

**LEGISLATIVE EDUCATION STUDY COMMITTEE  
BILL ANALYSIS**

**Bill Number: \*HB 237a**

**49th Legislature, 2nd Session, 2010**

**Tracking Number: .181177.2**

**Short Title: Government Restructuring Task Force**

**Sponsor(s): Representative Luciano “Lucky” Varela and Others**

**Analyst: James Ball**

**Date: February 12, 2010**

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**AS AMENDED**

**The House Appropriations and Finance Committee amendment strikes all language related to an appropriation to support the task force.**

**Original Bill Summary:**

HB 237 creates the 17-member Government Restructuring Task Force (GRTF) to study the current resources of the state’s agencies, programs, services, funding, and polices and the public need served by them, including the:

- recommendations of the *Governor’s Committee on Government Efficiency*;
- need for consolidation of state agencies and elimination of redundant, duplicative, or overlapping programs or services;
- current and projected staffing needs of state agencies; and
- current and projected revenue estimates for the next three to five years.

HB 237 also requires the GRTF to examine the statutes, constitutional provisions, rules, and court decisions governing state government and reorganization in order to recommend legislation or changes.

The bill prescribes the membership of the task force:

- five members of the House of Representatives appointed by the Speaker;
- five members of the Senate appointed by the Committees’ Committee unless appointments are made in the interim by the President Pro Tempore after consulting with a majority of the Committees’ Committee members;
- six members from the public and private sector with expertise in organizational structure and operations, three of whom are appointed by the Speaker and three of whom are appointed by the President Pro Tempore of the Senate; and
- the Secretary of the Department of Finance and Administration (DFA).

In addition, the GRTF shall:

- meet at the call of the chair at least once each month, but no more frequently than twice per-month, beginning no later than April 22, 2010;

- make recommendations or propose legislation in the final report only if those items are supported by a majority of legislative members; and
- create subcommittees only by a majority vote of all members and only if a subcommittee is composed of at least one senator and one representative and at least one member of the minority party.

HB 237 requires DFA and various state agencies to cooperate with the GRTF to provide members with information regarding budget, staffing, organizational structure, and other requested information.

Staffing for the task force shall be provided by the Legislative Council Service (LCS), the Legislative Finance Committee (LFC), the Legislative Education Study Committee (LESC), and DFA.

The GRTF shall make a report of its findings and recommendations by December 1, 2010 for consideration by the Governor, the Legislature, LCS, LFC, and the LESL.

A final report and proposed legislation shall be made available to the Governor and the Legislature by December 31, 2010.

\* The bill contains an emergency clause and it is the subject of House Executive Message 98.

#### **Original Fiscal Impact:**

\$100,000 is appropriated from the General Fund to the LCS for FY 10 and FY 11 to cover the operational expenses of the GRTF and for reimbursing per diem and mileage expenses of the task force members.

Unexpended and unencumbered funds remaining at the end of FY 11 shall revert to the General Fund.

#### **Fiscal Issues:**

Noting that the bill requires DFA and legislative agencies to staff the task force, the DFA analysis of HB 237 expresses concern about the number of staff and amount of staff time to be provided, especially in light of the current hiring freeze, which is already putting constraints on existing agency staff.

#### **Background:**

The State Personnel Office notes in its analysis of HB 237 that a similar study was just completed by the *Committee on Government Efficiency*. That report, titled *Recommendations of Improving Government Efficiency*, was presented to Governor Richardson on January 14, 2010. In addition to recommending some reorganizing and restructuring of government functions, the committee also made recommendations to modify the public school and higher education funding formulas. The total potential savings from these items is projected to be over \$129 million. The committee also recommended an evaluation of the following:

- aligning the Medicaid Benefit Plan more closely to private and other public plans;
- reducing the number of institutions of higher education;

- developing specific funding formulas for two-year colleges, regional universities, and research universities;
- reducing the number of school districts;
- consolidating some cabinet agencies;
- improving management of state assets, such as state-owned buildings;
- improving information technology and telecommunications, to include consolidation of support activities;
- closing and/or consolidating field offices and/or locating government offices;
- improving management of federal funds allocated to New Mexico; and
- modifying and/or incorporating the training and experience factor into the three-tier teacher licensure system.

**Related Bill(s):**

None as of 2-12-2010.