Summary

While government waste and inefficiency are not the sole cause of state budget shortfalls and tax increases, they do play a significant role. States can create commissions comprised of business leaders and management experts to scrutinize government management practices and develop cost-cutting recommendations in order to save taxpayer dollars and reduce the size of government.

This Act establishes the Commission on Economy and Productivity to seek to operate a broad management improvement program, to maximize program revenues, reduce costs, and recommend programs of cost avoidance.

Model Legislation

{Title, enacting clause, etc.}

Section 1. This Act may be cited as the Commission on Economy and Productivity in State Government Act.

Section 2. {Legislative Findings.}

The legislature finds that the diverse nature of state programs and the size of operations demands that state managers carry prime responsibility for the management operations process and must provide sufficient flexibility to enable managers to operate their programs efficiently. In addition, the legislature declares that respective agencies must exercise management improvement initiatives and must meet certain standards of operational productivity and efficiency. While recognizing that government must undertake tasks that have no private sector counterpart, it is incumbent that state managers seek to operate their programs in the most efficient and cost-effective manner possible. The legislature further recognizes that modern business practices may offer ways in which state operations could be conducted more efficiently. The legislature declares that the increasing pressure on the state's tax base demands that maximum productivity be achieved in state operations, and establishes the Commission on Economy and Productivity to seek to operate a broad management improvement program, to maximize program revenues, reduce costs and recommend programs of cost avoidance.

Section 3. {Definitions.}

(A) “Commission” means the [state] Commission on Economy and Productivity in state government.

(B) “State agency” means:

(1) a board, commission, department, institution, office, or other agency in the executive branch of state government that is created by the constitution or by a statute of this state;

(2) the Supreme Court of [state], the Court of Criminal Appeals [or appropriate court], any court of appeals, or other agency in the judicial branch of state government;

(3) an institution of higher education as defined by [cite appropriate State code Section].

Section 4. {Commission members.}

(A) The State Commission on Economy and Productivity in state government is created.

(B) The Commission is composed of 15 members. Membership in the Commission shall be determined by the Governor and shall include only one State Senator, one State Representative, and appropriate representatives of the private sector. Appointments to the Commission shall be made without regard to the race, creed, sex, religion, handicap, or national origin of the appointee. The terms of the members expire [insert appropriate date two years after enactment of this Act.]

(C) The Governor and [insert appropriate titles of Senate and House leaders] together shall appoint one individual to serve as the executive director of the Commission.

(D) A vacancy on the Commission shall be filled for the unexpired term in the same manner in which the original appointment was made.

(E) The Commission shall elect its own chairman. The election shall take place during the first organizational meeting of the Commission. The chairman shall vote on all matters
before the board. A majority constitutes a quorum for the transaction of business.

(F) The Commission shall meet at least once every two months. The Commission may meet at other times at the call of the chairman.

(G) A member of the Commission shall not receive compensation for serving on the Commission. A member is entitled to reimbursement for actual and necessary expenses incurred while performing functions as a member of the Commission.

(H) The Commission is subject to the open meetings law [cite appropriate Section of the state code] and the Administrative Procedure and Register Act [or appropriate Section of the state code].

Section 5. {General powers and duties of the Commission.}

(A) The Commission shall conduct a comprehensive review of the operation and administration of each state agency to identify opportunities for better use of available state funds by eliminating waste and reducing or avoiding costs. The Commission shall recommend to each agency procedures for improving the efficiency and effectiveness of the agency without reducing its level of service. The Commission shall include a brief description of the recommendations made to each agency in its reports to the legislature under Section 6 of this Act.

(B) The Commission shall conduct an analysis of each state agency and of its employee job performance and productivity to determine the feasibility of:

(1) streamlining, reorganizing, consolidating, contracting out, or eliminating functions performed by the agency;

(2) reducing duplicative staffing;

(3) improving space use;

(4) increasing the agency’s capacity to deliver services and improving its responsiveness to citizens;

(5) curbing the proliferation of paperwork and the costs of processing and storing paperwork;

(6) streamlining purchasing procedures;

(7) improving word processing, computer, and other informational systems;

(8) improving energy conservation by the agency;

(9) decreasing the costs associated with motor vehicles procedures;

(10) improving internal budgeting and financial administration procedures;

(11) contracting with private sector firms to conduct commercial activities currently performed by the agency;

(12) improving staff training and professional development programs;

(13) improving the performance of agency administrators;

(14) establishing techniques for the measurement of productivity and the evaluation of employee performance; and

(15) other methods or procedures designed to improve the use of state funds.

(C) The Commission shall examine the feasibility of creating a financial incentive program for state employees to provide awards for employees who devise ways of reducing or eliminating expenses or improving operations.

(D) The Commission shall communicate with the management of major corporations doing business in [state] to identify private sector management practices and innovations that could be applicable to state operations. This network shall serve as a mechanism for recruiting on-loan private sector executives with special expertise to participate in management projects.

(E) The Commission shall employ the staff necessary to administer this Act. With the advice and approval of the director of [appropriate state budget office], the Commission shall employ employees of the board on a temporary or contractual basis to perform as much of the analytical work required by this Act as is feasible.

(F) The Commission shall be supported in part by the private sector to encourage private sector involvement in the Commission's activities.

Section 6. {Reports.} The Commission shall prepare two reports for presentation to the legislature relating to techniques and procedures for improving the efficiency and economy of state government and providing for the implementation of those techniques and procedures. An interim report shall be presented eight months after enactment of this Act [insert appropriate date]. The final report shall be presented 18 months after enactment of [insert appropriate date]. The final report must include an analysis and evaluation of the state fiscal note process as it relates to the development of state fiscal policies and plans.

Section 7. {Expiration.} This Act expires and the Commission is abolished [insert appropriate date two years after enactment].

Section 8. {Severability clause.}
Were your laws repealed?

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