

Guidance for Implementation of Executive Order 2018-02

Internal Review of Administrative Rules; Moratorium to Promote Job Creation and Customer-Service-Oriented Agencies

I. Introduction

On February 12, 2018, Governor Ducey reissued a fourth annual Executive Order renewing the moratorium on regulatory rulemaking by Arizona state agencies.

This document is intended to provide guidance for impacted state agencies on complying specifically with Sections 2-6 of Executive Order 2018-02 (EO). Throughout the document, agencies subject to the EO will find points of contact and information on the reports submitted to the Office of the Governor by July 1, 2018.

II. EO 2018-02, Section 2: Rulemaking; Seeking approval from the Governor's Office

Section 2 prohibits agencies from conducting any rulemaking without the prior written approval of the Office of the Governor.

As previously required by Governor Ducey, all agencies subject to this EO seeking to create, update, or amend a rule must get written approval from the Governor's Office and cite a justification from the EO for the rulemaking request.

The agency should contact its assigned policy advisor in the Governor's Office in writing for approval.

III. EO 2018-02, Section 3: Website material

Section 3 prohibits state agencies from publicizing any directives, policy statements, documents, or forms on its website unless such are explicitly authorized by the Arizona Revised Statutes or Arizona Administrative Code.

For example, if an agency has language on its website requiring a form to be submitted within 10 days, but the 10-day deadline is not specifically found in existing rule or statute, the requirement must be removed from the website.

State agencies may continue to publicize material on its website that is not explicitly required by statute or rule, but necessary in the normal course of business (e.g., name change forms,

customer complaint forms, etc.). However, state agencies should ensure this material is clear and as simple to complete as possible. Agencies should remove any unnecessary requirements or burdens within these documents, such as specifying certain font style or size for completion or unnecessary notary requirements.

State agencies should work directly with its assigned Assistant Attorney General for questions or issues on complying with this section.

IV. EO 2018-02, Section 4: Estimated regulatory costs, Office of Economic Opportunity

Section 4 requires state agencies to coordinate with the Office of Economic Opportunity to prepare a statement of estimated regulatory cost and impact from its agency rules.

The Office of Economic Opportunity (OEO) is the lead on this requirement and will review all final agency rule changes to calculate the cost savings to taxpayers using its developed methodology. OEO completed this same analysis in 2017. Using its methodology, OEO calculated a savings of approximately [\\$48 million](#) from the elimination of 676 regulatory burdens in 2017.

If an agency would like to offer input or ask questions on the process, contact Danny Wilson, OEO regulatory economist, at 602-771-1122 or daniel.wilson@oeo.az.gov.

Please note that this provision within the EO *is in addition* to the required Economic, Small Business, & Consumer Impact Statement from A.R.S § 41-1055 agencies must still conduct for new rulemakings.

V. EO 2018-02, Section 5: Opportunities for licensing reciprocity

Section 5 requires state agencies that administer occupational licenses to review rules and statutes related to licensing reciprocity, identify opportunities to decrease burdens for qualified professionals who relocate to Arizona, and report these opportunities—whether administrative or legislative—to the Office of the Governor.

Examples of beneficial policy changes include, but are not limited to, temporary licenses and expedited application processes.

Reports must be completed and submitted using the EO 2018-02 Section 5 Response Form through Google (Click here or copy/paste the link into browser:

https://docs.google.com/forms/d/e/1FAIpQLSd8SYvTKoIdaBtstYcZXhDY9adCAbQrvSjY9Y3KXVUyWgVOeA/viewform?usp=sf_link).

The template linked above asks for the following information.

1. Name of agency
2. Name and title of lead contact at agency for the report
3. Lead contact email
4. Lead contact phone
5. An overview or summary of the agency's current policies, rules, and agreements with other states in regard to licensing reciprocity AND any additional agency policies or rules that generally reduce burdens for qualified professionals to receive their license and begin working in Arizona (recent fee reductions, process improvements for granting licenses, etc.).
6. The process by which the agency discovered and evaluated new licensing reciprocity opportunities that will decrease burdens for qualified professionals to relocate to Arizona for this report.
7. A list of specific recommendations for the agency that would increase reciprocity opportunities and eliminate burdens for qualified professionals who relocated to Arizona. The list should include whether the recommendation would require a legislative or administrative change. For administrative changes, agencies should include draft rule language.

Reports on this matter are due no later than July 1, 2018. Agencies should contact their assigned policy advisor in the Governor's Office with questions.

VI. EO 2018-02, Section 6: Reducing occupational licensing barriers for veterans

Section 6 requires agencies that administer occupational licenses to review current rules and statutes to identify opportunities to streamline and accelerate licensing requirements for veterans. Agencies should specifically work to modify or create procedures that recognize veterans' skills, credentials, and training received during military service in place of some or all of the current training requirements for a license. Agencies are required to report these new opportunities—whether legislative or administrative changes—to the Office of the Governor.

Examples of beneficial policy changes for veterans may include, but are not limited to, academic credit for military training and work experience; lower fees; expedited application processes; and recognition of accelerated training opportunities for veterans.

Reports must be completed and submitted using the [EO 2018-02 Section 6 Response Form](https://docs.google.com/forms/d/e/1FAIpQLSdNfHcIOMuH1PIAGJVPQIFbmQftAX1HgOh2IDmiQDRhpSg_Rg/viewform?usp=sf_link) through Google. (Click here or copy/paste the link into browser: https://docs.google.com/forms/d/e/1FAIpQLSdNfHcIOMuH1PIAGJVPQIFbmQftAX1HgOh2IDmiQDRhpSg_Rg/viewform?usp=sf_link)

The template linked above asks for the following information.

1. Name of agency
2. Name and title of lead contact at agency for the report
3. Lead contact email
4. Lead contact phone
5. An overview or summary of the agency's current policies and rules that aim to streamline, eliminate, or reduce occupational licensing processes and burdens for veterans.
6. The process by which the agency discovered and evaluated new opportunities to streamline, eliminate, or reduce occupational licensing processes and burdens for veterans for this report.
7. A list of specific opportunities for the agency to streamline, eliminate, or reduce occupational licensing requirements for veterans in Arizona, thus accelerating veterans' ability to receive their chosen license and begin work. The list should include whether the opportunity would require a legislative or administrative change. For administrative changes, agencies should include draft rule language.

Reports on this matter are due no later than July 1, 2018. Agencies should contact their assigned policy advisor in the Governor's Office with questions.

VII. Submitting required reports

Agencies that are required to submit a report pursuant to Section 5 and/or Section 6 of the EO should send documents via the Google Form links above to the Director of Boards and Commissions in the Governor's Office no later than July 1, 2018.

Questions may also be submitted to the assigned policy advisor in the Governor's Office in advance of the deadline.

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