Approved: February 21, 2008

Date

MINUTES OF THE HOUSE GOVERNMENT EFFICIENCY AND TECHNOLOGY COMMITTEE

The meeting was called to order by Chairman Jim Morrison at 3:40 P.M. on February 18, 2008, in Room 526-S of the Capitol.

All members were present except Representatives Kelley, Tafanelli, Frownfelter, Holland, and Trimmer, all of whom were excused.

Committee staff present:

Mary Galligan, Kansas Legislative Research Department Jennifer Thierer, Kansas Legislative Research Department Renae Jefferies, Office of Revisor of Statutes Gary Deeter, Committee Assistant

Conferees appearing before the committee: Barb Hinton, Legislative Post Auditor

Others attending: See attached list.

The minutes for February 11, 12, and 14 were approved as printed. (Motion, Representative Swenson; second, Representative McLachlan)

The Chair welcomed Barb Hinton, Legislative Post Auditor, who traced the history of Post Audit, of the sunset law, and the of Kansas Governmental Operations Accountability Law (K-GOAL) (<u>Attachments 1 and 2</u>). She explained that Post Audit was established in 1971 to replace the State Auditor's Office, has broad authority to conduct performance audits of government agencies and programs, and functions under a semi-autonomous Committee to serve as part of the legislative oversight function; Post Audit may audit any state agency, local unit of government, any entity that contracts with or receives a grant from the state, and any entity that is regulated or licensed by the state.

Ms. Hinton commented that the K-GOAL statutes set forth an eight-year cycle to review 2-3 agencies each year, authorizing the "committees of reference" to evaluate effective agency operations, remediate defective operations, and terminate obsolete or ineffective operations. She identified the agencies evaluated each year and noted that K-GOAL expires is 2009.

Ms. Hinton stated that the precursor to K-GOAL was the Kansas Sunset Law, the latter which functioned from 1978 to 1992, requiring audits of boards, commissions, and agencies with the purpose of abolishing them unless the legislature acted to retain them. From 1978-1983 Post Audit conducted sunset audits of 37 agencies or programs, recommending that 8 agencies/programs be abolished in full, 6 continue through consolidation, 1 have regulation transferred, and 2 continue with restrictions. Of those recommendations, 5 agencies/boards were abolished, 2 were combined, and 1 office was split out from the parent agency. Ms Hinton said a national survey at that time showed the sunset laws were primarily effective as oversight and evaluative tools. She referenced the Texas Sunset Advisory Commission, which reviews 20-30 agencies each year and from 1976 to 2007 has abolished 54 agencies and consolidated 12 more (Attachment 3).

## CONTINUATION SHEET

MINUTES OF THE House Government Efficiency and Technology Committee at 3:40 P.M. on February 18, 2008, in Room 526-S of the Capitol.

Responding to questions, Ms. Hinton replied:

- There have been no studies showing dollar/cost savings.
- Larger agency audits are done in installments.
- Thoroughly auditing a large agency would involve all Post Audit staff for about six months.
- Identifying duplication is difficult with larger agencies.
- Often a risk-assessment model can provide more efficiencies than can consolidation.
- Post Audit sometimes calls in an expert for a specific assignment.
- There have been no recent audits regarding the mentally ill.

Ms. Hinton compared the relevant statutes, noting that the Post Audit statute focuses on performance audits, the Sunset Law deals with abolishing agencies, and the K-GOAL law concentrates on developing effective, efficient government operations (<u>Attachment 4</u>). She referenced previous Post Audit recommendations and the 1983 legislative responses (<u>Attachment 5</u>), suggesting that Post Audit can offer options to help the Committee consider further actions. She said the Post Audit Committee is currently considering new directions.

The Chair observed that sometimes an agency can redefine a statutory directive through rules and regulations; he requested that Representative Wilk lead Committee discussion regarding any actions members might wish to recommend. Ms. Hinton, responding to a member's request for her suggestions, said the focus of audits could be changed to deal with systemic problems, that a sunset law could assess key functions of agencies, and, if K-GOAL were revitalized, it could serve the same purpose. Members agreed that a joint committee might have more time to examine agencies. A member requested a form/function diagram for each agency. A member praised the sunset law for including public input. Members agreed that Ms. Hinton will consult with selected members and return with further recommendations.

The meeting was adjourned at 5:00 p.m. The next meeting is scheduled for Tuesday, February 19, 2008.