



Senate Fiscal Agency
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**BILL ANALYSIS**

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Senate Bills 395 through 398 (as introduced 4-17-07)

Sponsor: Senator Jud Gilbert, II (S.B. 395)

Senator Roger Kahn, M.D. (S.B. 396)

Senator Randy Richardville (S.B. 397)

Senator Bruce Patterson (S.B. 398)

Committee: Government Operations and Reform

Date Completed: 6-26-07

CONTENT

Senate Bills 396 and 397 would add Chapter 7a to the Legislative Council Act to do the following:

- **Create the Commission on Government Efficiency.**
- **Require the Commission to investigate ways to make State government more efficient, and collect information necessary to evaluate each State agency's functions and services.**
- **Require the Commission, by June 1, 2009, to report specific determinations to the Legislature and report on how to consolidate, streamline, and make more efficient State agencies' functions and services.**

Senate Bills 395 and 398 would add Chapter 7b to the Legislative Council Act to:

- **Create the Commission on Statutory Mandates.**
- **Require the Commission to investigate all mandates and reporting requirements in State law, and determine the cost of each.**
- **Require the Commission, by June 1, 2009, to report specific determinations to the Legislature and report on how to consolidate, streamline, or eliminate mandates and reporting requirements.**

Both proposed Commissions would be authorized to issue subpoenas and compel the appearance of witnesses and the production of documents.

Chapters 7a and 7b would be repealed on September 30, 2010. Under both chapters, "State agency" would mean a department, commission, authority, or board in the Executive branch.

Senate Bill 396

The Commission on Government Efficiency would be established in the Legislative Council. It would consist of the following nine members:

- One member appointed by the Speaker of the House of Representatives.
- One member appointed by the Minority Leader of the House.
- The head of the House Fiscal Agency.
- One member appointed by the Senator Majority Leader.
- One member appointed by the Minority Leader of the Senate.
- The head of the Senate Fiscal Agency.

- Three members of the public jointly selected by the Speaker of the House and the Senator Majority Leader, one with experience in accounting, one with experience in human resources, and one with experience in finance.

The members first appointed would have to be appointed within 60 days after the bill's effective date. Members would serve for a three-year term. If a vacancy occurred, the person who appointed that member would have to make an appointment for the unexpired term. The person appointing a member could remove him or her for incompetency, dereliction of duty, malfeasance, misfeasance, or nonfeasance in office, or any other good cause.

The Speaker of the House would have to call the first meeting of the Commission, at which the Commission would have to elect a chairperson and 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.

Commission members would have to serve without compensation but could be reimbursed for reasonable and necessary expenses incurred in the performance of their official duties as members of the Commission.

By June 1, 2008, the Commission would have to do the following:

- Determine the complete cost of each function or service performed by a State agency.
- Determine the total number of FTEs for each function or service performed by a State agency.
- Determine how each function or service was funded in each State agency.
- Determine the total and complete cost of all functions and services combined.

Also, by June 1, 2008, the Commission would have to review and investigate ways to make State government more efficient, and review, investigate, and collect information necessary to evaluate all functions and services provided by each State agency, including the following:

- Human resource duties and responsibilities.
- Payroll services.
- Accounting and financial services.
- Purchasing programs.
- Printing services.
- Mail services.
- Maintenance services.
- Janitor or cleaning services.

By June 1, 2009, the Commission would have to make specific determinations of those items and report the determinations to each house of the Legislature.

In connection with its duties, the Commission could issue subpoenas, direct the service of a subpoena by any police officer, and compel the attendance and testimony of witnesses; administer oaths and examine any person as necessary; and compel the production of books, accounts, papers, documents, and records. The Commission's orders and subpoenas could be enforced upon application to any circuit court as provided by law.

Senate Bill 397

The bill 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 Section 752 (which Senate Bill 396 would enact).

Senate Bill 398

The bill would create the Commission on Statutory Mandates within the Legislative Council. 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 Minority Leader of the Senate.
- One member of the public appointed jointly by the Speaker of the House and the Senate Majority Leader, who was an attorney licensed to practice in this State.

Provisions regarding appointments, terms, removal, meetings, officers, and compensation would be the same as proposed in Senate Bill 396 for the Commission on Government Efficiency. The Commission on Statutory Mandates also would be subject to the Open Meetings Act and the Freedom of Information Act.

By June 1, 2008, the Commission would have to do the following:

- Review and investigate all funded and unfunded mandates in State law.
- Review and investigate all reporting requirements in State law.
- Determine the complete cost of each funded and unfunded mandate performed by a State agency.
- Determine the complete cost of each reporting requirement required by a State agency.

By June 1, 2009, the Commission would have to make specific determinations of those items and report the determinations to each house of the Legislature.

Provisions regarding subpoenas and orders would be the same as described above for the Commission on Government Efficiency.

Senate Bill 395

The bill would require the Commission on Statutory Mandates to report to each house of the Legislature recommendations on how to consolidate, streamline, or eliminate funded and unfunded mandates and reporting requirements of State agencies. This would be in addition to the report required under Section 782 (which Senate Bill 398 would enact).

Proposed MCL 4.1783 (S.B. 395)
Proposed MCL 4.1751 & 4.1752 (S.B. 396)
Proposed MCL 4.1753 (S.B. 397)
Proposed MCL 4.1781 & 4.1782 (S.B. 398)

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

There could be an indeterminate cost for reimbursing Commission members; however, the cost should be minimal. No costs would be associated with the requirements that the Commissions report to the Legislature.

Fiscal Analyst: Joe Carrasco

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.