

**Department of Legislative Services**  
Maryland General Assembly  
2004 Session

**FISCAL AND POLICY NOTE**

House Bill 885 (Chairman, Health and Government Operations Committee)  
(By Request – Departmental – Budget and Management)

Health and Government Operations

---

**Department of Budget and Management - Council on Management and Productivity - Repeal**

---

This departmental bill repeals the Council on Management and Productivity in the Department of Budget and Management.

---

**Fiscal Summary**

**State Effect:** None. The proposed FY 2005 State budget does not include any funding for the council.

**Local Effect:** None.

**Small Business Effect:** The Department of Budget and Management has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

---

**Analysis**

**Current Law:** The 19-member Council on Management and Productivity is statutorily scheduled to terminate on July 1, 2007.

**Background:** In response to the fiscal crisis of the early 1990s, Chapter 94 of 1994 established a 25-member Efficiency 2000 Commission with the purpose of assessing government policies and practices and advising on how to make government more responsive to the current fiscal realities. The commission was to be staffed by an executive director, have an assigned Assistant Attorney General, and, in addition to being

able to hire permanent and temporary staff, be able to utilize Executive Branch personnel. The legislation was effective July 1, 1995; however, commission members were never appointed.

Governor Parris Glendening, by Executive Order, created the Council on Management and Productivity in 1995. Chapter 171 of 1996 codified the council in statute, and eliminated the Efficiency 2000 Commission. The council was scheduled to terminate on June 30, 2002.

Legislation enacted in 2002 (Chapter 126) extended the council's termination date until July 1, 2007 and reduced the council's membership from 25 to 19. The six members eliminated included: three representatives of labor, local government, and nonprofit organizations; one member of the Senate; one member of the House of Delegates; and one member of the Judicial Branch. The responsibilities of the council were extended to include facilitating the use of best practices by State agencies.

### *Membership*

Membership on the council includes:

- 10 representatives of labor, local government, and nonprofit organizations appointed by, and serving at the pleasure of, the Governor;
- one member of the Senate of Maryland appointed by the President of the Senate;
- one member of the House of Delegates appointed by the Speaker of the House;
- one representative of the Judicial Branch appointed by the Chief Judge of the Maryland Court of Appeals;
- two representatives of the business community, with one appointed by the President of the Senate and one appointed by the Speaker of the House; and
- four representatives of the general public, with two appointed by the President of the Senate and two appointed by the Speaker of the House.

### *Mission and Responsibilities*

The council is an advisory body and is charged with:

- soliciting ideas, proposals, and suggestions from the business community, nonprofit organizations, other governmental entities, and the public on ways for

the State to more efficiently manage resources while providing quality programs and delivery of services;

- reviewing and evaluating State government organizational structure and management practices and facilitating the use of best practices in State agencies;
- evaluating and recommending public-private alternatives for the operation and management of State programs and assets;
- examining government contracting policies and procedures; and
- providing information on entrepreneurial government activities and offering procedural and implementation assistance.

**State Fiscal Effect:** The proposed fiscal 2003 State budget included \$328,912 in general and special funds for the council. The General Assembly reduced the council's funding by \$160,000 due to a determination that the council had moved away from its core functions. A total of \$168,912 in general and special funds remained with the council for fiscal 2003. At the 2003 session, the General Assembly eliminated all funding and staff support for the council in fiscal 2004, which totaled \$178,527 in general funds. The reduction was based on a determination that continued support of the council was not justified because it had moved away from the core function of realizing greater efficiencies in State government and that its projects could be accomplished as effectively within individual agencies. No funds have been included in the proposed fiscal 2005 State budget for the council.

---

### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Budget and Management, Department of Legislative Services

**Fiscal Note History:** First Reader - March 5, 2004  
mh/ljm

---

Analysis by: Hiram L. Burch Jr.

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510