

Revised Study Outline for HB 642: Efficiency in Government

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INTRODUCTION

The study of efficiency in government and the committee whose name reflects the study's purpose result from the passage of House Bill No. 642 during the 2011 Session. Rather than charging the Select Committee in Government with a specific mission or requiring a particular output, the legislation requires the Committee to establish its own mission, goals, and objectives and to identify specific problems to be addressed. That requirement was partially met at the Committee's October meeting.¹

This study outline reflects the Committee's priorities with the provisions of HB 642 and functions as a roadmap to help the Committee complete its assignment. This study plan and meeting schedule will notify various stakeholders and the public of the Committee's intentions and provide general direction to the staff when compiling, analyzing, or preparing information, when identifying and soliciting the participation of various panelists, and when assisting the presiding officer and other Committee members in ways to enhance the value of the study.

BACKGROUND

Senator Jon Sonju requested the study of efficiency in government commissioned in HB 642. However, because HB 642 contains an appropriation of funds, a member of the House of Representatives had to introduce it. Therefore, Rep. Mark Blasdel became the primary sponsor and Sen. Sonju the primary cosponsor in the Senate. Rep. Blasdel and Sen. Sonju eventually accumulated ten additional cosponsors, including the Speaker of the House, the Senate Majority and Minority Leaders, and the ranking minority member of the House Appropriations Committee, among others. During testimony on HB 642 and discussion in the respective Committees of the Whole, Rep. Blasdel and Sen. Sonju, among others, emphasized the opportunity to implement "efficiencies" in government operations due, in part, to potentially unfavorable prospects for future state revenue as a result of flagging economic conditions. Witnesses who testified in favor of HB 642 also spoke confidently about potential efficiencies, particularly efficiencies possible through information technology.

¹ The Select Committee adopted a Mission Statement, a goal, and three objectives. The members chose not to identify specific problems to be resolved but, instead, tacitly agreed to look for opportunities.

In Rep. Blasdel's and Senator Sonju's final comments during Committee of the Whole debate in the House and Senate, respectively, both sponsors emphasized the ability of the appointing authorities, i.e., Senate President, House Speaker, and Senate and House Minority Leaders, to select some of the Legislature's members best suited to identify potential efficiencies and possibly effect the efficiencies through legislation during the 2013 Session.

Ultimately, the bill passed by a 70 - 27 majority in the House and by a 44 - 6 margin in the Senate. Governor Schweitzer signed the bill on May 12, 2011, and on the same day, Secretary of State McCullough assigned it Chapter 380, Laws of Montana, 2011.

LEGAL REQUIREMENTS AND PROHIBITIONS

The legal requirements of HB 642 are: (1) that the Committee be comprised of six senators and six representatives; (2) that the Legislative Services Division provide staff support, assisted by the Legislative Fiscal and Audit Divisions and the Office of Budget and Program Planning; (3) that the Committee examine "priority budgeting systems" employed by other states; (4) that the Committee attempt to determine areas of efficiency and effectiveness in the topical areas of health care and Medicaid, technology, and natural resources; and (5) that the committee prepare a final report of its findings, conclusions, and recommendations and draft legislation whenever appropriate and submit the report and draft legislation to the governor and the 63rd Legislature. The Committee is appropriated \$100,000 to accomplish its charge.

STUDY ISSUES

A quick read of HB 642 shows that the Legislature has commissioned the Committee to look for efficiency and effectiveness in four topical areas:

1. State Budget Process: Priority Budgeting vs. Base Budgeting
2. Health Care: Access; Delivery; Affordability; Medicaid
3. Technology: Availability; Access; Development; Deployment; Use; Integration
4. Natural Resources: Incentives for and Impediments to Development; Adding Value; Transporting; and Conservation

At first glance, the four topical areas may seem disparate, having little, if any, relation to each other. On further reflection, however, technology in general and, "information technology" in particular might be a theme that runs through all four areas.

House Bill 642 gives the Committee some room to operate and it will be up to the members to prioritize among and within the areas, to decide how best to fulfil its mission

and accomplish its goals and objectives, and to determine what problems it proposes to resolve.

DIRECTION FROM THE LEGISLATURE

Directions from the legislature revolve around "efficiency and effectiveness" and generally direct the Committee to:

1. in regard to priority based budgeting:
 - a. identify states that have implemented a priority budgeting system;
 - b. analyze the approaches taken by the states identified to implement a priority budgeting system, the types of performance measurement used by the states, how decision matrices are developed and implemented to set priorities, and the results experienced;
 - c. document long-term issues that will affect Montana's budget in the future, including federal mandates, the potential of less federal funding, and the implications of funding public employee retirement plans and other obligations owed by the state; and
 - d. in the context of anticipated, long-term pressures on the state budget, investigate and document the advantages of the several states' priority budgeting systems as compared to the baseline budgeting system used by Montana pursuant to Title 17, chapter 7, MCA;

2. in regard to health care access, delivery, and affordability:
 - a. objectively measure the value of the Washington, Wyoming, Alaska, Montana, and Idaho (WWAMI) and the Western Interstate Commission for Higher Education (WICHE) programs and examine ways to increase the number of Montana medical students returning to Montana to practice medicine;
 - b. identify the core programs within the Department of Public Health and Human Services (DPHHS) that need to be prioritized and funded;
 - c. develop a strategy to address the financial and provider implications posed by the projected increase in Medicaid rolls to occur by 2017;
 - d. identify options for leveraging large information technology system replacements, such as the Supplemental Nutritional Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and the Medicaid Management Information System (MMIS), within DPHHS to make interaction among government agencies, providers, and beneficiaries more seamless and to ensure that proper mechanisms are in place to reduce or eliminate fraud, waste, and abuse;

- e. examine current regulatory requirements affecting health care providers and consumers and identify areas in which regulatory requirements can be modified to reduce their burden; and
 - f. review statutes that address the licensing of health care professionals to ensure that the licensing requirements are appropriate for current and future health care work practices;
3. in regard to technology, particularly matters of availability, access, development, deployment, use, and integration identify the methods and means to:
- a. eliminate dual data entry by government employees;
 - b. move toward a paperless office;
 - c. increase internet-based services, including using electronic forms and creating financial incentives for the public to migrate to using internet-based services;
 - d. persuade individuals and entities to be responsible for the accuracy of information and data that they provide to governmental entities;
 - e. ensure that a cohesive plan exists for the state's information systems to be able to support new technology initiatives, including the increased demand and need for videoconferencing;
 - f. evaluate the use of and, where appropriate, provide for the implementation of new delivery channels, such as the expanded use of the internet and mobile computing with social network tools;
 - g. leverage Montana's investment in the state's two data centers and related technology infrastructure;
 - h. determine the practicality of various private-public partnerships to deliver services and the steps to be taken to enter or complete the partnerships; and
 - i. preserve the security and integrity of consumer and state data; and
4. in regard to natural resources, identify and explore incentives for and impediments to development, adding value, transporting, and conservation and:
- a. eliminate redundant regulatory processes;
 - b. articulate methods and means to facilitate the timely review and authorization of projects and mitigate postreview and postauthorization administrative or legal challenges;
 - c. examine alternatives for strengthening the threshold of legal standing for purposes of challenging procedural or substantive permitting decisions;
 - d. identify options for creating and using electronic forms and authorizations to streamline project startup, reporting, monitoring, continuation, and expansion;

- e. identify alternatives for implementing accountability in regulatory decisions;
- f. investigate ways to effect the establishment of one process leading to the issuance of a permit that would include all governmental entities involved in permitting a project and would ensure efficient and effective public participation whenever required or advisable;
- g. design an incentive-based tax system that provides predictability and stability for new and continued growth of natural resource development;
- h. assess the potential for new technologies to advance the development of innovative natural resource industries and sectors in Montana; and
- i. evaluate the needs and requirements to facilitate investment and financing of natural resource development projects in Montana.

STUDY DESIGN

The HB 642 study can be approached in four phases that are distinct and, simultaneously, overlapping. As envisioned, the study phases will follow the underpinnings of the bill itself:

Phase I. Build a foundation of facts and evidence for each of the four topical "areas" specified in HB 642.

Phase II. Identify and analyze specific factors perceived by the Committee to be relevant to further discussion of each topical area.

Phase III. Develop, through Committee discussion and action, findings and conclusions about the principles upon which Montana's public policies and practices should be centered as those policies and practices address each of the topical areas. Included in this phase should be Committee findings and conclusions regarding the potential fiscal and administrative implications of those policy principles.

Phase IV. Identify, through Committee discussion and action, legislative options for addressing the fiscal, administrative, and practical implications to the *status quo* of pursuing and of not pursuing the legislative options.

Phase 1: Building a foundation

Compiling facts and evidence about priority budgeting, health care, technology, and natural resources will be ongoing throughout the study. When seeking information, considering analysis, and discussing options for change, the Committee will be well served to share common definitions, have the same factual bases that underlie the respective study areas, and agree to a shared mission, goals, and objectives.

Given the time and resources available to the Committee, conducting serious study on all four subjects is challenging. Consequently, the Committee has chosen to focus its attention more narrowly while still addressing each of the four topics.

The staff who will support the Select Committee and the study can provide common definitions, factual data, and objective analysis. This type of information can be added incrementally over the course of the study and can be refined or focused as directed by the Committee.

Phase I of the study design tentatively includes the following elements:

- A overview of the Medicaid program in Montana. A briefing was provided to the Committee at the August 2011 meeting.²
- A panel of representatives of Medicaid service providers speaking on *Perspectives on Medicaid: Charting a Solution for Montana*. The panel presented information at the Kalispell meeting in August 2011.³
- A panel of service providers to discuss the *Merits of Performance-based Contracting in Human Services*. The panel presented information at the Helena meeting in October 2011.⁴
- A panel of Medicaid services and state Medicaid program staff to provide an overview on various aspects of Medicaid, ranging from nursing home services to program administration within DPHHS. The panel presented the overview at the October 2011 meeting, in Helena.⁵
- An overview of large information technology systems employed by the state for SNAP, TANF, and Medicaid programs within DPHHS. Department of Public Health and Human Services staff briefed the Committee on this topic at the October 2011 meeting.⁶
- Report from the Commissioner of Higher Education on the value of the Washington, Wyoming, Alaska, Montana, and Idaho (WWAMI) and the Western Interstate Commission for Higher Education (WICHE) programs.

² *Medicaid: An Overview*, by Sue O'Connell, Legislative Services Division, August 2011

³ Panelists included: Mr. Bob Olsen, MHA, an Association of Montana Healthcare Providers; Mr. John Goodnow, CEO, Benefis Health System, Great Falls; Ms. Lander Cooney, CEO, Community Health Partners, Livingston; Ms. Sheila Smith, Director, Stillwater Therapeutic Services, Kalispell; and Cindy Romesha, Medicaid beneficiary.

⁴ Panelists included: Mr. Jim Fitzgerald, Intermountain Children's Home, Helena; Glenn McFarlane, Yellowstone Boys & Girls Ranch; and Jani McCall, Yellowstone Boys & Girls Ranch.

⁵ Panelists included: Ms. Rose Hughes, Executive Director, Montana Health Care Association; Mr. Jan Cahill, Executive Director, Montana Association of Community Disability Services; Ms. Mary Dalton, State Medicaid Director, Department of Public Health and Human Services; and Mr. John Chappius, formerly Deputy Director and state Medicaid Director, Department of Public Health and Human Services.

⁶ Ron Baldwin, CIO, DPHHS, provided the briefing, "Large System Update: MMIS", SCEG, October 7, 2011.

- A review of any relevant material from the Economic Affairs Interim Committee's review of health care-related licensing boards, pursuant to House Bill No. 525 (Ch. 330, L. 2011.) The Committee may focus on recruiting, enlisting, and retaining sufficient numbers of qualified health care professionals to or in the state and ways to increase the number of Montana medical students returning to Montana to practice medicine.
- Briefings on the status of information technology in Montana, particularly matters of availability, access, development, deployment, use, and integration.
 - ▶ A panel to discuss *Perspectives on Technology in a Changing World: How to Leverage Technology to Make Government More Efficient*. The panel presented information at the Kalispell meeting in August 2011.⁷
 - ▶ A panel to discuss the State Data Centers in Helena and Miles City. The panel presented information at the Helena meeting in October 2011, following a tour of the State Data Center in Helena, hosted by Mr. Dick Clark, Chief Information Officer for the State of Montana.⁸
 - ▶ A panel to discuss the practicality of various private-public partnerships to deliver technology services and the steps to be taken to enter or complete the partnerships. This element was partially addressed by the technology panels at the August, October, and November 2011 meetings of the Committee.
- Overview of incentives for the development of, adding value to, transporting, and conserving natural resources.
 - ▶ Panel(s) to discuss impediments to the development of, adding value to, transporting, and conserving natural resources. Perhaps convene separate panels for, e.g.; coal; oil and natural gas; timber; hard rock minerals; fish, wildlife, and parks; etc. NOTE: The purpose of the panel(s) is to provide the Committee members with sufficient background to narrow the focus of this portion of the study.
- Overview of redundant regulatory processes.
 - ▶ Panel(s) to discuss improving the regulatory process, including reviews, authorizations, and post-review challenges.
- Overview on current availability of electronic forms and authorizations to streamline project startup, reporting, monitoring, continuation, and expansion.
 - ▶ Panel(s) to discuss options for enhancing the availability of electronic forms and

⁷ Panelists included: Mr. Richard (Dick) Clark, CIO, State of Montana; Shawn Beqaj, VP, Government Affairs, Cablevision (formerly Bresnan Communications); Mr. Darren Knipp, Chief Technology Officer, VP Products & Solutions, Perceptive Software; and Mr. Robert N. Campbell III, U.S. State Government leader, Deloitte, LLP.

⁸ Panelists included: Ms. Tammy LaVigne – Deputy CIO, Department of Administration; Mr. Stuart Fuller – Data Center Manager, Department of Administration; Mr. Bill Hallinan – IT Manager, Teachers Retirement System; Mr. John Daugherty – CIO, Department of Corrections; and Ms. Barbara Smith, Statewide Fiscal Specialist, Legislative Fiscal Division.

authorizations to streamline project startup, reporting, monitoring, continuation, and expansion.

- Overview on the ways in which accountability in regulatory decisions is ensured, promoted, shrouded, etc.
 - ▶ Panel(s) to identify and discuss ways in which accountability in regulatory decisions should be established or maintained and transparency enhanced.
 - ▶ Panel(s) to discuss ways to effect the establishment of one process for issuing a natural resources development permit that would include all governmental entities involved in permitting a project and ensure efficient and effective public participation whenever required or advisable.
- Overview of Montana's tax system in which natural resource-based businesses operate.
 - ▶ Panel(s) to delineate and discuss the components of an incentive-based tax system that provides predictability and stability for new and continued growth of natural resource development.
 - ▶ Panel(s) to assess the potential for new technologies to advance the development of innovative natural resource industries and sectors in Montana.
 - ▶ Panel(s) to identify the requirements to facilitate investment in and financing of natural resource development projects in Montana.

Within the time and resources remaining after the Committee has completed looking for efficiencies in the health care, technology, and natural resource domains, the members will turn their attention to priority budgeting. The elements of this part of the study may include:

- A primer on "baseline budgeting" used in Montana's state budgeting process. Staff will provide an overview of statutory requirements, restrictions, authority, etc. The implications of relevant, Montana-specific case law, if any, will also be examined and interpreted.
- A primer on "priority budgeting". The primer will be limited to the origins of priority budgeting, where and when it has been employed, and how well it has achieved its purpose.
- An annotated list of selected states that use "priority budgeting". The annotations will be limited to the approaches taken by the states identified and, if available, the types of performance measurement used by the states, how decision matrices are developed and implemented to set priorities, and the results experienced.
- A panel of public finance academics and practitioners who can speak to the benefits and detractions of priority budgeting systems and of Montana's current budgeting system and processes.

Phase 2: Narrowing the focus

By the end of the Committee's third meeting (Great Falls) the Committee had considered, revised, and tacitly adopted the draft study plan and meeting schedule as revised. The revised study plan reflects the Committee's priorities within the confines and considerations provided in HB 642. The Committee will not examine every item mentioned in HB 642 due to member priorities and time and resource limits, but will instead focus in areas where the members see potential efficiencies. The study plan and meeting schedule laid out herein will function as a road map to guide the Committee, staff, and stakeholders for the duration of the study, recognizing that the Committee's priorities may change as the work progresses.

The "Road Map" Analogy

The purpose of the "road map" is to communicate to everyone involved in or affected by the study the points from which the members plan to continue the journey, the ways in which they intend to proceed from point A to point B, where they plan to stop along the way and what they hope to achieve at that particular juncture, and where they will be when the journey is completed. The map may also include a legend, of sorts, showing such things as: what modes of investigation the Committee will employ during the journey; who will be the "guide" for each leg of the journey; the estimated amounts of time the Committee will invest in each leg of the journey; any anticipated side trips or layovers along the way; and, of course, an Estimated Time of Arrival for completing the journey at the previously established point of conclusion.

Phase 3: Focus and Priorities

As the Committee progresses through the remainder of the interim and the study components, the members will need to prioritize the questions and concerns identified in Phase 2, providing the basis for continuing research and analysis.

The Committee and its Subcommittee on Health Care/Medicaid provided additional focus within health care and Medicaid at the November 2011 meeting. The Technology Subcommittee and full Committee will likely provide additional focus at the January 2012 meeting. Eventually, an anticipated Subcommittee on Natural Resources will likely follow a similar course.

The accumulation of information and understanding by the Committee members will promote the development of findings from which the Committee can draw conclusions. This phase of the study will include the Committee identifying the items, concerns, or problems that it wishes to investigate further and those that it chooses to remove from further consideration. The Committee can develop a "short list", perhaps two or three, of specific problems within each of the topical areas that the members believe legislation can mitigate or resolve.

As the Committee's focus becomes more concentrated, its staff, the stakeholders, and others can provide information and analysis the members request and can identify options to resolve any specific problems that the Committee agrees to concentrate on, if any. At an appropriate juncture, the Committee can establish formal findings by examining and discussing the information. Staff can develop decision tools to assist in this exercise.

The Committee can eventually draw conclusions from the previously adopted findings to help form the basis for recommendations, including proposed legislation, that may be developed in Phase 4.

Phase 4: Legislative Options and Committee recommendations

The findings and conclusions developed in Phase 3 may lead the Committee to develop options for legislative consideration, including draft legislation. In fact, that is the guidance provided in HB 642, Section 2(5)(b). The options should be carefully crafted to address the legislatively controllable factors and inputs relevant to the topical areas described in HB 642 and any specific problems identified by the Committee.

If the Committee determines that no action should be taken regarding a topical area or a particular problem, it should consider: (1) making a clear statement to that effect; and (2) supporting the statement with findings and conclusions developed as a result of the study.

COMMITTEE MEETING SCHEDULE AND WORK PLAN

HB 642 requires the study to be completed prior to September 15, 2012. In broad terms, the Committee's budget will allow for about nine, 2-day meetings or a combination of 2-day and 1-day meetings. At the conclusion of the November 16, 2011, meeting, three of the nine meetings had been completed and about 40% of the available time had lapsed.

Substantial portions of the Committee's first, second, and third meetings will have been devoted to gathering information about the health care/Medicaid and technology areas. Some Committee time will also have been devoted to organizational matters.

Depending on the nature and scope of issues that the Committee decides to address going forward (after November 2011), the Committee should anticipate devoting perhaps one-half of each of its next four meetings to receiving new information about the HB 642 study topics and the other one-half to: (1) Committee discussion of what additional information is needed about topics already on the members' radar; (2) what topics, "area(s)" as described in the bill, and individuals should be included on the Committee's subsequent meeting agendas; and (3) what findings and conclusions the Committee can agree on and any recommendations that result therefrom.

The actual and proposed meeting dates for the Select Committee are:

- Monday-Tuesday, August 22-23, 2011, in Kalispell (completed)
- Thursday-Friday, October 6-7, 2011, Helena (completed)
- Tuesday-Wednesday, November 15-16, 2011, Great Falls (completed)
- Monday-Tuesday, January 9-10, 2012, in Helena (confirmed)
- Monday-Tuesday, Feb. 6-7, in Bozeman (confirmed)
- **Thursday**-Friday, March 1-2, 2012, Helena (confirmed)
- **Monday**-Tuesday, April 9-10, 2012, in Butte (confirmed)
- **Monday**-Tuesday, May 14-15, 2012, in Helena (tentative)
- **Thursday**-Friday, June 14-15, 2012, in Helena (tentative)
- Monday, September 10, 2012, in Helena (tentative)

NOTE: **Shaded** days/dates are tentative.

Meeting Outlines

Following are preliminary outlines of tentative HB 642-related items for each of the proposed meetings.

Thurs-Friday, August 22-23, 2011--Kalispell

- Committee organization and administrative matters
- Initial investigation of "Technology" and "Health Care/Medicaid"

Thursday-Friday, October 6-7, 2011--Helena

- Subcommittee on Health Care/Medicaid; meet and report
- Subcommittee on Mission, Goals, and Objectives; meet and report
- Committee follow-up on "Technology" and "Health Care/Medicaid"
- Committee adoption of Mission, Goals, and Objectives

Tuesday-Wednesday, November 15-16, 2011--Great Falls

- Subcommittee on Health Care/Medicaid; meet and report
- Subcommittee on Work Plan; meet and report
- Committee work session to identify core areas of interest and concern within Health Care/Medicaid
- Committee requests for additional information

Monday-Tuesday, January 9-10, 2012--Helena

- Subcommittee on Health Care/Medicaid; final meeting; report to Committee
- Subcommittee on Technology; meet and report to Committee
- Committee continues work within Technology and completes work within Health Care/Medicaid.

- ▶ Receive and discuss additional information requested at previous meetings
- ▶ Request draft legislation regarding "health care" or "technology"
- Initial investigation of "Natural Resources"
 - ▶ Overview of regulatory and permitting processes
 - ✓ Panel to discuss the regulatory processes, including permitting reviews, authorizations, and post-review challenges. Discussion will include current availability of electronic forms and authorizations to streamline project startup, reporting, monitoring, continuation, and expansion.
 - ✓ Panel to discuss pros and cons of Montana's regulatory process. Representatives of coal, oil, and wind (energy) industries
- Committee identifies/narrows the "natural resources" that will be the focus of future review and discussions.

NOTE: The purpose of the initial two natural resource panels is to provide the Committee members with sufficient background to narrow the focus of the "natural resources" portion of the study.

Monday-Tuesday, February 7-8, 2012--Bozeman

- Exploration of various natural resource topics, perhaps through a Natural Resources Subcommittee.
- Overview of incentives for the development of, adding value to, transporting, and conservation of selected natural resources
 - ▶ Panel to discuss impediments to the development of, adding value to, transporting, and conservation of selected natural resources. Discussion will include suggestions to facilitate investment in and financing of selected natural resource development projects in Montana.
 - ▶ Response from relevant agencies or stakeholders
- Committee members to determine what changes, if any, are needed to specific statutory, regulatory, and permitting process(es). This may include discussions of revisions to a specific regulatory process to:
 - ▶ create more efficiencies in issuing natural resource development permits;
 - ▶ ensure that "all" governmental entities are appropriately involved in the permitting process;
 - ▶ ensure "effective" public participation whenever required or advisable.
- Report from the Commissioner of Higher Education on the value of the Washington, Wyoming, Alaska, Montana, and Idaho (WWAMI) and the Western Interstate Commission for Higher Education (WICHE) programs.

Thursday-Friday, March 1-2, 2012--Helena

- Possible continued investigation of "Natural Resources", perhaps through a Natural Resources Subcommittee
- Overview of Montana's tax system as it interfaces with natural resource-based businesses.
 - ▶ Panel to delineate and discuss the components of an incentive-based tax system that provides predictability and stability for new and continued growth of selected natural resource development. This may include discussion of revisions to :
 - ▶ investment and financing opportunities for selected natural resource projects in Montana.
 - ▶ add value to the development of selected natural resource projects in Montana. (New incentives, revise existing incentives.)
 - ▶ better promote conservation or selected natural resource projects in Montana.
 - ▶ better meet the transportation needs of natural resource developers in Montana.
 - ▶ Committee Discussion: What changes, if any, in state statute or regulations are needed to promote development of selected natural resources?
- Overview of new technologies to advance development of natural resource industries and sectors in Montana.
 - ▶ Panel to assess the potential for new technologies to advance the development of innovative natural resource industries and sectors in Montana.
 - ▶ Committee Discussion: What, if any, changes in statute or regulations are needed to better promote new technologies for natural resources.
- Committee work session to:
 - ▶ Identify core areas of interest and concern within the Natural Resources topical area.
 - ▶ Committee requests for additional research and analysis or draft legislation.

NOTE: Staff recommends putting any draft legislation regarding "Natural Resources" out for public comment for a minimum of 3-weeks. All public comment regarding draft legislation would then be formatted and provided to Committee members prior to the June meeting.

Mon-Tue, April 9-10, 2012, Butte

- Possible continued investigation of "Natural Resources", perhaps through a Natural Resources Subcommittee
- Committee completion of "Natural Resources" investigation
 - Review or request draft legislation to implement recommendations on Natural Resources.
 - Public hearing on Natural Resources draft legislation, if available.
- Initial investigation of "Priority Budgeting"
 - A primer/overview on "baseline budgeting" used in Montana's state budgeting process. Staff would provide an overview of statutory requirements, restrictions, authority, etc. The implications of relevant, Montana-specific case law, if any, could also be examined and interpreted.
 - A primer/overview on "priority budgeting". The primer would be limited to the origins of priority budgeting, where and when it has been employed, and how well it has achieved its stated purpose. The primer could include an annotated list of states that use priority budgeting. The annotations could be limited to the approaches taken by the states identified, the types of performance measurement used by the states, how decision matrices are developed and implemented to set priorities, and the results experienced.
 - Panel: Public Finance academics and practitioners who can speak to the benefits and challenges of priority budgeting systems.
- Committee requests for additional research and analysis on Priority Budgeting.

Mon-Tue, May 14-15, 2012, Helena

- Committee continues working towards Findings, Conclusions, and Recommendations re Natural Resources.
 - Receive and discuss additional information requested at previous meeting.
 - For the formal Recommendations for which statutory changes are necessary, review initial bill drafts related to Natural Resources.
 - Public hearings on Natural Resources draft legislation, if available.
 - Consider adding to, revising, or eliminating any of the previously adopted Findings, Conclusions, Recommendations, or any draft legislation.
- Continued investigation of "Priority Budgeting"
 - Committee work session to:
 - receive and discuss additional information requested at previous meeting;
 - discuss and consider relative benefits/value of converting to Priority Budgeting;
 - identify core areas of interest and concern within current budget processes and regarding Priority Budgeting;
 - discuss and adopt Preliminary Findings and Conclusions and make Preliminary Recommendations to resolve specific problems within current budgeting system. Request draft legislation to transition to Priority Budgeting, if appropriate.
- Committee requests for additional research and analysis on Priority Budgeting.

Thursday-Friday, June 14-15, 2012 -- Helena

- Committee completes work on Findings, Conclusions, and Recommendations re Natural Resources.
 - Receive and discuss additional information requested at previous meeting.
 - Review and revise draft legislation regarding Natural Resources.
 - Public hearing on Natural Resources draft legislation (if no previous hearing).
- Committee adopts Findings, Conclusions, and Recommendations regarding Priority Budgeting.
 - Review and revise draft legislation regarding Natural Resources or Priority Budgeting.
- Formal public hearings on draft legislation regarding Natural Resources or Priority Budgeting.
- If necessary, adopt final language for bill drafts related to:
 - ✓ Health Care/Medicaid
 - ✓ Technology
 - ✓ Natural Resources
 - ✓ Priority Budgeting

Monday, September 10, 2012, Helena

- Committee review, revision, and adoption of Final Report of the Select Committee on Efficiency in Government.
- Completion of any Committee business that remains outstanding.

If the Committee is satisfied with the Draft Final Report of the Select Committee on Efficiency in Government as prepared by staff and disseminated for review and might be accomplished through a conference call rather than a meeting requiring member attendance.



**Select Committee on Efficiency in Government
Draft Meeting Schedule and Work Plan**

Agenda Item	2011						2012											2011-12 Interim		
	August		Oct.		Nov.		January		Feb.		March		April		May		June		Sept	Total Hrs
	21	22	6	7	15	16	9	10	6	7	1	2	9	10	14	15	14	15	10	
Priority Budget																1.5		1.0		2.5
Overview: Baseline Budgeting														1.0						1.0
Overview: Priority Budgeting														1.0						1.0
Panel: Priority Budgeting														1.0						1.0
Discussion: Priority Budgeting														0.5						0.5
Health Care & Medicaid																		1.0		1.0
Subcommittee					3.0		4.0													7.0
Overview: Medicaid		0.5																		0.5
Panel: Medicaid		2.0	2.0			2.5														6.5
Discussion: Medicaid		1.0	1.5			0.5		1.5			0.5									5.0
Technology																			1.0	1.0
Subcommittee							3.0		3.0											6.0
Panel: Information Technology	2.0			3.0																5.0
Discussion: Information Technology	1.0			1.0				1.5			0.5									4.0
Natural Res.																3.0			1.0	4.0
Subcommittee									3.0		4.0		4.0		4.0					15.0
Overviews: Regulation & Permitting								1.5												1.5
Panel: Regulation & Permitting Process								1.5												1.5
Discussion: Permitting Processes								1.0												1.0
Overview: Incentives for Nat'l Resources										2.0										2.0
Panel: Impediments to NR Development										1.0										1.0
Discussion: Specific changes to law/rules																			0.5	0.5
Issuing permits										1.0										1.0
Including all gov't entities in processes										1.0										1.0
Ensuring public participation										1.0										1.0
Overview: Natural Resources & Tech											1.0		1.0							2.0
Panel: Technology and new NR industries											1.0		1.0							2.0
Discussion: Promoting new technology											1.0		1.0							2.0
Overview: Natural Resource Tax System											1.0									1.0
Panel: Incentive-Based Tax System											1.0									1.0
Discussion: Changes to tax law											1.0									1.0
Natural Resources: Other																1.0				1.0
Public Comment	0.5	0.5	2.5	1.0	1.5	1.0	0.5	1.0	1.0	0.5	0.5	0.5	0.5	0.5		1.0		2.0	1.0	16.0
Committee Admin.	2.0	1.0	0.5	1.5	0.5	1.5				0.5		0.5		0.5		0.5		0.5	3.0	12.5
Other/Misc.					1.5	0.5												0.5	1.0	3.5
Local Gov't	1.0					1.5				1.0				1.0						4.5
Total Hours	6.5	5.0	6.5	6.5	6.5	7.5	7.5	8.0	7.0	8.0	4.5	8.0	4.5	8.5	4.0	7.0	0.0	7.5	5.0	118.0