

SENATE FILE NO. SF0120

Government efficiency project.

Sponsored by: Management Council

A BILL

for

1 AN ACT relating to the operation of government; creating a
2 program and account from which to pursue and fund
3 government efficiency initiatives; providing authority to
4 conduct efficiency related activities and to fund those
5 activities; authorizing the retention of efficiency related
6 savings by the governmental entity that created the savings
7 as specified; authorizing the creation of a project
8 management office; authorizing the creation of a governor's
9 grants office; continuing the Wyoming spending and
10 government efficiency commission; modifying commission
11 membership; requiring reports; authorizing positions;
12 providing appropriations; and providing for an effective
13 date.

14

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

16

1 **Section 1.**

2

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

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

7

8 **State Savings and Efficiency Initiatives Account**

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10 (b) The state savings and efficiency initiatives
11 account is hereby created. Funds in the account shall be
12 continuously appropriated to the account until reverted by
13 the legislature. Funds in the account shall only be
14 expended for the purpose of funding the projects, entities
15 and initiatives authorized by this act and only with the
16 direction and approval of the governor.

17

18 (c) Whether through a project management office or
19 otherwise, the governor may accept proposals for the
20 funding of savings and efficiency related projects that,
21 upon the governor's approval, shall be funded from the
22 state savings and efficiency initiatives account. Funding
23 from the account shall only be provided to the extent that

1 existing biennium budgets or current biennium cost savings
2 from the operation of the approved project are insufficient
3 to fund the project. The governor shall endeavor to fund
4 only projects with a high likelihood of generating revenues
5 or providing savings, efficiencies or process improvements
6 to government operations or services. Except if identified
7 as a priority by the Wyoming spending and government
8 efficiency commission, the governor shall not favor
9 projects that only provide additional support for existing
10 processes or infrastructure. The governor shall give
11 special consideration to funding the projects identified as
12 priorities by the Wyoming spending and government
13 efficiency commission in its November 30, 2017 report,
14 including the projects and initiatives specifically
15 authorized by this act and the following projects:

16

17 (i) Integrating technology across state
18 agencies;

19

20 (ii) Developing regional services centers for
21 school districts;

22

1 (iii) Implementing and expanding shared services
2 throughout the state's agencies, including human resource
3 services and financial systems;

4

5 (iv) Conducting a statewide organizational and
6 line of service review to reveal overlapping
7 responsibilities and assure that appropriate and efficient
8 organizational and managerial structures are being
9 utilized;

10

11 (v) Increasing staffing levels for key audit and
12 collections positions;

13

14 (vi) Conducting a strategic sourcing review
15 within the state's procurement system and implementing
16 strategic sourcing solutions as practical and appropriate;

17

18 (vii) Identifying and exporting to other state
19 agencies beneficial best practices and process improvements
20 already in use.

21

22 (d) The governor shall encourage applicants to
23 provide in their project proposals, or to develop during

1 the term of a funded project, a means of identifying and
2 quantifying any savings that may be realized as result of
3 the project as demonstrated by the following:

4

5 (i) Clear goals and defined purposes for the
6 project;

7

8 (ii) Specific metrics by which to measure the
9 progress and success of the project;

10

11 (iii) The project's incorporation of incentives
12 to encourage those affected by the project to implement and
13 support it;

14

15 (iv) A detailed project budget with an
16 explanation of the expenditures required for the project;

17

18 (v) A detailed budget of the savings or revenues
19 expected from the project and a detailed description of any
20 process improvements or increased efficiencies expected to
21 be realized through the project; and

22

1 (vi) An analysis of the potential for
2 implementing the project's efficiencies, cost savings or
3 process improvements in other agencies and political
4 subdivisions.

5
6 (e) Whether through a project management office or
7 otherwise, and after giving consideration to any savings
8 identification methods provided in a project proposal
9 pursuant to subsection (d) of this section, the governor
10 shall promulgate rules and then adopt consistent procedures
11 to identify and quantify any savings that are realized as
12 the result of any project funded under subsection (c) of
13 this section. If savings are expected to result from a
14 funded project, the governor shall endeavor to establish
15 the matrix by which the savings shall be identified and
16 quantified prior to generation of the savings. Where the
17 identification and measurement of savings is not reasonably
18 possible at the beginning of a project, the governor may
19 require that a means of identification and measurement be
20 developed during the course of the project.

21
22 (f) All savings that are realized by the state as the
23 result of a project funded under subsection (c) of this

1 section or that are generated by any activity undertaken as
2 a result of this act and that are identified by any means
3 shall not revert to the general fund and shall be deposited
4 into the state savings and efficiency initiatives account,
5 except that the governor may authorize any agency or
6 governmental entity responsible for generating the savings
7 to retain not more than twenty-five percent (25%) of the
8 savings as a reward for generating the savings and as an
9 inducement to promote state government savings and
10 efficiencies. Funds deposited into the state savings and
11 efficiency initiatives account shall be continuously
12 appropriated to the account until reverted by the
13 legislature and may be used by the governor to fund
14 additional savings and efficiency related projects as
15 authorized by this act.

16

17 (g) Not less than quarterly, the governor shall
18 provide to the legislature's management council, the joint
19 appropriations committee and the Wyoming spending and
20 government efficiency commission a report summarizing all
21 projects being funded pursuant to this act. The report
22 shall include a description of each project, the project's
23 purpose or goals, the amount pledged to the project, the

1 amount expended on the project, the status of the project,
2 the revenues, savings or efficiencies anticipated from the
3 project, the methods being used to recognize and measure
4 any savings realized from the project and any savings that
5 have been realized as a result of the project.

6

7

Project Management Office

8

9 (h) Funds in the state savings and efficiency
10 initiatives fund may be used by the governor to create and
11 fund a project management office to be located within the
12 governor's office. If created, the project management
13 office shall help formulate a comprehensive and coordinated
14 state-wide efficiency plan and pursue targeted reviews of
15 those state agencies and functions where new efficiencies
16 and savings are likely to be discovered. If created, the
17 project management office shall conduct organizational
18 reviews, including span of control reviews, of state
19 agencies where appropriate. Subject to the governor's
20 approval and further direction, if created, a project
21 management office shall study and consider implementation
22 of the savings and efficiency recommendations made by
23 Alvarez & Marsal in its November 6, 2017 report and shall

1 coordinate all savings and efficiency efforts pursued
2 pursuant to this act. The project management office shall
3 conduct its business in consultation with the Wyoming
4 spending and government efficiency commission and shall
5 consider any recommendations made by the commission.

6

7 (j) The governor may staff a project management
8 office and conduct the office's work using employees of the
9 governor's office and employees of other executive branch
10 agencies. The governor also may hire one (1) or more
11 persons to staff the office using funds from the state
12 savings and efficiency initiatives fund. In addition, the
13 governor may contract with one (1) or more firms having
14 expertise in government efficiency to provide staff for the
15 project management office. Every firm retained by the
16 governor pursuant to this subsection shall be selected
17 pursuant to a competitive process and subject to standard
18 procurement procedures. In retaining one (1) or more firms
19 under this subsection, the governor shall consider
20 requiring the firms to continue the efficiency work started
21 by Alvarez & Marsal and to identify additional savings and
22 efficiency initiatives that can be beneficially applied in
23 Wyoming.

1

2

Governor's Grants Office

3

4 (k) Funds in the state savings and efficiency
5 initiatives fund may be used by the governor to create and
6 fund a governor's grants office to be housed in the
7 governor's office. The governor may staff the office and
8 conduct the office's work using employees of the governor's
9 office and employees of other executive branch agencies.
10 The governor also may hire one (1) or more persons to staff
11 the office using funds available in the state savings and
12 efficiency initiatives fund.

13

14 (m) If created, the governor's grants office shall be
15 responsible for providing technical and tactical assistance
16 to governmental entities in identifying, prioritizing,
17 qualifying for, obtaining, tracking and maintaining
18 appropriate and available federal funding. The office
19 shall work to promote proper fiscal management, program
20 management, audit compliance, tracking and reporting in
21 order to gain or maintain eligibility for appropriate
22 federal funds. The office also may act as a special point
23 of contact for governmental entities and provide

1 information resources and grants training. The governor may
2 require the office to report on federal grant expenditures
3 and to produce grant manuals. The governor and state
4 auditor may consider if there is a need for a grants
5 management system. If a grants management system is
6 necessary, the system shall be designed to integrate with
7 the state's current uniform accounting system financial
8 grants module, if practicable, and shall meet the state's
9 needs while creating additional functionality which could
10 enable the state to accept fiscal agent responsibilities
11 for school district grant oversight.

12

13 (n) No new federal funding source shall be pursued by
14 a governor's grants office without the prior approval of
15 the governor or if new statutory authority is required, by
16 the legislature.

17

18 **Annual Ideas Festival**

19

20 (o) Funds in the state savings and efficiency
21 initiatives fund may be used by the governor to create and
22 fund an annual ideas festival, intended to incentivize
23 state employees to identify and implement initiatives for

1 revenue generation, savings and efficiencies in the
2 operation of state government. In creating the annual
3 ideas festival, the governor shall consider an ongoing
4 program that invites teams of state employees to submit
5 plans for projects that could create state government
6 revenues, efficiencies or savings. The governor may award
7 up to twenty-five thousand dollars (\$25,000.00) per year to
8 contestant winners, but not more than five thousand dollars
9 (\$5,000.00) per team member. The governor shall consider
10 the necessity of publicizing the rollout of an annual ideas
11 festival and hosting an awards ceremony to encourage state
12 employees to participate in future ideas festivals.

13

14 (p) Any savings realized as the result of an annual
15 ideas festival proposal shall be used to fund festival
16 rewards and future ideas festivals up to the limits
17 established in subsection (o) of this section. All
18 remaining funds shall be deposited into the state savings
19 and efficiency initiatives fund.

20

21 **Section 2.**

22

1 (a) The Wyoming spending and government efficiency
2 commission, created by 2017 Senate File 156, 2017 Wyoming
3 Session Laws, Chapter 183, is hereby continued and shall be
4 staffed by the legislative service office.

5
6 (b) The commission shall be composed of eleven (11)
7 members. Three (3) members shall be appointed by the
8 management council of the legislature of whom one (1) shall
9 be from the private sector and one (1) each from the senate
10 and house of representatives. Four (4) members shall be
11 appointed by the governor, of whom two (2) shall be from
12 the private sector and one (1) shall be a member of the
13 governor's staff. One (1) member shall be appointed by the
14 chief justice of the Wyoming supreme court. The state
15 auditor, or the auditor's designee, shall be a member of
16 the commission. The chief information officer of
17 enterprise technology services, or an appropriate designee,
18 and the director of the department of administration and
19 information, or an appropriate designee, shall also serve
20 as members of the commission. All members of the
21 commission shall be voting members except the chief
22 justice's appointee, the chief information officer or his
23 appointee and the director of the department of

1 administration and information or his designee. Except as
2 required by this subsection, no voting member of the
3 commission shall be a full-time state employee. The
4 commission shall elect a chairman from among its two (2)
5 legislative members.

6

7 (c) The members of the commission shall be appointed
8 not less than thirty (30) days after the effective date of
9 this act.

10

11 (d) Members who are not legislators shall receive per
12 diem and travel expenses in the same manner and amount
13 provided under W.S. 28-5-101.

14

15 (e) The commission shall meet at the call of the
16 chairman or the governor as necessary to complete the
17 following duties:

18

19 (i) The commission shall monitor and, where
20 appropriate, provide recommendations with regard to all
21 savings and efficiency activities initiated under this act
22 or as a result of the commission's work during the 2017
23 interim;

1

2 (ii) The commission shall work with the
3 governor, any project management office established by the
4 governor, any grants office established by the governor and
5 any efficiency consultants retained by the governor's
6 office to keep apprised of new or continuing savings and
7 efficiency opportunities that are or might be pursued by
8 the state and, where appropriate, make recommendations on
9 the opportunities;

10

11 (iii) The commission shall monitor expenditures
12 from the state savings and efficiency initiatives account
13 and shall keep apprised of any progress made on projects
14 funded from the account;

15

16 (iv) The commission shall act as a conduit
17 between the executive branch and the legislature to assure
18 a coordinated effort in accomplishing all savings and
19 efficiency initiatives pursued under this act. The
20 commission shall accept for consideration any legislative
21 changes identified by the governor's office or any other
22 entity assigned duties under this act as necessary to
23 accomplish any initiatives pursued under this act.

1

2 (f) On or before November 30, 2018 and again on or
3 before November 30, 2019, the commission shall provide a
4 report to the governor, the management council of the
5 legislature and the joint appropriations committee
6 summarizing its activities. The report may provide
7 recommendations regarding any activity undertaken under
8 this act and shall include an outline of any legislative
9 changes recommended to the commission during the course of
10 its work or which are independently identified by the
11 commission. In the report due on or before November 30,
12 2019, the commission shall recommend whether the commission
13 should be continued beyond June 30, 2020.

14

15 (g) The commission shall exist until June 30, 2020.

16

17 **Section 3.**

18

19 (a) There is appropriated ten million dollars
20 (\$10,000,000.00) from the general fund to the state
21 auditor's office to be deposited into the state savings and
22 efficiency initiatives account which is created by this

1 act. This appropriation shall only be expended and shall
2 revert as provided in section 1(b) of this act.

3

4 (b) There is appropriated eighteen thousand dollars
5 (\$18,000.00) from the general fund to the legislative
6 service office. This appropriation shall be for the period
7 beginning with the effective date of this act and ending
8 June 30, 2020. This appropriation shall only be expended
9 for the purpose of providing reimbursement for members of
10 the Wyoming spending and government efficiency commission
11 appointed by the management council. Notwithstanding any
12 other provision of law, this appropriation shall not be
13 transferred or expended for any other purpose and any
14 unexpended, unobligated funds remaining from this
15 appropriation shall revert as provided by law on June 30,
16 2020.

17

18 (c) There is appropriated four thousand dollars
19 (\$4,000.00) from the general fund to the governor's office.
20 This appropriation shall be for the period beginning with
21 the effective date of this act and ending June 30, 2020.
22 This appropriation shall only be expended for the purpose
23 of providing reimbursement for members of the Wyoming

1 spending and government efficiency commission appointed by
2 the governor. Notwithstanding any other provision of law,
3 this appropriation shall not be transferred or expended for
4 any other purpose and any unexpended, unobligated funds
5 remaining from this appropriation shall revert as provided
6 by law on June 30, 2020.

7

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

12

13

(END)