



MERCATUS CENTER
George Mason University

MERCATUS RESEARCH

BRIDGING THE GAP BETWEEN ACADEMIC IDEAS AND REAL WORLD PROBLEMS

STATE GOVERNMENT STREAMLINING COMMISSIONS: TEN FACTORS FOR SUCCESS

Maurice McTigue, Dan Rothschild, and Emily Washington

Many of these recommendations for developing effective streamlining commissions originally appeared in “Learning from the States” by Maurice McTigue and Daniel Rothschild in The Ripon Forum in January 2011. The following represents updated recommendations with an increased focus on political and strategic advice in developing successful parameters for streamlining commissions.

In recent years, as states have faced record budget deficits, a number of governors and legislatures have looked for ways to increase government efficiency and effectiveness in order to minimize the pain of budget cuts and avoid tax increases. Streamlining commissions can offer state governments useful tools for shrinking the cost of government, while limiting cuts to the goods and services that constituents look to state governments to provide.

Independent government streamlining commissions that bring together officials from the legislative and executive branches of government as well as outsiders from the private sector and nonprofit groups can be effective at identifying opportunities to cut waste, eliminate duplicative programs, realize economies of scale, and generally streamline state government operations. They can find opportunities for cost savings and privatization that elected officials might not otherwise see.

The streamlining commissions offer several political advantages. They provide the governor and legislature an advisory panel of experts—without tying their hands. Streamlining commissions lack the vested interest that bureaucracies have in preserving and growing their budgets. Also, state legislators often have small staffs and limited resources, so they regularly turn to lobby-

ists to provide the research and expertise necessary to shape their issue-specific policy positions. Streamlining commissions offer an alternative to this practice, bringing in experts on a given policy area while minimizing the impact of special interests.

Maurice McTigue and Daniel Rothschild had the opportunity to work with Louisiana’s Commission on Streamlining Government and Virginia’s Commission on Government Reform and Restructuring as they spent much of 2009 and 2010, respectively, poring over their states’ operations looking for efficiencies and opportunities to refocus state agencies on their core missions. This report reflects their personal experience with these commissions, as well as ex-post analysis based on qualitative interviews with many of the members and staff who participated in Louisiana’s efforts and less formal conversations with participants in Virginia’s commission.

We have identified ten specific factors that we believe make streamlining commissions more effective and their reports more likely to result in positive policy changes. We summarize these factors briefly below and hope this information may encourage other states to use streamlining commissions to provide a critical review of state practices and spending.

1. Identify a focus and clear goals. Commissions can either focus on specific, discrete issues or cover a wide range of government services. This should be clearly and specifically articulated in the commission’s charter, along with the deliverables the commission is charged with producing and to whom these deliverables will be provided (either the governor or the state legislature). Failure to do any of these things will delay the commission’s start or open it up to pressure from outside inter-

est groups to either include or exclude specific issues. The legislature or governor's office that delegates the streamlining commission should create "Terms of Reference before the commission begins its work. A clear Terms of Reference document will dramatically improve the effectiveness and likely success of the commission. This document should clearly state the purpose of the commission, how often it should report, to whom it should report, and its termination point.

2. Keep the timeline commensurate with the scope. In general, commissions should have at least one year to develop thorough policy recommendations. More important than a commission's timeline, though, is a defined termination date. Without a termination point, commissions are likely to remain together past the point of their usefulness. Limiting the term confines the potential drain of time at taxpayers' expense. Staggering reports over the life of the commission—as is the case in Virginia—allows policymakers to begin implementing the commission's recommendations before the termination date. As one staff member from Louisiana's Commission on Streamlining Government said,

missions created committees to study particular issues in depth and report back. Committee members should be selected based on their qualifications exclusively, without regard for their political connections; members' appointments should be challenged on the basis of their competency exclusively, not for their political persuasions. Additionally, each committee should be provided with clear Terms of Reference that minimize overlap between committees. The Terms of Reference should make it clear that the commission has the authority to create committees and specify who is eligible to serve on these committees. In some cases, it would be valuable to allow committees to include citizens who are not commission members but with deep experience in specific areas to assist the work of the committee. These appointments should be approved by the whole commission.

4. Provide the commission with the funds necessary to start quickly, investigate thoroughly, and report effectively. Providing a budget to a commission tasked with reducing spending may sound contradictory. But virtually all of the members of the Louisiana Commis-

Virtually all of the members of the Louisiana Commission on Streamlining Government who we interviewed told us that they would have been more effective with an independent investigative and analytic staff. While members praised the diligence and expertise of the legislative staff detailed to the commission, these staff members, by virtue of their positions as civil servants, were constrained in effectively critiquing ideas put forth either by members of the commission or of the public.

"The deal with true reform is you sit back and look at it a while." Taking the time for deep study, debate, and reflection will yield a better final product. The approach of staggered reporting may be an effective way to grab some of the "low-hanging fruit" early on, while contemplating more complex reforms over a longer period. In some cases, setting deadlines for progress reports of the commission's work throughout its term will improve accountability and results.

3. Structure committees in a way that comports with staff expertise. Both Louisiana's and Virginia's com-

mission on Streamlining Government who we interviewed told us that they would have been more effective with an independent investigative and analytic staff. While members praised the diligence and expertise of the legislative staff detailed to the commission, these staff members, by virtue of their positions as civil servants, were constrained in effectively critiquing ideas put forth either by members of the commission or of the public. Moreover, they were unable to aggressively seek information from agencies. Commissions need their own independent staff for fact-finding and analysis. Further, we recommend that a commission be given the funds to

hire a facilitator to serve as a chief of staff to the chairperson. An editor should be appointed to begin the hard work of writing intermediate and final reports from the first day the commission meets. These paid positions help the commission make the most of its time, especially when operating on a tight deadline. Commissions should plan to report electronically in a searchable and non-proprietary format. Online reporting offers the most transparent medium for accessing commission reports, and it is also the most cost-effective way for the commission to share its findings.

5. Write recommendations to clearly state the actions that the commission recommends for reform. Sometimes, the debate that a commission conducts to arrive at recommendations is captured in the final report. This can politicize and obscure the actions that the committee supports. A challenge to achieving this objective may come from states' sunshine laws, which require the contents of commission meetings to be recorded and prevent them from being edited for clarity after the fact. Sunshine laws should prevent editors from changing the intent of the commission's action recommendations, but not from stripping the reports of the debate leading up to the determination of recommended actions. Including this debate in the commission's reports unnecessarily clouds the recommendations and politicizes the suggested actions. In determining actions that the legislature should take, the commission will have an objective in mind, but—for maximum efficiency—the report should focus on specific policy actions rather than intended outcomes.

6. Select commission members who are largely outsiders. Streamlining commissions are most effective when a majority of their members are not government employees. After all, much of their strength comes from having a fresh set of eyes to look at the government. However, there is real value in having members of the legislature or administration as ex-officio members with speaking rights but not decision-making rights. This allows both the legislature and the administration to be closely involved with the work of the commission but not to be seen to be bound by its decisions. We suggest that commissions should either include no members of

the legislature as decisions makers or—at most—have one from each house. The ideal number of commission members seems to be difficult to determine, but our view is that they should be smaller rather than larger, with between eight and sixteen members an ideal range. Too great a membership allows some to be free riders without making an energetic contribution.

The commission should endeavor to make all of its recommendations as actionable and specific as possible, providing lawmakers with clear steps to take that will streamline and shrink state government.

7. Select an independent chair. The quality of the chairperson is critical; it needs to be someone who has public credibility, the confidence of the other members, and experience with bringing diverse views to a consensus point while keeping the commission on task and on time. This person must be able to effectively speak for the members in the media, in front of the legislature, and to the governor and his administration.

8. Keep administration participation circumscribed but significant. Buy-in from the governor and the legislature is imperative regardless of which the commission is a vehicle. For elected officials to place a high importance on a commission's recommended actions, they must place a high confidence in the members' qualifications. However, the commission must also feel that it has the freedom to act independently from all branches of the government.

9. Plan for legislative follow-through. Nobody wants to serve on a commission for the joy that comes from writing articulate, convincing reports that sit on shelves and fail to result in policy changes. Therefore, the commission should endeavor to make all of its recommendations as actionable and specific as possible, providing lawmakers with clear steps to take that will streamline and shrink state government. As we suggested earlier, having a small number of ex-officio legislative members and representatives from the administration would be useful in this regard. Additionally, the chairperson and editor can help maintain focus on the actionable recommendations throughout the research and writing

process.

10. Maintain record of the commission's recommendations. After a commission's term is complete, its recommendations—compiled in an online publication—should be required to be maintained for at least 10 years. This serves dual purposes. It provides easy access to these recommendations for future legislatures and governors. This also makes it possible to track the implementation of actions that the commission suggested. Simultaneously, political action based on the commission's report should continue to be updated so that policymakers have a clear record of implementation of the commission's recommended actions. This recording process serves to help policy makers judge the efficacy of the commission's work and allows for cross-state comparisons of commission experiences.

Drawbacks of streamlining commissions

Despite the many potential benefits that streamlining commissions offer legislatures and citizens, such commissions have their drawbacks. The most qualified members will typically be employed in industries that are impacted by the commission's recommended actions, so preventing their self-interest from entering into their reports will be difficult or impossible. Furthermore, serving on a commission provides a way for members to gain political favor, and appointing members offers legislators a way to grant favors. These incentives on both sides can lead commissions to stay around past their point of usefulness.

Aside from the public choice incentives that may allow commission members or lawmakers to use these establishments for their own political gain, there is also potential for legislators to appoint commissions to avoid tackling a policy debate head on. For example, rather than taking action to improve policy, legislators could appoint a commission to create the appearance of taking

action without actually making any changes. Limiting the number of commissions that are permissible within a state can help minimize this potential problem.

Conclusion

There is no “one size fits all” recipe for establishing or operating state streamlining commissions. Rather, effective commissions must be created and managed in a way that is compatible with a state's political, economic, and constitutional environments.

Based on our experiences and observations in Louisiana and Virginia, we believe that states will be well-served by carefully designed commissions that have clear and realistic missions. The quality of decision making by our governments can only be improved by providing policy makers with well-researched information. They should seek policy recommendations from a highly qualified commission, comprised of members who work with as little influence from special interests as possible.

For more information or to meet with the scholars, contact
Emily Washington, Associate Director of State Outreach, (703) 993-4886, ewashin1@gmu.edu
Mercatus Center at George Mason University • 3351 North Fairfax Drive, 4th Floor • Arlington, VA 22201

*The ideas presented in this document do not represent official positions of the
Mercatus Center at George Mason University.*