**ENGROSSED** 

ENROLLED ACT NO. 70, SENATE

SIXTY-FOURTH LEGISLATURE OF THE STATE OF WYOMING 2018 BUDGET SESSION

AN ACT relating to the operation of government; creating a program and account from which to pursue and fund government efficiency initiatives; providing authority to conduct efficiency related activities and to fund those activities; authorizing incentive awards and use of funds from efficiency savings; continuing the Wyoming spending and government efficiency commission; modifying commission membership; requiring reports; authorizing positions; providing appropriations; and providing for an effective date.

Be It Enacted by the Legislature of the State of Wyoming:

#### Section 1.

(a) The purpose of this act is to continue the work started by the 2017 Wyoming spending and government efficiency commission, created by 2017 Senate File 156, 2017 Wyoming Session Laws, Chapter 183, and to accomplish the purposes stated in this act. Pursuant to 2017 Wyoming Session Laws, Chapter 183, the commission worked with the governor's office and various executive branch agencies during the 2017 interim to identify potential savings and efficiency initiatives that could be implemented in Wyoming state government. To aid in this effort, the law creating the commission provided an appropriation to the governor's office for the retention of a government efficiency consultant. During the 2017 interim, the governor used the appropriation to retain the services of Alvarez & Marsal Public Sector Service, LLC. In August, September and October of 2017, Alvarez & Marsal studied Wyoming's state government and, on November 6, 2017, issued a report containing preliminary recommendations for potential savings and efficiency initiatives. The report is on file with and available for public inspection from the Wyoming

**ENGROSSED** 

ENROLLED ACT NO. 70, SENATE

SIXTY-FOURTH LEGISLATURE OF THE STATE OF WYOMING 2018 BUDGET SESSION

legislative service office. The recommendations made by Alvarez & Marsal in its November 6, 2017 report should be further studied and implemented pursuant to the terms of this act. Additional efforts should be made to identify new savings and efficiency opportunities that exist in the operation of Wyoming's state government. The purpose of this act is to accomplish these goals.

## State Savings and Efficiency Initiatives

- (b) The state savings and efficiency initiatives account is hereby created. Funds in the account shall be continuously appropriated for expenditure in accordance with this act and shall not revert until June 30, 2022. Funds in the account shall only be expended for the purpose of funding the projects, entities and initiatives authorized by this act and only with the direction and approval of the governor.
- The governor's office may accept proposals for the funding of savings and efficiency related projects that, upon the governor's approval, shall be funded from the state savings and efficiency initiatives account. Funding from the account shall only be provided to the extent that existing biennium budgets or current biennium cost savings from the operation of the approved project are insufficient to fund the project. Projects identified as priority items by the Wyoming spending and government efficiency commission, and the following enumerated projects shall be given consideration for funding, based upon the governor's determination of the likelihood for providing savings or increasing efficiencies in government operations:

ENROLLED ACT NO. 70, SENATE

# SIXTY-FOURTH LEGISLATURE OF THE STATE OF WYOMING 2018 BUDGET SESSION

- (i) Integrating technology across state agencies;
- (ii) Developing regional services centers for school districts;
- (iii) Implementing and expanding shared services throughout the state's agencies, including human resource services and financial systems;
- (iv) Conducting a statewide organizational and line of service review to reveal overlapping responsibilities and assure that appropriate and efficient organizational and managerial structures are being utilized;
- (v) Increasing staffing levels for key audit and collections positions;
- (vi) Conducting a strategic sourcing review within the state's procurement system and implementing strategic sourcing solutions as practical and appropriate;
- (vii) Identifying and exporting to other state agencies beneficial best practices and process improvements already in use;
- (viii) Establishing a pilot program for performance based budgeting for up to three (3) agencies with the aim of submitting performance based budgets to the legislature as soon as the 2019 general session.
- (d) Prior to funding a project, the project proponent or the governor's office shall develop a means of identifying and quantifying any savings that may be

ENROLLED ACT NO. 70, SENATE

SIXTY-FOURTH LEGISLATURE OF THE STATE OF WYOMING 2018 BUDGET SESSION

realized as result of the project as demonstrated by the following:

- (i) Clear goals and defined purposes for the project;
- (ii) Specific metrics by which to measure the progress and success of the project;
- (iii) The project's incorporation of incentives
  to encourage those affected by the project to implement and
  support it;
- (iv) A detailed project budget with an explanation of the expenditures required for the project;
- (v) A detailed budget of the savings or revenues expected from the project and a detailed description of any process improvements or increased efficiencies expected to be realized through the project; and
- (vi) An analysis of the potential for implementing the project's efficiencies, cost savings or process improvements in other agencies and political subdivisions.
- (e) The governor's office shall adopt procedures to evaluate projects and to identify and quantify savings which are anticipated to result from a project. Prior to funding a project, the methodology which will be applied to identify and quantify savings from the project shall be specified by the governor's office. If it is not feasible to determine a methodology prior to the commencement of a project, the methodology may be developed and implemented as the project progresses. The governor's office may

**ENGROSSED** 

ENROLLED ACT NO. 70, SENATE

SIXTY-FOURTH LEGISLATURE OF THE STATE OF WYOMING 2018 BUDGET SESSION

implement an award and recognition program under which funds within the state savings and efficiency initiatives account may be used to reward employees of a state agency or other governmental entity for savings generated by the agency or entity under this act. The awards may include both cash and authorized leave awards, but the value of an award shall not exceed five thousand dollars (\$5,000.00) to any individual employee. The total value of awards relating to any one (1) project shall not exceed the savings generated by the project and shall be deducted from the savings certified under subsection (f) of this section. Awards provided pursuant to this section shall not be subject to state compensation plan provisions established under W.S. 9-2-1022.

- Prior to the end of each fiscal year the (f)department of administration and information shall, applying the methodology for identifying and quantifying savings for each project, certify to the state auditor and state treasurer the amount of savings realized by the state as a result of a project funded under this act. To the extent unobligated and unencumbered funds exist in the account or fund from which monies would have been expended but for the savings resulting from the project, the amount of savings shall be deposited to the state savings and efficiency initiatives account at the end of that fiscal Nothing in this act shall affect the governor's authority under W.S. 9-2-1005 or flex authority in the general appropriations bill, whether that authority is exercised in regard to funds identified as savings or in regard to other funds.
- (g) The governor's office shall biannually provide to the legislature's management council, the joint

**ENGROSSED** 

ENROLLED ACT NO. 70, SENATE

SIXTY-FOURTH LEGISLATURE OF THE STATE OF WYOMING 2018 BUDGET SESSION

appropriations committee and the Wyoming spending and government efficiency commission a report summarizing all projects being funded pursuant to this act. The report shall include a description of each project, the project's purpose or goals, the amount pledged to the project, the amount expended on the project, the status of the project, the revenues, savings or efficiencies anticipated from the project, the methods being used to recognize and measure any savings realized from the project and any savings that have been realized as a result of the project.

- (h) The governor's office may use monies from the state savings and efficiency initiatives fund to employ one (1) or more persons and to contract with one (1) or more entities having expertise in government efficiency for purposes of this act. Other than individuals retained as employees of the governor's office, every entity contracted with under this subsection shall be selected pursuant to a competitive process and subject to standard procurement procedures. The governor's office may retain the services of employees of other executive department agencies to carry out the duties of the office under this act.
- The governor may designate an employee employees to provide technical and tactical assistance to governmental entities in identifying, prioritizing, qualifying for, obtaining, tracking and maintaining appropriate and available federal funding. The employee or employees also may act as a special point of contact for governmental entities and provide information resources and grants training. The governor and state auditor offices may develop a grants management system as determined beneficial to the state's needs. If a grants management system is developed it shall include functionality allowing for

**ENGROSSED** 

ENROLLED ACT NO. 70, SENATE

SIXTY-FOURTH LEGISLATURE OF THE STATE OF WYOMING 2018 BUDGET SESSION

potential fiscal agent responsibilities for school district grant oversight.

## Annual Ideas Festival

(k) Funds in the state savings and efficiency initiatives fund may be used by the governor's office to create and fund an annual ideas festival, intended to incentivize state employees to identify and implement initiatives for revenue generation, savings and efficiencies in the operation of state government. Up to twenty-five thousand dollars (\$25,000.00) per year may be awarded to contestant winners, but not more than five thousand dollars (\$5,000.00) per team member shall be awarded.

## Section 2.

- (a) The Wyoming spending and government efficiency commission, created by 2017 Senate File 156, 2017 Wyoming Session Laws, Chapter 183, is hereby continued and shall be staffed by the legislative service office.
- (b) The commission shall be composed of twelve (12) members. Five (5) members shall be appointed by the management council of the legislature of whom one (1) shall be from the private sector and two (2) each from the senate and house of representatives. Four (4) members shall be appointed by the governor, of whom two (2) shall be from the private sector and one (1) shall be a member of the governor's staff. The state auditor, or the auditor's designee, shall be a member of the commission. The chief information officer of enterprise technology services, or an appropriate designee, and the director of the department of administration and information, or an appropriate

ENGROSSED

ENROLLED ACT NO. 70, SENATE

SIXTY-FOURTH LEGISLATURE OF THE STATE OF WYOMING 2018 BUDGET SESSION

designee, shall also serve as members of the commission. All members of the commission shall be voting members except the chief information officer or his appointee and the director of the department of administration and information or his designee. The commission shall elect a chairman from among its legislative members.

- (c) The members of the commission shall be appointed not less than thirty (30) days after the effective date of this act.
- (d) Members who are not legislators shall receive per diem and travel expenses in the same manner and amount provided under W.S. 28-5-101.
- (e) The commission shall meet at the call of the chairman or the governor as necessary to complete the following duties:
- (i) The commission shall monitor and, where appropriate, provide recommendations with regard to all savings and efficiency activities initiated under this act or as a result of the commission's work during the 2017 interim;
- (ii) The commission shall work with the governor's office and any efficiency consultants retained by the governor's office to keep apprised of new or continuing savings and efficiency opportunities that are or might be pursued by the state and, where appropriate, make recommendations on the opportunities;
- (iii) The commission shall monitor expenditures from the state savings and efficiency initiatives account

**ENGROSSED** 

ENROLLED ACT NO. 70, SENATE

SIXTY-FOURTH LEGISLATURE OF THE STATE OF WYOMING 2018 BUDGET SESSION

and shall keep apprised of any progress made on projects funded from the account;

- (iv) The commission shall act as a conduit between the executive branch and the legislature to assure a coordinated effort in accomplishing all savings and efficiency initiatives pursued under this act. The commission shall accept for consideration any legislative changes identified by the governor's office or any other entity assigned duties under this act as necessary to accomplish any initiatives pursued under this act.
- (f) On or before November 30, 2018 and again on or before November 30, 2019, the commission shall provide a report to the governor, the management council of the legislature and the joint appropriations committee summarizing its activities. The report may provide recommendations regarding any activity undertaken under this act and shall include an outline of any legislative changes recommended to the commission during the course of its work or which are independently identified by the commission. In the report due on or before November 30, 2019, the commission shall recommend whether the commission should be continued beyond June 30, 2020.
  - (q) The commission shall exist until June 30, 2020.

#### Section 3.

(\$10,000,000.00) from the legislative stabilization reserve account to the state auditor's office to be deposited into the state savings and efficiency initiatives account which is created by this act. This appropriation shall only be

ENGROSSED

ENROLLED ACT NO. 70, SENATE

SIXTY-FOURTH LEGISLATURE OF THE STATE OF WYOMING 2018 BUDGET SESSION

expended and shall revert as provided in section 1(b) of this act.

- There is appropriated thirty thousand dollars (b) (\$30,000.00) from the general fund to the legislative service office. This appropriation shall be for the period beginning with the effective date of this act and ending June 30, 2020. This appropriation shall only be expended for the purpose of providing reimbursement for members of the Wyoming spending and government efficiency commission appointed by the management council. Notwithstanding any other provision of law, this appropriation shall not be transferred or expended for any other purpose and any unexpended, unobligated funds remaining from this appropriation shall revert as provided by law on June 30, 2020.
- (\$4,000.00) from the general fund to the governor's office. This appropriation shall be for the period beginning with the effective date of this act and ending June 30, 2020. This appropriation shall only be expended for the purpose of providing reimbursement for members of the Wyoming spending and government efficiency commission appointed by the governor. Notwithstanding any other provision of law, this appropriation shall not be transferred or expended for any other purpose and any unexpended, unobligated funds remaining from this appropriation shall revert as provided by law on June 30, 2020.

ENGROSSED

ENROLLED ACT NO. 70, SENATE

SIXTY-FOURTH LEGISLATURE OF THE STATE OF WYOMING 2018 BUDGET SESSION

**Section 4.** This act is effective immediately upon completion of all acts necessary for a bill to become law as provided by Article 4, Section 8 of the Wyoming Constitution.

(END)

Speaker of the House President of the Senate
Governor
TIME APPROVED:
DATE APPROVED:
I hereby certify that this act originated in the Senate.
Chief Clerk