

Financial Management Circular: #2015-1  
Effective Date: December 18, 2015  
General Subject: Administrative Rulemaking  
Specific Subject: Regulatory Moratorium  
Authority: IC 4-3-22-1; IC 4-3-22-14; IC 4-3-22-15;  
Executive Order 2-89; Executive Order 13-03

**WHEREAS**, Executive Order 13-03 established the “Regulatory Moratorium” to suspend administrative agency rulemaking;

**WHEREAS**, Executive Order 13-03 tasks the Office of Management and Budget (OMB) with conducting a comprehensive review and evaluation of existing administrative rules;

**WHEREAS**, Executive Order 13-03 permits limited exceptions to the Regulatory Moratorium and requires agencies to cooperate with and report certain information to OMB; and

**WHEREAS**, Financial Management Circular #2013-1 was instituted to guide implementation of the Regulatory Moratorium, and agencies would benefit from an update to the process originally implemented.

1. This Financial Management Circular (FMC) establishes the procedures OMB will use to implement Executive Order 13-03, including the review of claimed exceptions to the Regulatory Moratorium and requirements to report on the proposed or pending use of rulemaking authority whose source is not within Ind. Code 4-22-2 or Ind. Code 13-14-9 (including emergency rulemaking authority).

#### **Procedure for requesting an exception to the Regulatory Moratorium**

2. Beginning December 18, 2015, this FMC applies to any request for an exception to the Regulatory Moratorium.
3. The Regulatory Moratorium does not apply to:
  - 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



14-9 with regard to a proposed rule. For a proposed rule that qualifies for an exception under the Regulatory Moratorium, all other applicable procedures under statute, Executive Order 2-89 and FMC No. 2010-4 govern the promulgation of the proposed rule.

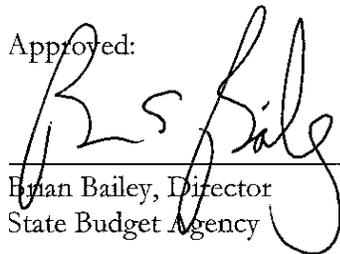
**Requirement to report any proposed or pending rules whose source of promulgation authority is not within Ind. Code 4-22-2 or Ind. Code 13-14-9**

9. An agency shall notify the OMB Director in writing via e-mail, sent to sbarules@gov.in.gov, as soon as practicable of any proposed or pending rulemaking action for which legal authority is not within 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.

This includes proposed or pending emergency rules.

10. This Circular rescinds FMC #2013-1.

Approved:

  
\_\_\_\_\_  
Brian Bailey, Director  
State Budget Agency

12/17/15  
\_\_\_\_\_  
Date