

SENATE BILL REPORT

SB 6345

As Reported by Senate Committee On:
Economic Development, Trade & Innovation, January 26, 2012
Ways & Means, February 7, 2012

Title: An act relating to restructuring state government.

Brief Description: Creating a commission to restructure state government.

Sponsors: Senators Kastama, Tom, Hatfield, Rolfes, Kilmer and Hill.

Brief History:

Committee Activity: Economic Development, Trade & Innovation: 1/19/12, 1/26/12 [DP-WM, DNP].

Ways & Means: 2/06/12, 2/07/12 [DPS, DNP, w/oRec].

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE & INNOVATION

Majority Report: Do pass and be referred to Committee on Ways & Means.

Signed by Senators Kastama, Chair; Chase, Vice Chair; Baumgartner, Ranking Minority Member; Hatfield, Holmquist Newbry, Kilmer, Shin and Zarelli.

Minority Report: Do not pass.

Signed by Senator Ericksen.

Staff: Edward Redmond (786-7471)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 6345 be substituted therefor, and the substitute bill do pass.

Signed by Senators Murray, Chair; Kilmer, Vice Chair, Capital Budget Chair; Zarelli, Ranking Minority Member; Parlette, Ranking Minority Member Capital; Baumgartner, Brown, Fraser, Hatfield, Hewitt, Holmquist Newbry, Honeyford, Kastama, Schoesler and Tom.

Minority Report: Do not pass.

Signed by Senator Pridemore.

Minority Report: That it be referred without recommendation.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Signed by Senator Padden.

Staff: Steve Jones (786-7440)

Background: The Defense Base Realignment and Closure Act of 1990 (BRAC) was enacted by Congress in an attempt to establish a non-partisan, transparent process for closing and realigning military installations in order to reduce expenditures on operations and maintenance, and to achieve increased efficiency. The BRAC commission was specifically tasked to conduct independent review and analysis of bases and military installations that were either submitted for closure by the Secretary of Defense or self-identified by the commission, and to assess each recommendation to ensure it met the criteria set forth by Congress. After approval from the President, Congress either approved or rejected the commission's recommendations in its entirety. There have been five BRAC rounds since 1990 that resulted in the closure or realignment of more than 350 military installations. In the latest 2005 BRAC round, Congress approved a total of 182 installation closures or realignments, which translated to an estimated \$15 billion in savings to taxpayers over a 20-year period.

In Article III, section 1 of the Washington State Constitution, the Executive Department is created. The Constitution provides that the Executive Department must consist of a governor, lieutenant governor, secretary of state, treasurer, auditor, attorney general, superintendent of public education, and a commissioner of Public Lands.

All other aspects of state government have been created through statute.

Summary of Bill (Recommended Substitute): The Agency Reallocation and Realignment of Washington Commission (Commission) on restructuring state government is established. The board will comprise eight members evenly split between former statewide officials and individuals with executive management experience.

Each caucus in both houses of the Legislature will appoint one former statewide official and nominate three individuals with executive management experience. The Governor will then select one of the nominees from each caucus to fill the four remaining positions.

The Commission must:

- review budget, revenue, and caseload forecasts and estimates over the next six years;
- examine current subsidies and tax breaks;
- examine current operations and organizations of state government;
- evaluate operational and organizational restructuring possibilities to find cost savings and efficiencies; and
- submit an initial report that includes recommendations for alignment of revenue and expenditures over the next six-year period.

The Commission may make proposals to:

- adopt methods and procedures for reducing expenditures;
- eliminate duplication and overlapping services, activities, and functions;
- consolidate services, activities, and functions of a similar nature;

- abolish services, activities, and functions not necessary to the efficient operation of government;
- eliminate unnecessary state departments and agencies, create necessary new state departments and agencies, reorganize existing state departments and agencies, and transfer functions and responsibilities among state departments and agencies;
- define or redefine the duties and responsibilities of state officers; and
- revise present provisions for continuing or permanent appropriations of state funds of whatever kind for whatever purpose, eliminate any such existing provisions, and adopt new provisions.

The Commission must submit its findings, recommendations, and proposed legislation to the Legislature annually, commencing from 2013 until 2016, and then at the beginning of each biennium. The Commission may not issue minority or majority reports.

Any legislation proposed by the Commission must be introduced as a bill in each house of the Legislature and put before each chamber. Each bill must be either approved on final passage, amended by two-thirds vote in each house, or rejected and returned to the commission, with specific details for the reason(s) for such rejection.

Documents, materials, and information obtained or produced by the Commission are not subject to disclosure under the Public Records Act unless such information is publicly cited in connection with an action taken by the Commission.

EFFECT OF CHANGES MADE BY WAYS & MEANS COMMITTEE (Recommended Substitute): Technical changes to the manner in which the commission's recommendations are considered by the Legislature. The \$1 million appropriation is deleted.

Appropriation: None.

Fiscal Note: Requested on January 17, 2012.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony (Economic Development, Trade & Innovation): OTHER: Capitol Classroom was started last year; it is a program that brings a lobbyist into the classroom and identifies a bill in the legislative process to work on and track. Evergreen High School has chosen this bill as a senior project. The class has not yet taken a position on the bill, but is very interested in the work the committee is doing. Allied Daily Newspaper thinks that the underlying effort is an admirable one, but there is concern regarding the Open Public Meetings and Open Public Records Act. The chair has allowed us to help narrow these exemptions, however, there is still concern that matters this momentous will be decided behind closed doors. For \$1 million, the public should be able to see what goes on in the meeting room.

Persons Testifying (Economic Development, Trade & Innovation): OTHER: Vicki Christophersen, Evergreen High School Capitol Classroom; Rowland Thompson, Allied Daily Newspapers.

Staff Summary of Public Testimony on Original Bill (Ways & Means): PRO: This commission will make state government more efficient, eliminate duplication, and optimize state programs, including economic development programs. This legislation grants comprehensive authority to reorganize state government. Bold action will lead to quick savings.

Persons Testifying (Ways & Means): PRO: Egils Milbergs, WA Economic Development Commission; Vicki Christophersen, Evergreen High School Capitol Classroom.