

Introduced by Senator Strickland

January 4, 2010

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

LEGISLATIVE COUNSEL'S DIGEST

SB 835, as introduced, 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 2011. It would establish the Bureaucracy Realignment and Closure Commission in state government with a specified membership. Beginning on January 1, 2011, 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, 2012, have at least one member of the commission visit each state bureaucracy considered for realignment or closure.

This bill would require the commission, not later than July 15, 2012, 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 appropriate \$250,000 from the General Fund to the commission to defray costs incurred during its first year of operation.

Vote: $\frac{2}{3}$. Appropriation: yes. 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 2011

7

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 2011.

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.

18 (b) "State bureaucracy" means every state agency, office, officer,
19 department, division, bureau, board, or commission.
20 Notwithstanding subdivision (a) of Section 11000, "state
21 bureaucracy" and "state agency" include the California State
22 University.

1 11823. (a) The Bureaucracy Realignment and Closure
2 Commission is hereby established in state government. By April
3 1, 2011, the Governor shall appoint the members of the
4 commission, as follows:

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

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

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

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

13 (5) Four members, at the Governor's discretion, subject to
14 confirmation by the Senate.

15 (b) (1) Each member of the commission shall have had
16 management experience prior to his or her appointment to the
17 commission.

18 (2) For purposes of this subdivision, "management experience"
19 means at least a master's degree or its equivalent, or equivalent
20 experience, in the field of business management or public
21 administration.

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

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

26 (e) The commission may employ, pursuant to laws and
27 regulations governing state civil service, an executive secretary
28 and any clerical, professional, and technical assistants it deems
29 necessary.

30 11824. No member appointed to the commission shall be any
31 of the following:

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

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

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

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

1 11825. Each member of the commission shall be appointed for
2 a term of two years and may be reappointed for a second term of
3 two years. A person may not serve more than four years' total time
4 on the commission.

5 11826. Each member of the commission shall serve without
6 compensation, but shall receive the daily equivalent of the average
7 salary paid to deputy directors of agencies listed in Section 11550
8 for each day while on official business of the commission. The
9 chairperson of the commission shall also serve without
10 compensation, but shall receive the daily equivalent of the salary
11 received by an agency head pursuant to Section 11550 for each
12 day while on official business of the commission. In addition, each
13 member shall also be entitled to receive necessary expenses actually
14 incurred in the performance of his or her duties.

15 11827. The commission shall do all of the following:

16 (a) Examine state bureaucracies in this state primarily to
17 determine if the jurisdictions of various agencies overlap, or if an
18 agency's mission has become obsolete.

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

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

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

27 11828. The commission may do any of the following:

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

29 (b) Issue subpoenas to compel the attendance of witnesses and
30 the production of books, records, papers, accounts, reports, and
31 documents.

32 (c) Administer oaths.

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

36 11829. Beginning on January 1, 2011, the Controller, the
37 Director of Finance, the Legislative Analyst, the Legislative
38 Counsel, the Milton Marks "Little Hoover" Commission on
39 California State Government Organization and Economy, and the
40 State Auditor shall develop recommendations for the closure or

1 realignment of state bureaucracies for consideration by the
2 commission. These recommendations shall be reported to the
3 commission by July 15, 2011.

4 11830. Upon receiving the recommendations reported under
5 Section 11829, the commission shall independently evaluate these
6 reports. In addition, the commission may add other state
7 bureaucracies to study for realignment or closure, which may
8 include proposals submitted by residents outside of state
9 government.

10 11831. (a) By January 1, 2012, at least one member of the
11 commission shall have visited each state bureaucracy considered
12 for realignment or closure. In addition, as part of its review process,
13 the commission shall conduct three public hearings in the state
14 with the final hearing occurring on or before March 15, 2012, at
15 Sacramento. The final hearing shall include testimony from the
16 Legislature, other expert witnesses, and the agencies specified in
17 Section 11829.

18 (b) Upon completion of its evaluation and not later than July
19 15, 2012, the commission shall submit its final recommendations
20 to the Governor and the Legislature and transmit a copy of these
21 recommendations to the Director of Finance who shall prepare
22 and issue a public report that displays the forecasted savings in
23 state expenditures that would result from these recommendations.

24 (c) By August 15, 2012, the Governor shall act on the
25 commission's recommendations. The Governor may approve the
26 recommendations or return the recommendations to the commission
27 for revision. If the Governor returns the recommendations, the
28 commission has one month to revise and transmit to the Governor
29 and the Director of Finance an updated list. The commission need
30 not incorporate recommendations of the Governor in its list. The
31 director shall prepare a revised public forecast from this list. If the
32 Governor rejects the revised list, that action shall end the
33 realignment and closure process for the year without action.
34 However, the commission may submit a revised list in the
35 following year after consideration and at least one public hearing.

36 11832. (a) If the Governor approves the list as submitted by
37 the commission pursuant to subdivision (c) of Section 11831, the
38 Governor shall prepare the list, without alteration or amendment,
39 as a reorganization plan and submit the plan to the Legislature
40 pursuant to Article 7.5 (commencing with Section 12080) of

1 Chapter 1 of Part 2. Upon being transmitted to the Legislature, the
2 plan shall be considered and subject to all applicable provisions
3 of that article. To that end, it is the intent of the Legislature that
4 this chapter be deemed a part of the statutory authority for the
5 Governor to reorganize executive officers and agencies, as specified
6 in Section 6 of Article V of the California Constitution.

7 (b) The plan shall become effective the first day after 60
8 calendar days of continuous session of the Legislature, as defined
9 in Section 12080.5, after the date on which the plan is transmitted
10 to each house or at a later date as may be provided by the plan,
11 unless, prior to the end of the 60-calendar-day period, either house
12 of the Legislature adopts, by a majority vote of the duly elected
13 and qualified members thereof, a resolution as specified in
14 subdivision (c) of Section 12080.

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

19 11833. Upon the reorganization plan becoming effective, the
20 Director of Finance shall compute the savings in state governmental
21 expenses that are forecast to occur due to the closure or realignment
22 of the state bureaucracies included in the plan and transmit this
23 information to the Governor and the Legislature. It is the intent of
24 the Legislature that these savings be reflected in reduced taxation
25 or state expenditures.

26 SEC. 2. (a) The sum of two hundred fifty thousand dollars
27 (\$250,000) is hereby appropriated from the General Fund to the
28 Bureaucracy Realignment and Closure Commission created
29 pursuant to Chapter 8.2 (commencing with Section 11820) of Part
30 1 of Division 3 of Title 2 of the Government Code, as added by
31 Section 1 of this act, in order to defray costs incurred by the
32 commission during the first year of operation.

33 (b) The Bureaucracy Realignment and Closure Commission
34 may not expend more than five hundred thousand dollars
35 (\$500,000) in carrying out its duties.