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LC001361

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2021

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT - SUNSET ADVISORY  
COMMISSION

Introduced By: Representatives Morgan, and Nardone

Date Introduced: March 03, 2021

Referred To: House State Government & Elections

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 42 of the General Laws entitled "State Affairs and Government" is  
2 hereby amended by adding thereto the following chapter:

3 CHAPTER 42-6.3

4 SUNSET ADVISORY COMMISSION

5 **42-6.3-1. Legislative findings and purpose.**

6 The general assembly hereby finds and declares that:

7 (1) The sunset advisory review commission act creates an independent commission  
8 charged with rooting out waste, fraud, abuse, and inefficiency in state government. The commission  
9 will make recommendations that will save taxpayers money, send more dollars into customer  
10 service and less into bureaucracy, streamline government operations. It will determine:

11 (i) If each agency or program is still needed; and

12 (ii) Identify and eliminate waste, duplication, and inefficiency in state government. If  
13 successfully implemented, the commission would save government money in the short and long  
14 term and help to avert a future state fiscal crisis.

15 (2) It is the intent of the general assembly to authorize the creation of an independent  
16 commission to annually examine the operations of state government, with the purpose of making  
17 recommendations to the legislature on various manners by which state government can operate  
18 more efficiently. The commission will challenge and question the basic assumptions underlying all

1 state agencies and the programs and services offered by the state.

2 **42-6.3-2. Definitions.**

3 (a) "Commission" means the sunset advisory review commission.

4 (b) "Operations of state government" means the activities of state government that are  
5 authorized by law.

6 (c) "Reasonable request for information" means a request for information that is readily  
7 available or could be available through a modicum of effort.

8 (d) "State agency" means:

9 (1) A board, commission, department, institution, office, or other agency in the executive  
10 branch of state government that is created by the constitution or by a statute of this state; or

11 (2) The supreme court of Rhode Island, or other court or agency in the judicial branch of  
12 state government.

13 (e) "State budget shortfall" means a rate of growth in tax revenues that will not be sufficient  
14 to allow the state to spend one hundred (100%) percent of the funds authorized to be spent in the  
15 state's general fund.

16 **42-6.3-3. Establishment of Commission.**

17 (a) There is hereby created the sunset advisory review commission.

18 The executive director of the commission shall be initially selected by the joint committee  
19 on legislative services (JCLS). The executive director's term shall be four (4) years. After four (4)  
20 years, the JCLS shall re-appoint the executive director to another four (4) year term or appoint a  
21 new executive director. There shall be no term limit to the number of terms a person may serve as  
22 executive director of the commission.

23 (b) The executive director shall be paid an annual salary commensurate with other agency  
24 executives, and be given the standard benefits package for state employees, and shall be given a  
25 budget of one million (\$1,000,000) to hire additional staff and procure operational equipment.

26 **42-6.3-4. Duties of the commission.**

27 (a) The commission will have the general mission of examining the operations of state  
28 government, with the purpose of making recommendations to the general assembly on various  
29 matters by which state government can operate more efficiently. The commission will challenge  
30 and question the basic assumptions underlying all state agencies, and the programs, grants and  
31 services offered by the state.

32 (1) Specifically, the commission must deliver an annual report to the general assembly, no  
33 later than January of each calendar year. This report will include appearance and testimony before  
34 the oversight committee's of each house. The first report made to the general assembly will include

1 an assessment of previous comprehensive efforts by the state to review government operations and  
2 indicate their level of success or failure. The report shall thereafter include a review of previous  
3 recommendations made by the commission and adopted by the general assembly, and an estimate  
4 of how much money the recommendations were estimated and actually saved. The report must also  
5 indicate how the state can better allocate resources, such as:

6 (i) Streamlining, reorganizing, consolidating, contracting out, or eliminating functions  
7 performed by each agency;

8 (ii) Reducing duplicative staffing;

9 (iii) Improving space and property use, including exploring the sale or lease of surplus or  
10 unnecessarily held property;

11 (iv) Increasing the agency's capacity to deliver services and improving its responsiveness  
12 to citizens;

13 (v) Streamlining procurement procedures;

14 (vi) Improving the use of cost-saving information technology in service delivery and in  
15 lessening the need for paperwork;

16 (vii) Improving internal budgeting and financial administration procedures, including  
17 procedures to more efficiently collect past due accounts receivables;

18 (viii) Contracting with private sector firms to conduct activities currently performed by the  
19 agency;

20 (ix) Establishing techniques for the measurement of productivity and the evaluation of  
21 employee performance;

22 (x) Analyzing each line of business engaged in by each agency, including  
23 recommendations for the adoption of performance measures in each agency or, if performance  
24 measures are already used, an evaluation of the state's performance using existing measures;

25 (xi) Other methods or procedures designed to improve the use of state funds.

26 (2) Examine the feasibility of creating a financial incentive program for state employees to  
27 provide awards for employees who devise ways of reducing or eliminating expenses or improving  
28 operations. This shall be done in the form of a report submitted to the general assembly not less  
29 than one year after the creation of the commission.

30 (3) Be generally available to assist legislators in developing policies to streamline  
31 government operations. The commission must promptly answer reasonable requests  
32 for information from legislators and those in executive agencies.

33 (4) Examine grants and programs to ascertain if they are providing the maximum value as  
34 stated in their proposal and authorization documents.

1 (5) Include a recommendation to either abolish or continue a government entity. This  
2 recommendation may include additional recommendations for policy changes, efficiency and value  
3 enhancements and corrective actions. If the commission recommends continuation of an agency or  
4 program, the commission must provide draft legislation to the legislature to continue for up to five  
5 (5) years and correct other problems identified during the sunset review. If the legislature does not  
6 pass a continuation bill, the agency/program is immediately abolished and will have a one year  
7 wind down period.

8 (6) In the event of a state budget shortfall, the commission shall develop a recommendation  
9 to the legislative body on steps that can be taken to reduce or eliminate expenditures to alleviate  
10 the budget shortfall. Such steps should include, but are not limited to, those outlined in § 42-6.3-  
11 4(2)(1)(i) through (xi).

12 (7) The commission is tasked with reviewing twenty (20%) percent of the state's programs  
13 each year, assessing the importance of each agency's or program's functions, and recommending  
14 the elimination or consolidation of unneeded or outdated programs.

15 (8) The commission shall also, on an ongoing basis, endeavor to discover the state  
16 constitutional authority for each line of business engaged in by each state agency. When applicable,  
17 the constitutional authority for each line of business should be noted in the commission's annual  
18 report. If it is unclear or debatable whether the state constitution authorizes a line of business, it  
19 should be noted.

20 (b) All agencies of state government are directed to assist the commission in the  
21 performance of its duties and, to the extent permitted by laws related to confidentiality, furnish  
22 such information and advice as the commission considers necessary to perform its duties.

23 **42-6.3-5. Funding of commission's activities.**

24 (a) For the first two (2) years of the commission's activities, the commission shall be funded  
25 from the funds allocated to the legislature under the state budget.

26 (b) For the third and fourth years, the commission's activities shall be funded as follows:

27 (1) Fifty (50%) percent from funds allocated to the legislature under the state budget; and

28 (2) Fifty (50%) percent from savings resulted from enacted recommendations of the  
29 commission.

30 (c) For the fifth and sixth years, the commission shall be solely funded through savings  
31 resulting from enacted recommendations of the commission. If sufficient funds are not available  
32 through savings resulting from enacted recommendations of the commission, the commission's  
33 budget shall be cut accordingly.

34 **42-6.3-6. Savings.**

1           (a) Savings resulting from enactment of the commission's recommendations shall be placed  
2 in a special fund called the "Legislative Sunset Advisory Review Commission Savings Fund".

3           (b) On the first day of the budget year, an amount equal to the budget of the commission  
4 will be transferred from the "Legislative Sunset Advisory Review Commission Savings Fund" to  
5 the commission.

6           (c) The remaining funds will be disbursed as follows:

7           (1) Twenty (20%) percent of the funds shall be released for use in the state's general fund;

8           (2) Thirty (30%) percent shall be transferred to the state's rainy day reserve; and

9           (3) Fifty (50%) shall be returned to the citizens of the state on a pro rata basis.

10          (d) If the release of such funds would cause the state to exceed the constitutional or  
11 statutory authority of the state to spend such money, then such money will be returned to the  
12 taxpayers on a pro rata basis.

13          (e) Of the funds released to the state general fund, priority for the use of such funds shall  
14 be given to the agency from which they were accumulated; provided that, each agency develops a  
15 plan for the use of such funds and presents the plan to the commission.

16          (f) Of the funds released to the state general fund, a portion of said funds shall be dedicated  
17 to providing financial rewards for state employees after the adoption and implementation of the  
18 financial incentive program. Funds used in this regard shall take precedence over funds re-  
19 appropriated to agencies.

20           **42-6.3-7. Regulations.**

21           The general assembly shall adopt all rules and regulations necessary for the administration  
22 and enforcement of this chapter.

23           SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T  
RELATING TO STATE AFFAIRS AND GOVERNMENT - SUNSET ADVISORY  
COMMISSION

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- 1 This act would establish the Sunset Advisory Review Commission.
- 2 This act would take effect upon passage.

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