Legislative Analysis



COMMISSION ON GOVERNMENT EFFICIENCY & COMMISSION ON STATUTORY MANDATES

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Senate Bill 395 Senate Bill 397

Sponsor: Sen. Jud Gilbert, II Sponsor: Sen. Randy Richardville

Senate Bill 396 Senate Bill 398

Sponsor: Sen. Roger Kahn Sponsor: Sen. Bruce Patterson

House Committee: Government Operations

Senate Committee: Government Operations and Reform

Complete to 9-24-07

A SUMMARY OF SENATE BILLS 395 - 398 AS PASSED BY THE SENATE 8-1-07

The bills would amend the Legislative Council Act (MCL 4.1101, et al.). <u>Senate Bills 396 and 397</u> would create a nine-member Commission on Government Efficiency. <u>Senate Bills 395 and 398</u> would create a five-member Commission on Statutory Mandates. The commissions would be created within the Legislative Council.

[Note: Senate Bills 396 and 397 are similar in content to House Bills 4542 and 4543. Senate Bills 395 and 398 are similar in content to House Bills 4545 and 4544.]

The bills' provisions would be repealed on September 30, 2010.

Senate Bill 396: the Commission on Government Efficiency

Commission Duties. No later than October 1, 2008, the commission would need to 1) review and investigate ways to make state government more efficient; 2) review, investigate, and collect information necessary to evaluate all functions and services provided by each state agency, including human resource duties and responsibilities, payroll services, accounting and financial services, purchasing programs, printing services, mail services, maintenance services, janitorial or cleaning services, motor vehicle fleet operations, and transportation services; 3) determine the complete cost of each function or service performed by a state agency; 4) determine the number "FTEs" (full-time equivalent employees) for each function or service; 5) determine how each function or service is funded in each state agency; and 6) determine the total and complete cost of all functions and services combined.

No later than June 1, 2009, the commission would have to make specific determinations on the previously enumerated items and report the determinations to each house of the Legislature. Interim status reports would have to be made to each house of the Legislature no later than December 31, 2008 and March 31, 2009.

Commission Members and Terms. The commission would consist of the following nine members: one member appointed by the Speaker of the House, one member appointed by the Minority Leader of the House, one member appointed by the Senator Majority Leader, one member appointed by the Senate Minority Leader, the heads of the Senate and House Fiscal Agencies, and three members of the public jointly selected by the Speaker of the House and the Senator Majority Leader. The initial members would have to be appointed within 60 days after the effective date of the bill. Member would serve a term of three years. Vacancies would be filled in the same manner as the original appointments. The person making the appointment could remove a member for good cause. Members of the commission would have to be individuals with knowledge, education, or experience related to organizational efficiency, government operations, and public finance. Other than the heads of the two fiscal agencies, public employees would not be eligible to serve as members.

Commission Meetings. The first meeting would be called by the Senate Majority Leader. The members appointed by the Senate Majority Leader and the Speaker of the House would be co-chairpersons. The chairperson position would rotate each month between the two appointees, with the member appointed by the Speaker serving as chair for the first month. At the first meeting, the commission would elect other officers it considered necessary or appropriate. After the first meeting, the commission would have to meet at least monthly, or more frequently at the call of the chairperson or the request of three or more members. The commission would be subject to the Open Meetings Act and the Freedom of Information Act. For the purpose of conducting business, a majority of the members would constitute a quorum.

<u>Compensation</u>. Commission members would serve without compensation but could be reimbursed for reasonable and necessary expenses incurred in the performance of their official duties.

<u>Commission Authority.</u> Upon request, the commission would be given access to all information, records, and documents in the possession of a state agency that it considered necessary. The commission could hold hearings and could request that any person appear before the commission, or at a hearing, and give testimony or produce documentary or other evidence the commission considered relevant to its duties.

Further, in connection with its duties, the commission could request the Legislative Council to issue subpoenas, direct the service of the subpoena by any police officer, and compel the attendance and testimony of witnesses; administer oaths, examine any person as necessary; and compel the production of books, accounts, papers, documents, and records. Orders and subpoenas issued by the Legislative Council could be enforced upon application to any circuit court of law.

Senate Bill 397 would require the Commission on Government Efficiency to report to each house of the Legislature recommendations on how to consolidate, streamline, and make more efficient the functions and services conducted by state agencies. This would be in addition to the report required under Senate Bill 396.

Senate Bill 398: the Commission on Statutory Mandates

Commission Duties. The commission would be required to do the following by October 1, 2008: 1) review and investigate all funded and unfunded mandates imposed on local units of government in state law; 2) review and investigate all reporting requirements imposed on local units in state law; 3) determine the complete cost of each funded and unfunded mandate imposed on a local unit of government in state law; and 4) determine the complete cost of each reporting requirement imposed on a local unit in state law.

Not later than June 1, 2009, the commission would have to make specific determinations of the items described in the previous paragraph and report the determinations to each house of the Legislature. Further, the commission would have to give the Senate and House interim status reports no later than December 31, 2008 and March 31, 2009.

<u>Commission Membership.</u> The commission would consist of the following five members: one member appointed by the Speaker of the House, one member appointed by the Minority Leader of the House, one member appointed by the Senate Majority Leader, one member appointed by the Senate Minority Leader, and one member of the public appointed jointly by the Speaker of the House and the Senate Majority Leader, who would have to an attorney licensed to practice in Michigan. Legislators and other state employees would not be eligible to serve as members. Members of the commission would need to have knowledge, education, or experience related to organizational efficiency, government operations, and public finance.

Provisions regarding commission appointments, terms, meetings, officers, and compensation would be the same as provided in Senate Bill 396 for the Commission on Government Efficiency, as would provisions regarding access to records, requests for testimony at hearings, and the issuance of subpoenas and orders. The Commission on Statutory Mandates also would be subject to the Open Meetings Act and the Freedom of Information Act.

Senate Bill 395 would require the commission to report to each house of the Legislature recommendations on how to consolidate, streamline, or eliminate funded and unfunded mandates and reporting requirements imposed on local units of government in state law. This requirement would be in addition to the report required Senate Bill 398.

FISCAL IMPACT:

The fiscal impact of the bills is indeterminate.

Legislative Analyst: E. Best Fiscal Analyst: Al Valenzio

[■] This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.