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STATE OF INDIANA  
EXECUTIVE DEPARTMENT  
INDIANAPOLIS

**EXECUTIVE ORDER: 13-03**

**FOR: PROMOTING JOB CREATION, ECONOMIC DEVELOPMENT, AND FREEDOM BY ORDERING A MORATORIUM ON REGULATIONS**

TO ALL WHOM THESE PRESENTS MAY COME, GREETINGS.

**WHEREAS**, over several decades the proliferation of administrative rules and regulations at all levels of government has increased the complexity and expense of economic life;

**WHEREAS**, reducing this regulatory burden on Hoosiers will promote citizens' freedom to engage in individual, family, and business pursuits;

**WHEREAS**, a comprehensive evaluation of existing administrative rules is essential to determine their current necessity and effectiveness within an ever-changing economic landscape;

**WHEREAS**, outmoded, ineffective, excessively burdensome, or unnecessary administrative rules and regulations should be repealed;

**WHEREAS**, Article V, Section 1 of the Indiana Constitution vests the executive power of the State of Indiana in the Governor;

**WHEREAS**, Ind. Code § 4-3-22-1 tasks the Indiana Office of Management and Budget (OMB) with, among other duties, the responsibility to "[a]scertain whether the burdens imposed by laws and rules are justified by their benefits using a rigorous cost benefit analysis";

**WHEREAS**, an administrative-rulemaking moratorium will permit OMB to devote resources to a comprehensive evaluation and rigorous cost benefit analysis of existing administrative rules; and

**WHEREAS**, wherever possible, and without compromising the health and safety of Hoosiers, this review should result in the elimination or simplification of unnecessary or unduly burdensome rules and regulations so that private sector employment and new investment in Indiana increases and the quality of our Hoosier workforce improves.

**NOW, THEREFORE, I, Michael R. Pence**, by virtue of the authority vested in me as Governor of the State of Indiana, do hereby order that:

1. Agencies, as defined by Ind. Code § 4-22-2-3, shall suspend rulemaking action on any proposed rules for which a notice of intent to adopt a rule (under Ind. Code 4-22-2) or notice under Ind. Code 13-14-9 was not submitted to the office of the *Indiana Register* on or before January 14, 2013. This action shall be known as the "Regulatory Moratorium." This Regulatory Moratorium shall not apply to any separately elected statewide office set forth at Ind. Code § 3-10-2-6(3), (4), and 3-10-2-7.
2. OMB shall perform a comprehensive evaluation and rigorous cost benefit analysis of existing administrative rules as adopted under Ind. Code 4-22-2 and Ind. Code 13-14-9. Agencies shall fully assist OMB in this evaluation by providing timely information and analysis when requested by OMB.
3. OMB shall give review priority to rules with the most negative effect on job creation and economic development in the private sector.
4. OMB shall solicit the participation of all interested citizens in the evaluation of existing administrative rules, including the effect of compliance with those rules.
5. OMB shall make recommendations to the Governor and the General Assembly regarding rules whose modification or repeal would lift unjustifiable burdens from Hoosier citizens, especially such burdens that discourage creation of jobs and economic development.

6. The following rules shall be excluded from the suspension ordered in Paragraph 1 of this Executive Order:
  - a. rules to fulfill an objective related to job creation and increasing investment in Indiana or to improve the quality of Indiana's workforce;
  - b. rules that repeal existing rules or reduce their regulatory impact;
  - c. rules that implement a federal mandate and no waiver is permitted;
  - d. rules necessary to avoid a violation of a court order or federal law that would result in sanctions by a court or the federal government against the state for failure to conduct the rulemaking action;
  - e. rules to address matters pertaining to the control, mitigation or eradication of waste, fraud or abuse within a state agency or wasteful or abusive activities perpetrated against a state agency;
  - f. rules that reduce State spending; or
  - g. rules whose predominate purpose and effect are to address matters of emergency or health or safety, including the promulgation of an emergency rule under Ind. Code § 4-22-2-37.1.
7. Before initiating rulemaking action, agencies shall notify OMB of any proposed rules believed to satisfy an exception in Paragraph 6 of this Executive Order, with an accompanying explanation. Agencies shall then follow all existing rules and procedures, including those set forth in Executive Order No. 2-89 and Financial Management Circular No. 2010-4.
8. Agencies shall notify OMB as soon as practicable of all pending, non-final rules, namely all proposed rules for which a notice of intent to adopt a rule pursuant to Ind. Code 4-22-2 or a notice under Ind. Code 13-14-9 was submitted to the *Indiana Register* on or before January 14, 2013, and provide:
  - a. a summary of the proposed rule;
  - b. a statement regarding the proposed rule's potential to promote private-sector job growth or foster private-sector economic development; and
  - c. an estimated date of the proposed rule's adoption.
9. Agencies shall notify OMB as soon as practicable of any proposed or pending rulemaking action for which legal authority is beyond the scope of Ind. Code 4-22-2 or Ind. Code 13-14-9, and provide the following:
  - a. a summary of the proposed rule;
  - b. a statement regarding the proposed rule's potential to promote private-sector job growth or foster private-sector economic development; and
  - c. an estimated date of the proposed rule's adoption.
10. All agencies shall cooperate with and provide assistance to OMB in the implementation of this Executive Order to the fullest extent permitted by law.
11. This Regulatory Moratorium shall remain in effect until expressly modified or terminated by a subsequent Executive Order.

**IN TESTIMONY WHEREOF, I,** Michael R. Pence, have hereunto set my hand and caused to be affixed the Great Seal of the State of Indiana on this 14th day of January 2013.

Michael R. Pence  
Governor of Indiana

SEAL  
ATTEST: Connie Lawson  
Secretary of State

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