

1 H.732

2 Introduced by Representatives Turner of Milton and Savage of Swanton

3 Referred to Committee on

4 Date:

5 Subject: Government operations; efficiency

6 Statement of purpose: This bill proposes a number of measures to improve
7 efficiency and cost-effectiveness in state government. The bill proposes to:

8 (1) establish a market-based incentive program for managers in state
9 government that permits 30 percent of the savings they achieve to be retained
10 within their departments;

11 (2) create a regulatory bypass system that would permit state agencies to
12 obtain waivers from certain regulatory requirements, provided that designated
13 cost savings were achieved while accomplishing the policy goals of the
14 underlying regulations;

15 (3) recognize the importance of information technology functions by
16 creating a single IT funding mechanism across state government; and

17 (4) require legislative committees to review reports, including the tiger
18 team reports prepared by the agency of administration in 2009, which describe
19 how efficiencies and cost savings in state government can be achieved.

1 An act relating to improving the efficiency and cost-effectiveness of state
2 government

3 It is hereby enacted by the General Assembly of the State of Vermont:

4 Sec. 1. GOVERNMENT SAVINGS INCENTIVE PROGRAM

5 (a) The secretary of administration shall establish a program of government
6 improvement incentive contracts that would permit managers in state
7 government to retain within their departments 30 percent of the savings they
8 achieve if designated cost-savings goals were met. The program shall include
9 the following components:

10 (1) a methodology for setting cost-savings targets applicable to different
11 state agencies and departments;

12 (2) a process for determining whether the cost-savings targets have been
13 attained;

14 (3) authority permitting a manager in a state agency or department to
15 establish an internal management contract which permits the agency or
16 department to retain 30 percent of the savings it achieves if the savings targets
17 are attained, thereby creating built-in incentives to find savings in his or her
18 own office and improve government efficiency; and

19 (4) recommendations for any changes in law or rule necessary to create
20 legal authority for the program.

21 (b) The secretary of administration shall report on progress made
22 implementing the program required by this section to the house and senate

1 committees on appropriations and on government operations on or before
2 January 15, 2013.

3 Sec. 2. STATE REGULATORY REQUIREMENTS WAIVER PROGRAM

4 (a) The secretary of administration shall establish a regulatory bypass
5 program that would permit state agencies to obtain waivers from certain
6 regulatory requirements, provided that designated cost savings are achieved
7 and the policy goals of the rules are met. The program shall include the
8 following components:

9 (1) a methodology for setting cost-savings targets applicable to different
10 state agencies and departments;

11 (2) a procedure for determining whether the cost-savings targets have
12 been attained;

13 (3) a procedure permitting a state agency or department to apply for a
14 waiver from specified regulatory requirements and permitting the application
15 to be granted, and compliance with the requirements waived, if it is determined
16 that the cost-savings targets were met and that the agency or department has
17 presented a plan that achieves the same public policy benefits as the rule with
18 less regulation and accomplishes the goals and purposes of the rule with an
19 equal or better result;

1 (4) pilot projects or test cases providing regulatory bypasses in exchange
2 for increased productivity in model areas where alternatives to rules may be
3 used to achieve the same or improved policy benefits; and

4 (5) recommendations for any changes in law or rule necessary to create
5 legal authority for the program.

6 (b) The secretary of administration shall report on progress made
7 implementing the program required by this section to the house and senate
8 committees on appropriations and on government operations on or before
9 January 15, 2013.

10 Sec. 3. CONSOLIDATION OF STATE INFORMATION TECHNOLOGY
11 PROGRAMS

12 On or before January 15, 2013, the secretary of administration and the
13 commissioner of finance and management shall submit a plan to the house and
14 senate committees on appropriations and the joint legislative technology
15 oversight committee to establish a unified funding mechanism for all state
16 government information technology functions. The plan shall include the
17 following components:

18 (1) a proposed method to consolidate the individual information
19 technology budgets that are dispersed across each state agency and department
20 into a single state government information technology financing system;

1 (2) a detailed description of the redundancies that could be eliminated
2 and cost savings achieved by reducing the frequency with which multiple state
3 government entities perform the same information technology duties and
4 functions while preserving the resources to maintain a streamlined
5 technological infrastructure at the most efficient cost to taxpayers; and

6 (3) a process to ensure that annual state government budgetary decisions
7 and funding allocations for information technology are considered in a unified
8 fashion rather than piecemeal for each agency or department, including
9 provisions for ensuring a regular stream of funding by requiring each state
10 agency and department to identify its information technology needs in its
11 budget in a manner that may be tracked over time and considered in relation to
12 the information technology needs of other state agencies and departments.

13 Sec. 4. REVIEW OF GOVERNMENT EFFICIENCY REPORTS BY
14 LEGISLATIVE COMMITTEES

15 (a) On or before January 22, 2013, each standing committee of the house of
16 representatives shall review any report within the committee's jurisdiction
17 which was submitted to the general assembly during the previous five years
18 and is related to improving the efficiency of state government. The review
19 required by this subsection shall include the tiger team findings and reports
20 prepared by the agency of administration in 2009.

1 (b) Beginning in January 2014, each standing committee of the house of
2 representatives shall review any report within the committee's jurisdiction
3 which was submitted to the general assembly during the previous year and is
4 related to improving the efficiency of state government. The review required
5 by this subsection shall take place within two weeks after the first day of the
6 legislative session.

7 (c) The house committee on rules shall make any changes to the rules of
8 the house of representatives that are necessary to accomplish the purposes of
9 this section.

10 Sec. 5. EFFECTIVE DATE

11 This act shall take effect on passage.