

The Illinois Competitiveness Council



Executive Order 2016-3

As outlined in Governor Rauner's Executive Order effective October 17, 2016, there are three primary functions in cutting the red tape:





Responsibility #1

First, we are responsible for making sure that agencies evaluate their rules and policies using the seven guidelines provided in the Executive Order:

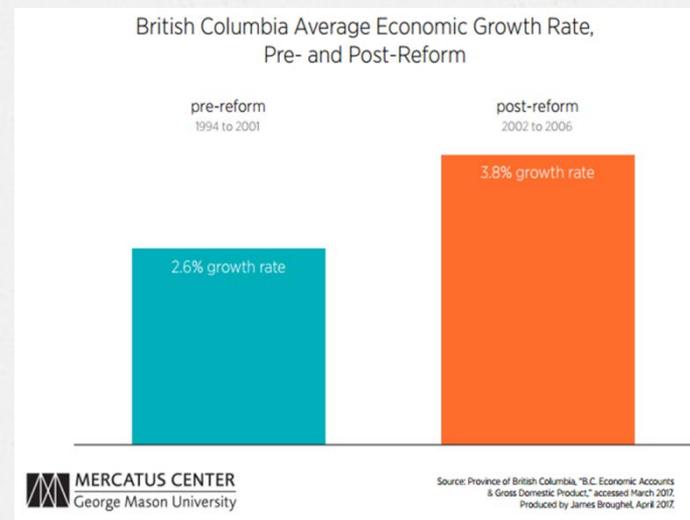
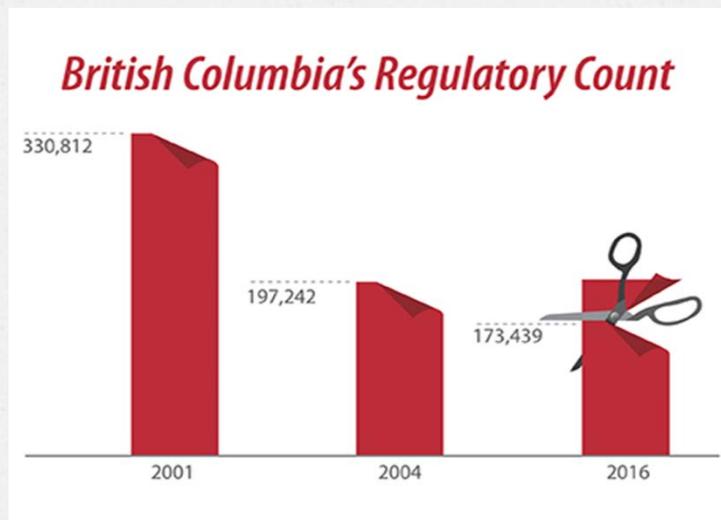
- o Regulation is up to date and reflective of current Agency functions and programs.
- o Regulation is drafted in such a way as to be understood by the general public. Regulations should be clear, concise and drafted in readily understood language. Regulations should not create legal uncertainty.
- o Regulation is consistent with other rules across Agencies. Agencies should coordinate to ensure rules are not conflicting or have duplicative requirements.
- o Regulation should not cause an undue administrative delay or backlog in processing necessary paperwork for businesses or citizens.
- o 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.
- o 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.
- o 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.



Responsibility #2

We are committed to delivering economic results for the State of Illinois.

British Columbia Example:





Responsibility #3

We will serve as the public's link to the review process.

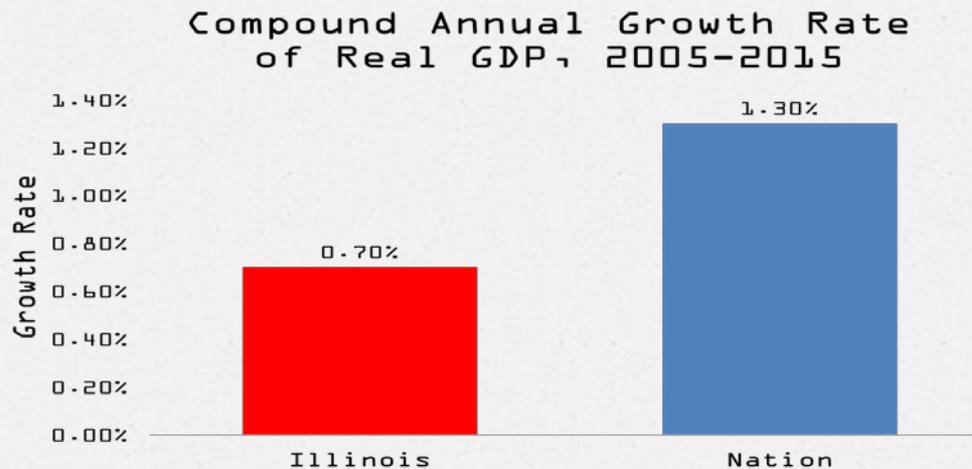


Through the [Report Red Tape](#) button on the Illinois Competitiveness Council website, comments and experiences are reported directly through the portal indicating the particular agency and burdensome process.



Why This is Important

Fact #1: Excessive bureaucracy and red tape, overregulation, corruption and dishonesty in dealing with public contracts has imposed significant economic costs to businesses and slower economic development





Why This is Important

Fact #2: Burdensome and unnecessary regulations, policies and licensing requirements impose a disproportionate economic impact on small businesses.

A study published by the State of California estimated these requirements added an estimated \$134,000 in additional expenses on each small business per year.





Why This is Important

Fact #3: Illinois trails other states, such as Arizona, Colorado, Florida, Indiana, Kentucky, Massachusetts, Michigan, New Jersey, and Wisconsin, which have all instituted comprehensive reviews and reforms of anti-competitive laws, rules, and policies that impose unnecessary costs to their businesses and citizens leading to the competitive edge when attracting businesses and entrepreneurs.





Steps for Cutting Red Tape: Defining Regulatory Requirement and Restriction

Step #1: Define what constitutes a regulatory restriction or requirement



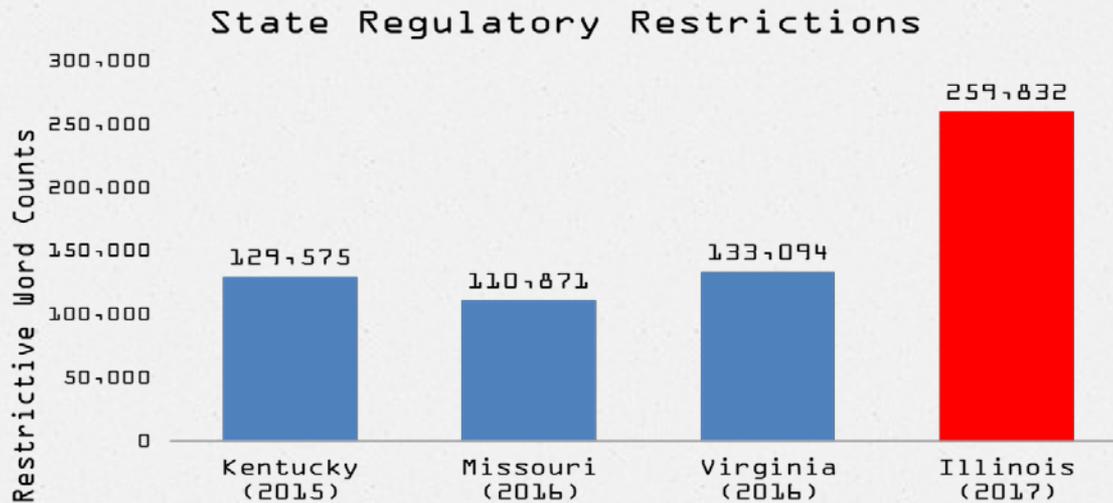
Regulatory Requirement or Restriction: According to the Mercatus Report, a regulatory requirement or restriction is anything containing the words “shall”, “may not”, “prohibited”, “required”, and/or “must”.



Steps for Cutting Red Tape: Establish a Baseline

Step #2: Establish a Baseline

Illinois has double the number of restrictions according to the research performed by the Mercatus Center at George Mason University in comparison to Kentucky, Missouri and Virginia.





Steps for Cutting Red Tape: Set a Deadline

Step Three: Set a Deadline

Our goal is to reduce the amount of red tape, paperwork, and regulatory burden by at least 25% over the course of the next two years.





Steps for Cutting Red Tape: Create an Oversight Mechanism

The Illinois Competitiveness Council oversees administrative code filings for over 40 agencies, boards and commissions.

- o Capital Development Board (CDB)
- o Central Management Services (CMS)
- o Department of Children and Family Services (DCFS)
- o Department of Commerce and Economic Opportunity (DCEO)
- o Governor's Office of Management and Budget (GOMB)
- o Guardianship and Advocacy Commission (GAC)
- o Illinois Board of Higher Education (IBHE)
- o Illinois Commerce Commission (ICC)
- o Illinois Community College Board (ICCB)
- o Illinois Council on Developmental Disabilities (ICDD)
- o Illinois Department of Agriculture (IDA)
- o Illinois Department of Corrections (IDOC)
- o Illinois Department of Employment Security (IDES)
- o Illinois Department of Financial and Professional Regulation (IDFPR)
- o Illinois Department of Healthcare and Family Services (HFS)
- o Illinois Department of Human Rights (DHR)
- o Illinois Department of Human Services (IDHS)
- o Illinois Department of Innovation and Technology (DoIT)
- o Illinois Department of Insurance (IDOI)
- o Illinois Department of Juvenile Justice (IDJJ)
- o Illinois Department of Labor (IDOL)
- o Illinois Department of Military Affairs (IDMA)
- o Illinois Department of Natural Resources (IDNR)
- o Illinois Department of Public Health (IDPH)
- o Illinois Department of Revenue (IDOR)
- o Illinois Department of Transportation (IDOT)
- o Illinois Department of Veterans' Affairs (IDVA)
- o Illinois Department on Aging (IDoA)
- o Illinois Educational Labor Relations Board (IELRB)
- o Illinois Emergency Management Agency (IEMA)
- o Illinois Environmental Protection Agency (IEPA)
- o Illinois Gaming Board (IGB)
- o Illinois Housing Development Authority (IHDA)
- o Illinois Labor Relations Board (ILRB)
- o Illinois Liquor Control Commission (ILCC)
- o Illinois Lottery
- o Illinois Pollution Control Board (IPCB)
- o Illinois Prisoner Review Board (PRB)
- o Illinois Racing Board (IRB)
- o Illinois State Police (ISP)
- o Illinois Workers' Compensation Commission (IWCC)
- o Office of the Illinois State Fire Marshal (OISFM)



Steps for Cutting the Red Tape: Establish a Process

How do agencies and the Competitiveness Council begin to eliminate roughly 260,000 restrictions?

- o Each agency has been given a list of the administrative codes specific to their agency. This list details each of the administrative code sections with the number of restrictive word counts.
- o Agencies cannot add 1 restriction without eliminating 2 restrictions.
- o Once the agency determines which administrative codes can be eliminated, clarified or modified, they will submit the proposals through the Competitiveness Council.
- o After each proposal is vetted, the individual agencies are notified to proceed with submitting the changes to the Joint Committee on Administrative Rules (JCAR).





Steps for Cutting the Red Tape: Institutionalize It

This is a systematic overhaul of the regulatory operations of each government entity and will be a continued program. British Columbia's eventual 1 in-2 out restriction policy led to a 47% reduction in regulations. They went from the lowest GDP in Canada to #1.

Change

"If there is no struggle, there is no progress." - Frederick Douglass



Competitiveness Council Goals

Goals of Red Tape Reduction

The goal of our Cutting the Red Tape Initiative is to make getting to work easier for our small businesses, and for people like principals and teachers, nurses and doctors, and even state employees who process permit applications. Cutting the red tape will break down unnecessary hurdles hindering economic growth. State agencies are mandated to consider the following questions:

- o What regulations or policies are confusing, outdated, or repetitive?
- o Are regulations consistent across different agencies?
- o How can we streamline the process of interacting with State agencies, including reductions in paperwork requirements or wait times to have applications processed?
- o How can the State make the professional licensing process more efficient or reduce barriers to entry in professions?
- o Is there is a clear need (public health, safety, or welfare) for the rule?
- o What processes can agencies put in place to save taxpayers' time and money?





How to Accomplish Goals

- Oversight of 40+ Illinois government agencies, commissions and boards
- Active engagement with stakeholders
- Coordinating with other states who are implementing the same Mercatus regulatory findings
- Flexibility for agencies who cannot eliminate restrictions due to public health and/or safety
- Evaluate baseline goal to include efficiencies and internal operations, not just word count





Contact Information

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Websites:

Competitiveness Council-
<https://www2.illinois.gov/sites/RegulatoryReform/Pages/AboutTheCouncil.aspx>

Competitiveness Council Executive Order 2016-13-
https://www2.illinois.gov/Pages/government/execorders/2016_13.aspx

Advancing Illinois-
<https://www2.illinois.gov/advancing-illinois>