



Request for State Proposals: Policy Academy on Business Regulations

Overview and Important Information

Purpose: The National Governors Association's NGA Solutions: The Center for Best Practices (NGA Solutions), in partnership with The Pew Charitable Trusts (Pew), will support a cohort of states on strengthening their economies by improving business regulation. NGA Solutions, Pew, and external experts will provide technical assistance to selected states over a two-year period.

Eligibility: All states and territories.

Project start/end dates: October 1, 2019–September 30, 2021

Optional bidders' webinar/conference call: Thursday, August 15, 2019, 2-3pm Eastern time
Access info: https://zoom.us/webinar/register/WN_RNLROSGHOQGYxvU-IgxViQ

Proposals due: Friday, September 20, 2019, 5 pm Eastern time. Only one proposal per state will be considered and must be received from, or with the full support of, the governor's office. Please see below for further submission information.

State selection announcement: September 30, 2019. Representatives from the selected states will be required to attend a cross-state policy academy meeting anticipated late November/early December 2019. Further information will be shared via the acceptance notice.

NGA Contact: Sally Rood, Senior Policy Analyst, srood@nga.org, 202-624-7820

Assistance Available to Six State Awardees: Participating states or territories will realize numerous benefits from participating in this policy academy, including:

- Travel support for state teams of up to six individuals to attend two cross-state policy academy meetings.
- Access to the NGA-Pew staff and national subject matter experts through two in-state site visits and regular coaching calls.
- Access to other states and organizations to identify best practices and share lessons learned.
- Opportunities to strengthen relationships among key policymakers within your own state through facilitated coaching.
- Creation of policies for systemic changes that directly support economic development through formation and implementation of a state action plan for improving business regulation.
- Additional customized technical assistance from identified national experts and consultants tailored for individual state needs and priorities based on the state's action plan and progress made.

Expected Outcomes: Participating state teams will emerge from the policy academy with greater capacity to identify and pursue supportive regulatory or policy changes, including executive orders, pilot programs, or funding strategies. The strategies may also include pursuing legislative changes.

NGA Policy Academy on Business Regulations

Founded in 1908, the National Governors Association (NGA) is the nonpartisan organization of the nation's 55 governors. Through NGA, governors share best practices, address issues of national and state interest and share innovative solutions that improve state government and support the principles of federalism. NGA Solutions: The Center for Best Practices (NGA Solutions), the research and development arm of NGA, provides policy assistance opportunities through which governors' staff can learn about promising practices and develop innovative solutions in various areas of public policy including health, public safety, transportation, and education. The NGA Solutions Economic Opportunity Division — which will be leading this policy academy — supports cross-cutting technical assistance in the areas of economic development, workforce development, postsecondary education, and human services.

Background

As governors look to enhance economic opportunities for businesses and citizens in their states, they often look for ways state government can remove barriers for businesses to succeed in their state. New research from Pew makes a clear case that states and territories can strengthen their economies by improving regulatory processes. This approach, which includes working as a partner with the private sector to provide a predictable regulatory environment and help navigating processes, has shown to be effective in supporting businesses as well as promoting public safety and fairness.¹

Failing to develop effective systems can undermine opportunities for investment and job creation when businesses spend too much time or money on inefficient regulatory processes. To achieve greater economic opportunity, state policymakers can focus on two types of reforms:

- 1) States can improve the efficiency of regulatory systems so businesses can comply with the rules in a less costly and time-consuming manner.
- 2) States can partner with businesses to increase compliance as well as economic opportunity.

Together, these changes form a powerful economic development strategy by making it quicker and easier for entrepreneurs to launch new businesses and/or bring innovative products to market and also by supporting the public interest. There are already examples of businesses working with states to implement solutions — solutions that not only increase efficiency and cost-effectiveness for economic development programs, but that also have other benefits such as maintaining worker safety, protecting the public health, and minimizing environmental pollution.

NGA Solutions, in partnership with Pew, aims to help states understand how they can strengthen their economies by adopting the strategies described above through a two-year policy academy for a cohort of six states. An NGA policy academy is an interactive process meant to serve as a catalyst for policy change at the state level. Each policy academy involves a group of competitively-selected state teams on strategic planning and policy implementation. The NGA-Pew team will offer assistance that allows the participating states to develop their own strategic focus for boosting economic development by improving business regulation — including goals and action plans — and will link states with relevant experts and support based on their self-identified interests. Past NGA policy academies have resulted in executive orders, new legislation, changes in policies and regulations, pilot programs, new or redesigned organizations, and secured funding allocations or changes in funding strategies.

States selected to participate in this policy academy will follow certain steps designed to help them assess the progress of their regulatory reform initiatives. These steps are: 1) Select a strategic focus; 2) Assess the current

¹ [State Strategies to Help Businesses Launch and Expand: Innovative Approaches to Regulation Can Boost Opportunities for Growth](#). The Pew Charitable Trusts, August 2018.

state; 3) Set a goal that is linked to economic outcomes; 4) Identify solutions; and 5) Track progress. Through this five-step approach, the participating states will develop baseline data based on existing efforts and levels of business participation. They will also identify clear goals based in outcomes for the state's economy. More information on this approach is contained in Appendix A to this RFP.

By the end of the policy academy, states will have developed, and begun implementing, an action plan to meet policy academy objectives and tools to measure the outcome of their efforts. Further, the NGA-Pew team will work to research and identify tools that can be made available to all states. A final NGA project report will highlight the policy academy's impact, states that are leading the way, and lessons learned.

Policy Academy Activities and Expectations

The success of a policy academy requires the commitment and active participation from the selected states. Each participating state will be expected to undertake a set of required activities throughout the two-year policy academy that will help achieve the project objectives related to regulatory reforms for economic development. The selected state teams will be required to:

- Participate in two in-state site visits by the NGA-Pew team. The first in-state site visit will take place before the first in-person cross-state policy academy meeting. The in-state visits will include a forum convening the state team and NGA-Pew team, along with additional state leaders if applicable to advance the team's plan and related state priorities.
- Attend two in-person cross-state policy academy meetings. Participation in the initial cross-state meeting with NGA and Pew staff and other participating states in late November/early December 2019 (date TBD) will focus on finalizing a policy academy scope of work, intended outcomes, and timeline, as well as learning more about priorities from NGA and Pew.
- Submit a statewide program scan and an initial action plan, as well as an outline detailing what is currently being done to strengthen local and regional economies by improving regulatory processes. The NGA-Pew team will work with selected states to refine and strengthen their initial plans, as needed over time.
- Participate in monthly calls with the NGA-Pew team and outside experts.
- Engage in the policy academy's peer-learning and networking activities.
- Set goals and develop and begin to implement a state action plan, including implementation of a targeted regulatory reform pilot.
- Create a data-oriented deliverable such as a dashboard or focus group that integrates state data with outside data and initiates a dialogue with businesses around metrics relevant to economic development.
- Submit quarterly progress reports and a final lessons learned report summarizing the work performed through the policy academy, the extent to which the work met the outcomes, and any identified lessons learned through the policy academy.

The policy academy will also require a long-term commitment by the selected states to implement the action plans that they develop during the academy, including a plan to bring lessons learned from the regulatory reform pilot to scale. State action plans may also relate, for example, to expanding business participation in state regulatory activities. As part of their action plans, states would be expected to assess or map data to identify opportunities for achieving these goals.

As noted, the participating states will be required to use the five-step approach to develop their action plans, described in more detail in Appendix A.

Benefits and Opportunities for the State Participants

The selected states/territories will realize numerous benefits and opportunities from participating in this regulatory academy, including:

1. Travel support for state teams of up to six people to attend the two cross-state policy academy meetings.
2. Access to the NGA-Pew staff and national subject matter experts.
3. Access to other states and organizations to identify best practices and share lessons learned.
4. Opportunity to strengthen relationships among key policymakers within the state through state team work.
5. Creation of policies for systemic changes that directly support economic development through the formation and implementation of a state action plan addressing regulatory reform for economic development.
6. Additional customized technical assistance from identified national experts and consultants tailored for individual state needs and priorities based on the state's action plan. These experts will consult with the state teams in response to needs that emerge from their plan's design and progress made through implementation. It is anticipated that the outside experts will be included in the second site visit for each state.

Ultimately, participating state teams will emerge from the policy academy with greater capacity to identify and pursue supportive regulatory changes, or related changes in policies, executive orders, pilot programs, or funding strategies. The changes may also include those related to legislation.

Proposal Process

Eligibility: This opportunity is open to all U.S. states, commonwealths, and territories in good standing with NGA. Inquiries regarding membership standing should be directed to Sally Rood at SRood@nga.org.

Bidders' Webinar/Conference Call: The NGA Center will host an optional bidders' webinar or conference call on Thursday, August 15, 2019, at 2:00 p.m. Eastern time, for states interested in applying. The purpose of the webinar is to provide clarifications about the requirements of this Request for Proposals (RFP) and the policy academy project itself. During the webinar, participants can ask questions about proposal content, criteria, and process.

To participate in the optional webinar, please register at this link:
https://zoom.us/webinar/register/WN_RNLROSGHQGYxvU-IgxViQ

Submission Information: All proposals must be received by **Friday, September 20, 2019 at 5:00 p.m. Eastern time**. Only one proposal per state will be considered. It must be received from the governor's office or must contain evidence of the full support of the governor's office. Prior to submission, all of the state's proposal materials must be assembled into a single PDF document. The following is the required proposal content:

- Letter of application from the governor;
- Proposal narrative described in more detail below (not to exceed 10 pages, single-spaced); and
- Initial action plan, using the template in Appendix B to this RFP.

Please assemble all of the above proposal materials into **one PDF** document and email it to Sally Rood in NGA Solutions at srood@nga.org.

Selection of States: The NGA-Pew team will review the state applications that are submitted and select up to six states to participate in the targeted activities of the policy academy. The selection criteria may include (please see further below for more information on the selection criteria):

- The state’s goals for participating in the policy academy as stated in the proposal;
- The state’s current level of involvement in regulatory reform efforts focused on improving efficiency and partnering with businesses; and
- The specific state team members proposed.

The selected states will be notified and announced promptly so that the policy academy activities will ultimately result in timely and useful information being shared.

Disclaimer: This request for application is not binding on NGA Solutions, nor does it constitute a contractual offer. Without limiting the foregoing, NGA Solutions reserves the right, in its sole discretion, to reject any or all applications; to modify, supplement, or cancel the RFP; to waive any deviation from the RFP; to negotiate regarding any application; and to negotiate final terms and conditions that may differ from those stated in the RFP. Under no circumstances shall NGA Solutions be liable for any costs incurred by any person in connection with the preparation and submission of a response to this RFP.

Policy Academy Timeline: The following is a tentative schedule for the policy academy for the remainder of 2019. The overall policy academy is scheduled to end September 30, 2021.

| | |
|----------------------------------------|-----------------------------------------------------------------------|
| August 12 | RFP released to states |
| August 15, 2:00 p.m. | Bidders’ webinar/conference call |
| August 19 - September 9 | Follow-up communication with potential applicants to answer questions |
| September 20 | State proposals due |
| September 30 | NGA announces participating states |
| October – November | In-state orientation site visits and preliminary technical assistance |
| Late November or early December | First cross-state policy academy meeting |

Proposal Content and Selection Criteria

The following is a summary of the required proposal content and scoring values assigned to each section for the selection process. Each proposal can receive up to 100 points. The proposal narrative **should not exceed 10 pages single-spaced, 11-point font, 1-inch margins** (excluding the cover sheet and letter of support from the governor).

- **Cover Sheet (Required)**
The cover sheet should identify the state and team leader’s contact information, including his or her title, mailing address, telephone number, and email address. The cover sheet does not count toward the ten-page limit.
- **Letter of Support from Governor (Required) – 10 Points**
A letter of support from the governor is required. The letter should state the governor’s interest in and desired outcomes related to this policy academy and how those outcomes fit within the governor’s larger economic development agenda. The letter should identify who comprises the six-member state team and who will lead the team’s efforts with NGA Solutions. The team should include a representative from the governor’s office and state officials from relevant state agencies. (See more about recommended team composition under State Team Membership, below.) The letter of support from the governor does not count toward the ten-page limit.

- **Context and Vision for Policy Change – 25 Points**

Describe the state context and the governor’s vision for improving the state’s regulatory structure to support current and future economic development needs. Quantitative information should be incorporated where appropriate. This description should include:

- An overview of the current state context around economic development including key issues that the state wishes to address;
- An analysis of how the current policy environment is conducive to change, including identification of other high-level leaders who are engaged in the issue;
- An overview of existing data collection and analysis efforts related to the state’s economic development goals and opportunities to strengthen or transform existing systems; and
- A description of the governor’s top policy priorities related to economic development during his or her current term in office and how they align with other existing initiatives. This could include the governor’s focus on the issues in his/her legislative or budget priorities, state of the state addresses, high-profile meetings, or other efforts that fall within this area. If applicable, please also describe the governor’s previous efforts to address economic development through legislation, budget proposals, or partnerships with the private sector.

- **Goals and Strategies – 40 Points**

Describe how your state anticipates using the technical assistance (TA) to develop and implement the governor’s priorities for advancing economic development policies. The application should include:

- An overview of the state’s data and policy goals for this project;
- A description of the proposed strategies, activities and requirements for this project, and TA services needed;
- An analysis of how the proposed strategies, activities and TA will help meet the state’s identified goals;
- A description of the indicators of progress toward the state’s self-identified policy goals as well as metrics for success;
- Drawing on the Context and Vision for Policy Change section, an analysis of the factors that may help the state accomplish its policy goals and any challenges that the state anticipates encountering; and
- Specific activities to achieve the policy academy goals.

- **State Team Leadership and Membership – 25 Points**

Selected states must identify a state team as follows: List the names and positions of each of the six proposed members of the state team and describe the role that each will play in moving your state forward in this issue area. State participants might include, for example, governors’ policy advisors and state agency officials responsible for economic development and/or state administration of regulations and who are positioned to make decisions on behalf of their agency. Please note:

- At least one team member should be a representative from the governor’s office.
- Optionally, one member could be a non-government leader with the capacity and experience to help the state in this area.

Teams will be evaluated on their breadth, depth, and ability to influence state policy and practice. In the proposal, briefly discuss the composition of the team, experience of the team members, how they were chosen and how they plan to collaborate as part of the team.

The proposal must also identify the team leader who will be responsible for both communicating with the governor's office regularly and acting as the primary liaison to NGA Solutions, as well as ensuring that the team is meeting regularly and making progress on the state's goals through the policy academy.

Appendix A

NGA Policy Academy on Business Regulations

Approach to State Action Plans

For the purpose of developing their action plans, the NGA-Pew team will prescribe that the participating states follow the steps below which are designed to help them assess the progress of their regulatory reform initiatives: 1) Select a strategic focus; 2) Assess the current state; 3) Set a goal that is linked to economic outcomes; 4) Identify solutions; and 5) Track progress. Through this five-step approach, the states will develop baseline data based on existing efforts and levels of business participation, and identify clear goals based in outcomes for the state's businesses. Each of the five steps are described in more detail below.

Step 1: Select a strategic focus

States often tackle regulatory operations one agency at a time. However, launching or expanding a business requires interactions with many agencies, so improving efficiency in one agency may not do much to speed up the process overall. On the other hand, tackling all regulatory processes at once is impracticable. The NGA-Pew team will encourage states to start with a targeted approach that uses their economic development strategy as a guide. For example, states could:

- Prioritize helping entrepreneurs get up and running more quickly;
- Target emerging industries that are important to future economic growth; or
- Zero in geographically, by focusing on a region or on rural areas.

Step 2: Assess the current state

To measure improvements, it is essential to develop a baseline. How long does it take to start a new business or to bring a new product to market? What are the costs to the businesses? What is the cost of delay? Is economic activity foregone in the meantime? The NGA-Pew team will provide broad guidance and connect states to experts to address these questions more specifically.

Step 3: Set a goal that is linked to economic outcomes

The measurable aim of reform is generally to reduce the time and cost associated with a regulatory process. The NGA-Pew team will help create standards for how to set these goals and encourage states to link the goals to key economic outcomes. Is there evidence to support the idea that reducing the time for a process will yield benefits for the state economy? States will benefit from focusing on efforts with the greatest likely economic returns.

The NGA-Pew team would also remind states that pursuing these goals would not require loosening the rules. In fact, by making compliance easier and cheaper, states have found that more businesses follow the rules.

Step 4: Identify solutions

The next step for the states is to work with experts to map out the regulatory experience of the targeted businesses, focusing on improving how they are regulated rather than on the stringency of the rules themselves. This will include identifying the points in the process where it slows down, where communication and transparency are insufficient, where enforcement actions are commonly taken that could be avoided, and so on.

The states can then identify solutions that will help close the gap between the baseline and the goal. The ongoing calls with the NGA-Pew team would provide ideas and evidence on what works and what doesn't, while other experts would help states to implement their reforms. Options might include:

- Eliminating waste and correcting errors by evaluating the purpose of each step in a process;
- Prioritizing enforcement to focus on business activities that pose the greatest risk to health and safety;
- Adding value to businesses' efforts by providing early-stage assistance to project proposals and helping them make better informed decisions;

- Shifting the focus from finding and punishing violators to partnering with businesses to help them overcome the obstacles to compliance; and
- Providing greater predictability and helping businesses navigate regulatory requirements.

Step 5: Track progress

The NGA-Pew team will encourage the states to track and publicly report on progress toward their goal. This has three benefits for states:

- It drives a statewide public/private partnership for ongoing improvement;
- It is essential for determining what is working and what needs to be tweaked; and
- It improves a state's competitiveness by being able to report on how much easier it is to launch or expand a business.

By participating in the above prescribed set of activities, the state teams can develop their action plans. Each state action plan will be expected to address each of the steps, although the state teams will have the flexibility to prioritize among them.

Appendix B NGA Policy Academy on Business Regulations

Initial State Action Plan

Instructions and Guidelines:

Please fill out the chart below, including descriptions of activities that correspond to the proposal goals, descriptions of requirements, indicators of progress/measures of success and target date(s) for completion, and requested technical assistance (TA).

| Goals | Activities | Policy Academy Requirement | Indicators of Progress/Measures of Success | Timeline, Target Date(s) for Completion | Requested Assistance from NGA-Pew team |
|---------------------------------------------------------------------------------------|-----------------------------------------------------------|----------------------------|--------------------------------------------------------------------------------------------|-----------------------------------------|---------------------------------------------|
| GOAL 1: | | | | | |
| <i>Example:</i> Use state economic development data to create success metrics. | Analyze data, looking for leading indicators for success. | Summary reports. | Report distributed to partners, bringing them to the table to discuss metrics for success. | October 2020 | Policy analysis and summary report support. |
| | | | | | |
| GOAL 2: | | | | | |
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