

Department of Planning and Budget 2010 Fiscal Impact Statement

1. Bill Number: HB 344

House of Origin X Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Marshall, R.G.

3. Committee: Rules

4. Title: **Efficiency in Government Advisory Councils**

5. Summary: Establishes an Efficiency in Government Advisory Council for each secretariat of state government to review the operations of the agencies within the assigned secretariat for the purposes of identifying efficiencies and determining specific operational areas where savings may be realized. Under the bill, all recommendations that result in identifiable monetary savings among agencies within the assigned secretariat shall be presented in the form of a bill or budget amendment. Savings resulting from implementation of the recommendations will go to the Transportation Efficiency Fund to be used to (i) supplement transportation projects that are aimed at reducing congestion, increasing the efficiency of mass transit, or reducing harmful emissions associated with vehicle traffic, and (ii) facilitate economic development associated with transportation projects.

6. Fiscal Impact Estimates: The expenditures incurred would include reasonable and necessary expenses for council members incurred in the performance of their duties. The House of Delegates uses a standard estimate of \$75 per individual per meeting. The cost estimate is based on each of the 11 secretariats implementing a Government Advisory Council with each council consisting of 20 reimbursement-eligible members¹. It is assumed that each council would meet quarterly (HB 344 does address the number of meetings to be held annually). This calculation results in what is expected to be the minimum annual cost of \$66,000. The existing staff of either the Office of the Clerk of the House or the Office of the Clerk of the Senate would provide administrative duties such as notifying members about meetings, recording meeting minutes and notes, and processing reimbursement for travel and other expenditures of the council members. HB344 does not provide for any operational staff necessary to perform the studies, gather information and data, and pursue such other activities which may be necessary to identify efficiencies and determine any savings.

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2010	\$66,000		GF
2011	\$66,000		GF
2012	\$66,000		GF
2013	\$66,000		GF

¹ Though the bill establishes 23 member councils, each council would include the Secretary and two agency heads from the respective secretariat. These three individuals would not be eligible for reimbursements for meetings held in the Richmond metropolitan area.

2014	\$66,000	GF
2015	\$66,000	GF
2016	\$66,000	GF

7. Budget Amendment Necessary: Yes.

8. Fiscal Implications: See # 6. The \$66,000 is the expected minimum annual operating cost relative to travel reimbursements for council members; however, other operational costs involved in documenting, reporting, and printing findings and recommendations are not included. Further, no estimated cost for staff is included as HB344 does not specify any operational staff to perform the studies, gather information and data, and pursue such other activities which may be necessary to identify efficiencies and determine any savings.

9. Specific Agency or Political Subdivisions Affected: Governor's Cabinet Secretaries, Office of the Clerk of the House of Delegates, Office of the Clerk of the Senate and all executive branch agencies.

10. Technical Amendment Necessary: No.

11. Other Comments: An LAS was prepared as well for this bill.

Date: 1/19/2010 dpb

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