

Department of Legislative Services
Maryland General Assembly
2017 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 77 (Delegate Chang)
Health and Government Operations

Lean Government Advisory Board - Establishment

This bill establishes a Lean Government Advisory Board, staffed by the Department of Budget and Management (DBM). “Lean” is defined as a business-oriented system for organizing and managing product development, operations, suppliers, and customer relations to create precise customer value, expressed as providing goods and services with higher quality and fewer defects and errors with less specified resources than more traditional systems. The bill specifies the membership of the board, and the member with expertise in lean principles appointed by the Governor serves at the pleasure of the Governor and must chair the board. A member of the board may not receive compensation but is entitled to reimbursement for expenses under the standard State travel regulations, as provided in the State budget. The board must meet at least quarterly and apply lean principles to (1) analyze the operations and organization of State government; (2) identify inefficiencies in State government operations; and (3) recommend improvements that will increase State government efficiency and improve the delivery of State government services. The board must report its findings and recommendations annually to the General Assembly beginning December 1, 2018.

Fiscal Summary

State Effect: DBM can provide staff support to the board with existing budgeted resources. Any expense reimbursements for board members are presumed to be minimal and absorbable within existing budgeted resources. No effect on revenues.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Budget analysts within DBM must continually conduct studies of all budget expenditures of Executive Branch units, make recommendations to the Secretary of Budget and Management for greater efficiency and economy in those units, and perform any other duties that the Secretary assigns. The Secretary may create any citizens' advisory body that the Secretary considers necessary for the operation of DBM.

Background: Governor Parris Glendening, by executive order, created the Council on Management and Productivity in 1995, which was codified in statute in 1996. The Council on Management and Productivity, within DBM, sought innovative ways for the State to use its resources efficiently from the business community, nonprofit organizations, government entities, and the public. The council evaluated the structure and management of State government and recommended public-private alternatives for the administration of State programs and for management and ownership of State real property assets. The council also examined government contracting policies and procedures. The Council on Management and Productivity's subcommittees reviewed operations of individual agencies and recommended improvements. Although authorization for the council terminated on July 1, 2007, the council was not funded in fiscal 2004 through 2007.

Additional Information

Prior Introductions: HB 1546 of 2016 was referred to the House Rules and Executive Nominations Committee, but no further action was taken.

Cross File: None.

Information Source(s): Department of Commerce; Maryland Department of Aging; Maryland Department of Agriculture; Department of Budget and Management; Department of Disabilities; Maryland Department of the Environment; Department of General Services; Department of Health and Mental Hygiene; Department of Housing and Community Development; Department of Human Resources; Department of Juvenile Services; Department of Labor, Licensing, and Regulation; Department of Natural Resources; Maryland Department of Planning; Department of Public Safety and Correctional Services; Department of State Police; Maryland Department of Transportation; Department of Veterans Affairs; Department of Legislative Services

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mm/mcr

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