

AMENDED IN SENATE APRIL 16, 2012

AMENDED IN SENATE MARCH 21, 2012

**SENATE BILL**

**No. 953**

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**Introduced by Senator Strickland**

**(Coauthors: Senators Cannella, Dutton, Harman, and La Malfa)**

(Coauthors: Assembly Members Harkey, Nestande, and Portantino)

January 5, 2012

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An act to add and repeal Chapter 8.2 (commencing with Section 11820) of Part 1 of Division 3 of Title 2 of the Government Code, relating to government reorganization.

LEGISLATIVE COUNSEL'S DIGEST

SB 953, as amended, Strickland. Government reorganization: realignment or closure.

The State Government Strategic Planning and Performance and Review Act requires each state agency, department, office, and commission for which strategic planning efforts are recommended to develop a strategic plan, as specified, that identifies, among other things, the steps being taken to develop performance measures to implement a performance budgeting system or a performance review. The act also requires that these entities report to the Governor and the Joint Legislative Budget Committee by April 1 of each year on the steps being taken to develop and adopt a strategic plan.

Existing law sets forth specified procedures for the preparation, submission, and implementation of the Governor's reorganization plans.

This bill would enact the Bureaucracy Realignment and Closure Act of 2013. It would establish the Bureaucracy Realignment and Closure Commission in state government with a specified membership. Beginning on January 1, 2013, the Controller, the Director of Finance,

the Legislative Analyst, the Legislative Counsel, the Milton Marks “Little Hoover” Commission on California State Government Organization and Economy, and the State Auditor would be required to develop recommendations for the closure or realignment of state bureaucracies for consideration by the commission. It would require the commission to independently evaluate the recommendations, conduct 3 public hearings, and, by January 1, 2014, have at least one member of the commission visit each state bureaucracy considered for realignment or closure.

This bill would require the commission, before July 16, 2014, to submit a report of its final recommendations to the Governor and the Legislature that establishes a list of state bureaucracies that are proposed to be realigned or abolished. It would require the Governor, upon approval of the list of recommendations, to prepare the list as a reorganization plan and to submit the plan to the Legislature under the provisions relating to the Governor’s reorganization plans.

This bill would repeal the act on June 30, 2015.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Chapter 8.2 (commencing with Section 11820)  
2 is added to Part 1 of Division 3 of Title 2 of the Government Code,  
3 to read:

4

5 CHAPTER 8.2.

6 BUREAUCRACY REALIGNMENT AND CLOSURE ACT OF 2013

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8 11820. It is the intent of the Legislature that this chapter ensure  
9 that a timely, independent, and fair process for realigning or closing  
10 outdated or ineffective and inefficient governmental agencies,  
11 bureaucracies, boards, and commissions is initiated.

12 11821. This chapter shall be known and may be cited as the  
13 Bureaucracy Realignment and Closure Act of 2013.

14 11822. For the purposes of this chapter, the following  
15 definitions shall apply:

16 (a) “Commission” means the Bureaucracy Realignment and  
17 Closure Commission established pursuant to Section 11823.

1 (b) “State bureaucracy” means every state agency, office, officer,  
2 department, division, bureau, board, or commission.  
3 Notwithstanding subdivision (a) of Section 11000, “state  
4 bureaucracy” and “state agency” include the California State  
5 University.

6 11823. (a) The Bureaucracy Realignment and Closure  
7 Commission is hereby established in state government. By April  
8 1, 2013, the Governor shall appoint the members of the  
9 commission, as follows:

10 (1) One member who shall be appointed upon consultation with  
11 the Speaker of the Assembly.

12 (2) One member who shall be appointed upon consultation with  
13 the minority leader of the Assembly.

14 (3) One member who shall be appointed upon consultation with  
15 the President pro Tempore of the Senate.

16 (4) One member who shall be appointed upon consultation with  
17 the minority leader of the Senate.

18 (5) Four members, at the Governor’s discretion, subject to  
19 confirmation by the Senate ~~Committee on Rules~~.

20 (b) (1) Each member of the commission shall have had  
21 management experience before his or her appointment to the  
22 commission.

23 (2) For purposes of this subdivision, “management experience”  
24 means at least a master’s degree or its equivalent, or equivalent  
25 experience, in the field of business management or public  
26 administration.

27 (c) The Governor shall designate one of the members to be  
28 chairperson of the commission.

29 (d) Each member of the commission shall be a United States  
30 citizen and a resident of this state.

31 (e) The commission may employ, pursuant to laws and  
32 regulations governing state civil service, an executive secretary  
33 and any clerical, professional, and technical assistants it deems  
34 necessary.

35 11824. A person shall not be appointed to the commission if  
36 that person is any of the following:

37 (a) A party to an ongoing contract with a federal, local, or state  
38 governmental agency.

39 (b) Employed by an entity that is a party to an ongoing contract  
40 with a federal, local, or state governmental agency.

1 (c) Employed by a federal, local, or state governmental agency.

2 (d) A person who, at the time of his or her appointment or during  
3 his or her term of service, qualifies as a lobbyist, as specified in  
4 Section 82039.

5 11825. The members of the commission shall serve without  
6 compensation.

7 11826. The commission shall do all of the following:

8 (a) Examine state bureaucracies in this state primarily to  
9 determine if the jurisdictions of various bureaucracies overlap, or  
10 if a bureaucracy's mission has become obsolete.

11 (b) Submit a report to the Governor and the Legislature that sets  
12 forth findings that recommend needed reforms and establishes a  
13 list of state bureaucracies to be realigned or abolished.

14 (c) Propose realignment and closure of state bureaucracies within  
15 this state in order to reduce duplication of services, increase  
16 productivity, and reestablish the proper role of government.

17 (d) Examine the current configuration of state bureaucracies  
18 and investigate their duties and responsibilities.

19 11827. The commission may do any of the following:

20 (a) Meet at times and places that it may deem proper.

21 (b) Issue subpoenas to compel the attendance of witnesses and  
22 the production of books, records, papers, accounts, reports, and  
23 documents.

24 (c) Administer oaths.

25 (d) Contract, as it deems necessary, for the rendition of services,  
26 facilities, studies, and reports that will best assist the commission  
27 in carrying out its duties and responsibilities.

28 11828. Beginning on January 1, 2013, the Controller, the  
29 Director of Finance, the Legislative Analyst, the Legislative  
30 Counsel, the Milton Marks "Little Hoover" Commission on  
31 California State Government Organization and Economy, and the  
32 State Auditor shall develop recommendations for the closure or  
33 realignment of state bureaucracies for consideration by the  
34 commission. These recommendations shall be reported to the  
35 commission by July 15, 2013.

36 11829. Upon receiving the recommendations reported under  
37 Section 11828, the commission shall independently evaluate these  
38 reports. In addition, the commission may add other state  
39 bureaucracies to study for realignment or closure, which may

1 include proposals submitted by residents outside of state  
2 government.

3 11830. (a) By January 1, 2014, at least one member of the  
4 commission shall visit each state bureaucracy considered for  
5 realignment or closure. In addition, as part of its review process,  
6 the commission shall conduct three public hearings in the state  
7 with the final hearing occurring on or before March 15, 2014, at  
8 Sacramento. The final hearing shall include testimony from the  
9 Legislature, other expert witnesses, and the agencies specified in  
10 Section 11828.

11 (b) Upon completion of its evaluation and before July 16, 2014,  
12 the commission shall submit its final recommendations to the  
13 Governor and the Legislature and transmit a copy of these  
14 recommendations to the Director of Finance who shall prepare  
15 and issue a public report that displays the forecasted savings in  
16 state expenditures that would result from these recommendations.

17 (c) By August 15, 2014, the Governor shall act on the  
18 commission's recommendations. The Governor may approve the  
19 recommendations or return the recommendations to the commission  
20 for revision along with a statement explaining the decision. If the  
21 Governor returns the recommendations, the commission shall have  
22 one month to revise and transmit to the Governor, the Director of  
23 Finance, and the Legislature an updated list. The commission shall  
24 not be required to incorporate recommendations of the Governor  
25 in its list. The director shall prepare a revised public forecast from  
26 this list. If the Governor rejects the revised list, that action shall  
27 end the realignment and closure process.

28 11831. (a) If the Governor approves the list as submitted by  
29 the commission pursuant to subdivision (c) of Section 11830, the  
30 Governor shall prepare the list, without alteration or amendment,  
31 as a reorganization plan and submit the plan to the Legislature  
32 pursuant to Article 7.5 (commencing with Section 12080) of  
33 Chapter 1 of Part 2. Upon being transmitted to the Legislature, the  
34 plan shall be considered and subject to all applicable provisions  
35 of that article. To that end, it is the intent of the Legislature that  
36 this chapter be deemed a part of the statutory authority for the  
37 Governor to reorganize executive officers and agencies, as specified  
38 in Section 6 of Article V of the California Constitution.

39 (b) The plan shall become effective the first day after 60  
40 calendar days of continuous session of the Legislature, as defined

1 in Section 12080.5, after the date on which the plan is transmitted  
2 to each house of the Legislature or at a later date as may be  
3 provided by the plan, unless, before the end of the 60 calendar day  
4 period, either house of the Legislature adopts, by a majority vote  
5 of the duly elected and qualified members thereof, a resolution as  
6 defined in subdivision (c) of Section 12080.

7 (c) The plan shall specify that the state bureaucracies  
8 recommended for closure or realignment be closed or realigned  
9 beginning one year after the effective date of the plan and  
10 completed within three years of the effective date.

11 11832. Upon the reorganization plan becoming effective, the  
12 Director of Finance shall compute the savings in state governmental  
13 expenses that are forecast to occur due to the closure or realignment  
14 of the state bureaucracies included in the plan and transmit this  
15 information to the Governor and the Legislature. It is the intent of  
16 the Legislature that these savings be reflected in reduced taxation  
17 or state expenditures.

18 11833. This chapter is repealed as of June 30, 2015.