

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
First Reader - Revised

Senate Bill 892

(The President)(By Request - Department of Legislative Services)

Rules

General Assembly - Department of Legislative Services - Reorganization and Duties

This bill (1) reorganizes the Department of Legislative Services (DLS) by consolidating support services under a new office; (2) specifies administrative processes related to legislation; and (3) makes various technical and conforming changes. By December 1, 2018, DLS, in consultation with the Department of Budget and Management (DBM), must study the effectiveness and public accessibility of goals developed in the Managing for Results (MFR) State Comprehensive Plan. **The bill takes effect July 1, 2018.**

Fiscal Summary

State Effect: The reorganization of DLS and related administrative changes do not affect overall department expenditures. DLS can complete the required study with existing budgeted resources. DBM can consult on the study as necessary with existing budgeted resources, but notes that the timing of the study has a significant operational impact related to a planned information technology project. State finances and operations are not otherwise materially affected, as discussed below.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary/Current Law:

DLS Reorganization

The Bill: The Office of Information Systems is repealed and consolidated with various support services currently under the Office of the Executive Director into the new Office of Operations and Support Services in DLS. Minor changes are made to various purposes and duties of the offices. See **Appendix A** for a simplified visual comparison of the existing DLS structure versus the structure in the bill.

The Executive Director must consult with minority leadership of both houses when making decisions on the appointment or removal of office directors and the Legislative Auditor – decisions that remain subject to approval by the Presiding Officers.

Current Law: DLS is organized across four offices: the Office of the Executive Director; the Office of Policy Analysis; the Office of Legislative Audits; and the Office of Information Systems. The Executive Director appoints the director of each office, subject to the approval of the Presiding Officers. Financial and personnel services are administratively located within the Office of the Executive Director.

Administrative Processes

The Bill: The Office of Policy Analysis is not required to prepare an analysis (*i.e.*, a fiscal and policy note) on the fiscal, legal, and policy impact of bond bills if a financial sheet, in the form that the office requires, is submitted with the legislation, and the office publishes the financial sheet on the Maryland General Assembly website.

Current Law: There is no explicit authorization to publish a financial sheet in lieu of a fiscal and policy note for bond bills; however, this provision codifies the existing “Bond Bill Fact Sheet” practice.

The Bill: In order to facilitate the preparation of fiscal and policy notes, a unit of State government must respond to a request for information on the impact of proposed legislation within three business days. This requirement may be waived on a case-by-case basis.

Current Law: Upon request of DLS, a unit of State or local government must promptly provide any information requested by DLS for preparing a fiscal and policy note. Administratively, DLS sets seven calendar days as the default length of time to respond to initial requests for information on a particular bill. However, actual request deadlines frequently vary from the default deadlines due to the hearing schedule.

Study of Agency Performance Measures and Public Accessibility of Performance Data

The Bill: DLS, in consultation with DBM, must study the effectiveness and public accessibility of the goals developed in the MFR State Comprehensive Plan and its objectives and performance measures by December 1, 2018. The study must include an evaluation of and recommendations on the creation of a consistent and ongoing system to measure government performance through an Open Performance Maryland System, including evaluating:

- how to make agency performance standards more effective in measuring performance of the agency's mission and the services provided;
- the creation or inclusion of existing customer service surveys of agency performance and services as applicable, including those created under the State Customer Service and Business Development Efforts Training Program established under the Economic Development Article;
- whether and how to include agency performance data from the StateStat process established under the State Finance and Procurement Article;
- whether and how to include data relevant to agency performance from open data portals developed in accordance with specified provisions of the State Government Article; and
- how to publish agency performance data in graphic form and in a format easily accessible to the public, in a manner that demonstrates how an agency is performing and meeting the agency's mission and responsibilities.

Current Law: The study references several data collection and evaluation programs which, broadly, are designed to measure State agency performance based on various outcomes. The programs are spread across multiple agencies and sections of law.

DBM must submit a report annually to the Senate Budget and Taxation Committee and the House Appropriations Committee discussing the State's progress toward achieving the goals outlined in the MFR State Comprehensive Plan. The 2018 report can be found on DBM's [website](#).

Background: DLS provides nonpartisan support to the members of the Maryland General Assembly, which includes legal, fiscal, committee, research, reference, auditing, administrative, and technological support. DLS has largely been in its current form since 1997, when the Department of Legislative Reference and Department of Fiscal Services

were merged, creating the current agency. DLS has 384 authorized positions across its various offices, a number that has essentially remained unchanged in the past decade.

State Expenditures: The administrative changes to DLS do not affect overall department expenditures, although existing funding will be reallocated as necessary. DLS can complete the required study with existing budgeted resources.

DBM can consult on the study as necessary with existing budgeted resources. However, DBM advises that there is a significant operational impact because the staff involved with the study will also be involved with implementing the new Budget Analysis and Reporting System, a major information technology project, at the same time. This operational impact is eliminated if the study deadline is extended to July 1, 2019.

Some State agencies indicate that the requirement to respond to information requests from DLS within three business days has an operational and/or fiscal impact unless that requirement is waived pursuant to the authority provided to DLS in the bill. However, DLS advises that in most cases, DLS anticipates continuing to work with agencies, as it does now, so that it is able to receive information responses in time to prepare fiscal and policy notes for hearings. Because DLS anticipates generally maintaining its current practice regarding agency response deadlines, this provision of the bill has no material impact on other State agencies.

Additional Information

Prior Introductions: None.

Cross File: HB 874 (The Speaker)(By Request - Department of Legislative Services) - Rules and Executive Nominations.

Information Source(s): Department of Budget and Management; Maryland State Commission on Criminal Sentencing Policy; Maryland Higher Education Commission; Maryland Department of Health; Office of the Public Defender; Comptroller's Office; Public Service Commission; Maryland Department of Transportation; Department of Public Safety and Correctional Services; Judiciary (Administrative Office of the Courts); Maryland Insurance Administration; Maryland State Department of Education; Department of Legislative Services

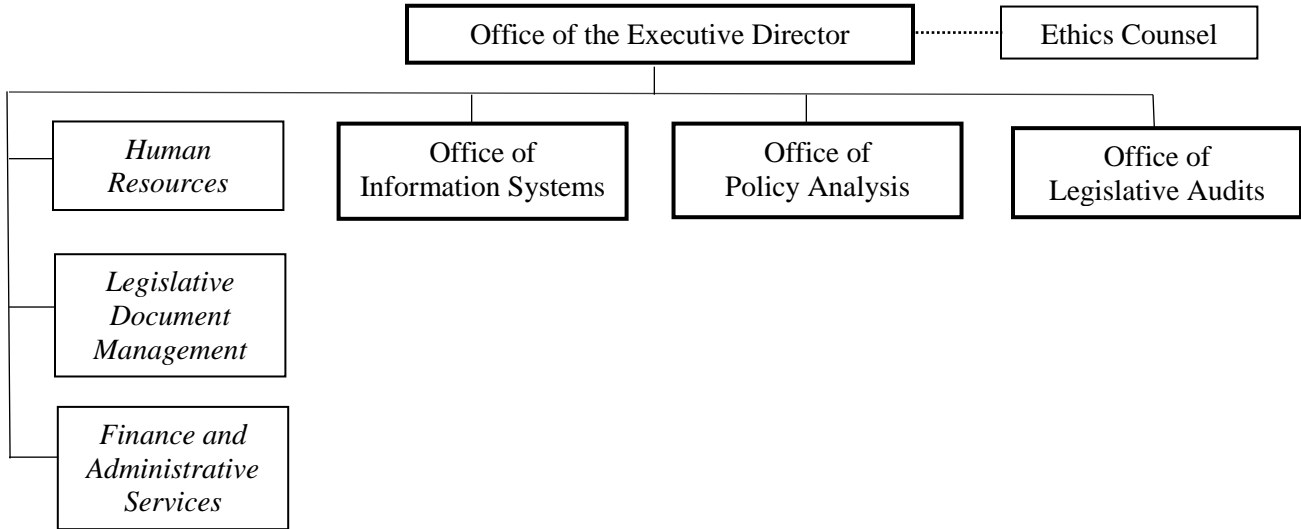
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Appendix A

Current Law



The Bill

