



COMMONWEALTH of VIRGINIA

Executive Department

EXECUTIVE DIRECTIVE NUMBER ONE (2022)

LAYING A STRONG FOUNDATION FOR JOB CREATION AND ECONOMIC GROWTH THROUGH TARGETED REGULATORY REDUCTIONS

By virtue of the authority vested in me as Governor, I hereby issue this Executive Directive to reduce the regulatory burden on businesses and citizens across our Commonwealth.

Importance of the Initiative

Excessive regulation imposes a significant burden on Virginia's economy. Restrictions, prohibitions, and requirements can exist within the administrative code for years without review, while new laws and regulations are steadily added. The growing regulatory burden on businesses and individuals requires time, money and energy for compliance. This represents opportunity loss that inhibits job creation and economic growth.

Nearly four years ago, the General Assembly passed House Bill 883 (2018), directing the Department of Planning and Budget ("DBP") to administer a three-year regulatory reduction pilot program. This pilot program identified important information about our regulatory processes, including a concerning lack of consistency across agencies, that underscores the need to review and address agencies' regulatory capabilities. Further, the program provides important guideposts for the 25 percent regulatory reductions that should be pursued across the Executive Branch.

Directive

Accordingly, pursuant to the authority vested in me as the Chief Executive Officer of the Commonwealth and pursuant to Article V of the Constitution of Virginia and the laws of the Commonwealth, I hereby direct all Executive Branch entities under my authority to initiate regulatory processes to reduce by at least 25 percent the number of regulations not mandated by federal or state statute, in consultation with the Office of the Attorney General, and in a manner consistent with the laws of the Commonwealth.

I hereby further direct the Secretary of Finance provide me with a report providing the following information dealing with promulgation of regulations related to regulatory reduction as authorized by House Bill 883 (2018):

- Recommendations for ensuring complete documentation of any specific legislative mandates directing agencies to promulgate regulatory requirements;
- An inventory of all exemptions from the Administrative Process Act and analysis of whether continuing these exemptions is in the best interests of the citizens of the Commonwealth. Such analysis shall also provide recommendations for legislative action to implement these recommendations;
- Recommendations on additional efforts needed to ensure consistency across agencies in the approach to regulatory development and review;
- Recommendations for improvements to the existing periodic review process, including documenting the statutory authority and certifying the number of regulatory requirements in the regulation at the time of review;
- The feasibility and effectiveness of expanding the regulatory reduction pilot program to other agencies; and
- The feasibility and effectiveness of implementing a 2-for-1 regulatory budget.

The Secretary is authorized to utilize staff of the Department of Planning and Budget in preparing this report. All Executive branch agencies are directed to cooperate with all requests from the Secretary of Finance and Department of Planning and Budget in carrying out this Executive Directive.

Effective Date

This Executive Directive shall be effective upon its signing and shall remain in force and effect unless amended or rescinded by future executive order or directive.

Given under my hand and under the Seal of the Commonwealth of Virginia, this 15th day of January, 2022.



A handwritten signature in black ink, appearing to read "Glenn Youngkin".

Glenn Youngkin, Governor

Attest:

A handwritten signature in black ink that reads "Kelly Thomasson" with a long horizontal flourish extending to the right.

Kelly Thomasson, Secretary of the Commonwealth