



EXECUTIVE ORDER NO. 735

REDUCING “RED TAPE” ON CITIZENS AND BUSINESSES THROUGH A MORATORIUM ON NEW ADMINISTRATIVE RULES AND BY ESTABLISHING GOALS FOR THE REDUCTION OF EXISTING REGULATORY BURDENS

WHEREAS my Administration has taken steps to promote transparency, efficiency, and accountability within the executive branch of state government;

WHEREAS one important role of state executive-branch agencies is to adopt administrative rules to implement laws enacted by the Legislature;

WHEREAS these rules are very often justified as promoting the public health, safety, or welfare of the citizens of the State of Alabama;

WHEREAS, despite those rules’ potential benefits, they also entail significant costs for citizens and businesses, both in terms of time and money;

WHEREAS these rules can often outlive their usefulness and thus impose *unnecessary* costs on citizens and businesses;

WHEREAS excessive government regulation can hinder job growth and create unnecessary burdens and costs for hardworking Alabamians;

WHEREAS eliminating unnecessary government regulation could make the State of Alabama more attractive to businesses and more accountable to its citizens;

WHEREAS eliminating unnecessary government regulation can also allow state agencies to work “smarter, not harder” at a time of increasing challenges in recruiting and retaining state employees;

WHEREAS a temporary moratorium on new administrative rules and a twenty-five percent reduction in the number of discretionary regulatory restrictions on citizens and businesses contained in the Alabama

Administrative Code would meaningfully reduce unnecessary government regulation;

WHEREAS the Legislature has required agencies to periodically review their existing rules, *see* Ala. Code § 41-22-5.2; and

WHEREAS conducting a state-government-wide review of existing rules would increase the effectiveness of this requirement;

NOW, THEREFORE, I, Kay Ivey, Governor of the State of Alabama, by virtue of the authority vested in me by the Constitution and laws of the State of Alabama, do hereby promulgate this executive order, effective immediately:

1. **General policy.** It is the policy of the executive branch of the State of Alabama to reduce the burden of unnecessary government regulations on Alabama citizens and businesses. To this end, the executive branch of state government will endeavor, over the next two years, to reduce by twenty-five percent the number of discretionary regulatory restrictions on citizens and businesses found in the Alabama Administrative Code.
2. **Moratorium.** To accomplish the goal set forth in paragraph 1, no state executive-branch agency shall adopt or amend any administrative rule from the date of this order through March 1, 2024, unless: (a) notice of the intended action was given on or prior to the date of this order or (b) the action is narrowly tailored to reduce or remove a regulatory burden; to remove obsolete, outdated, or unnecessary rules; to enhance job creation or economic development in the State of Alabama; to comply with a court order, federal law or regulations, or state law; or to protect public health, safety, or welfare.
3. **Process.** To accomplish the goal set forth in paragraph 1, each state executive-branch agency shall undertake a three-phase process as follows:
 - a. **Phase I – Inventory of existing rules.** Each state executive-branch agency shall prepare a written inventory of its existing administrative rules, identifying which rules impose regulatory restrictions on citizens and business and which of those regulatory restrictions are the result of discretionary choices by the agency. The agency shall provide the inventory to the Office

of the Governor in a format, and at a time, to be prescribed by the Office of the Governor. It is anticipated that Phase I will last six months, from March to September 2023.

- b. **Phase II—Development of rule-reduction plans.** Upon the conclusion of Phase I, each state executive-branch agency shall develop a written plan to streamline its administrative code, including specifically by reducing the number of discretionary regulatory restrictions on citizens and businesses. The agency shall provide the plan to the Office of the Governor in a format, and at a time, to be prescribed by the Office of the Governor. It is anticipated that Phase II will last six months, from September 2023 to March 2024.
 - c. **Phase III—Implementation of rule-reduction plans.** Upon the conclusion of Phase III, each state executive-branch agency shall begin implementation of its rule-reduction plan pursuant to the Alabama Administrative Procedure Act, *see* Ala. Code §§ 41-22-1 *et seq.*, and in accordance with guidance provided by the Office of the Governor. It is anticipated that Phase III will last one year, from March 2024 to March 2025.
4. **Designation of Red Tape Reduction Coordinators.** Unless exempt, each state executive-branch agency shall designate an existing employee of the agency as its Red Tape Reduction Coordinator to undertake the review of the agency’s administrative rules required by this order.
 - a. **Deadline for designation.** Agencies must submit the name and contact information of its Red Tape Reduction Coordinator to the Office of the Governor by May 1, 2023.
 - b. **Exemption.** An agency need not designate a Red Tape Reduction Coordinator if it has not previously adopted any administrative rules or does not reasonably foresee adopting any administrative rules prior to March 1, 2024.

DONE AND ORDERED this 8th day of March 2023.





KAY IVEY
Governor

ATTESTED



WES ALLEN
Secretary of State