedure.

II. ENSURING TRANSPARENCY AND PUBLIC INPUT

Burdensome Regulations affect the public's ability to start and run a business, achieve desired employment, and receive and provide critical services. It is essential that Agencies work closely with the citizens they serve in order to ensure that those affected by government regulation have their voices heard. In order to ensure transparency and proper public input in Cutting the Red Tape, each Agency shall:

1. Solicit public feedback on rule revisions via an online public portal located at: www.illinois.gov/cut (the "Red Tape Reduction Portal"). Both businesses and individuals can submit feedback on burdensome regulations by filling out a simple online form at the portal.
2. Post those Regulations submitted to the Joint Committee on Administrative Rules on the Red Tape Reduction Portal.

III. CREATION OF ILLINOIS COMPETITIVENESS COUNCIL

There is hereby established the Illinois Competitiveness Council (the "Council") to oversee the Agency review of Regulations. The duties of the Council are as follows:

1. Ensure that Agencies are considering the factors listed in Section I when reviewing rules and policies;
2. Establish cost-savings estimates to both the public and private sector as a result of the Agencies' proposed revisions; and
3. Solicit public feedback on existing Regulations and serve as a liaison between Agencies and the public in the review process.

The Council shall consist of a representative of each of the following agencies:

1. The Governor's Office who shall serve as Chair of the Committee
2. The Governor's Office of Management and Budget
3. The Department of Agriculture
4. The Department of Commerce and Economic Opportunity
5. The Department of Financial and Professional Regulation
6. The Department of Healthcare and Family Services
7. The Department of Human Services
8. The Department of Insurance
9. The Department of Natural Resources
10. The Department of Public Health
11. The Department of Revenue

The Council shall sunset on January 1, 2018.

IV. SAVINGS CLAUSE

This Executive Order does not contravene, and shall not be construed to contravene, any federal law, state statute, or collective bargaining agreement.

V. PRIOR EXECUTIVE ORDERS

This Executive Order supersedes any contrary provision of any other prior Executive Order.

FILED
INDEX DEPARTMENT
OCT 17 2016
IN THE OFFICE OF
SECRETARY OF STATE

VI. SEVERABILITY CLAUSE

If any part of this Executive Order is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. The provisions of this Executive Order are severable.

VII. EFFECTIVE DATE

This Executive Order shall take effect immediately upon filing with the Secretary of State.



Bruce Rauner, Governor

Issued by the Governor: October 17, 2016

Filed with the Secretary of State: October 17, 2016

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