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To: Joint Legislative Management Oversight Committee
From: John H. Bloomer, Jr., Senate Secretary
Date: September 13, 2019
Subject: Recommendations concerning reorganization

I. INTRODUCTION

Staff Reorganization

During testimony before the Joint Legislative Management Committee (JLMC) I expressed concerns with each of the two proposals regarding reorganization of the Vermont Legislature outlined in the National Council of State Legislatures (NCSL) Report. I discussed a hybrid proposal, proposal C, that should avoid the drawbacks of both NCSL proposals and the existing organization.

Stated succinctly, Option A provides too much power in a single individual, Option B relies on too many individuals reporting to JLMC and the existing system relies on a too diffused model of responsibility and accountability.

As discussed during my testimony, the two options provided by NCSL and the existing structure have benefits and if properly understood, utilized and implemented could satisfactorily run the Legislature's operations. The hybrid Option C attempts to incorporate the strengths of the various options while avoiding their weakness.

Human Resources Director

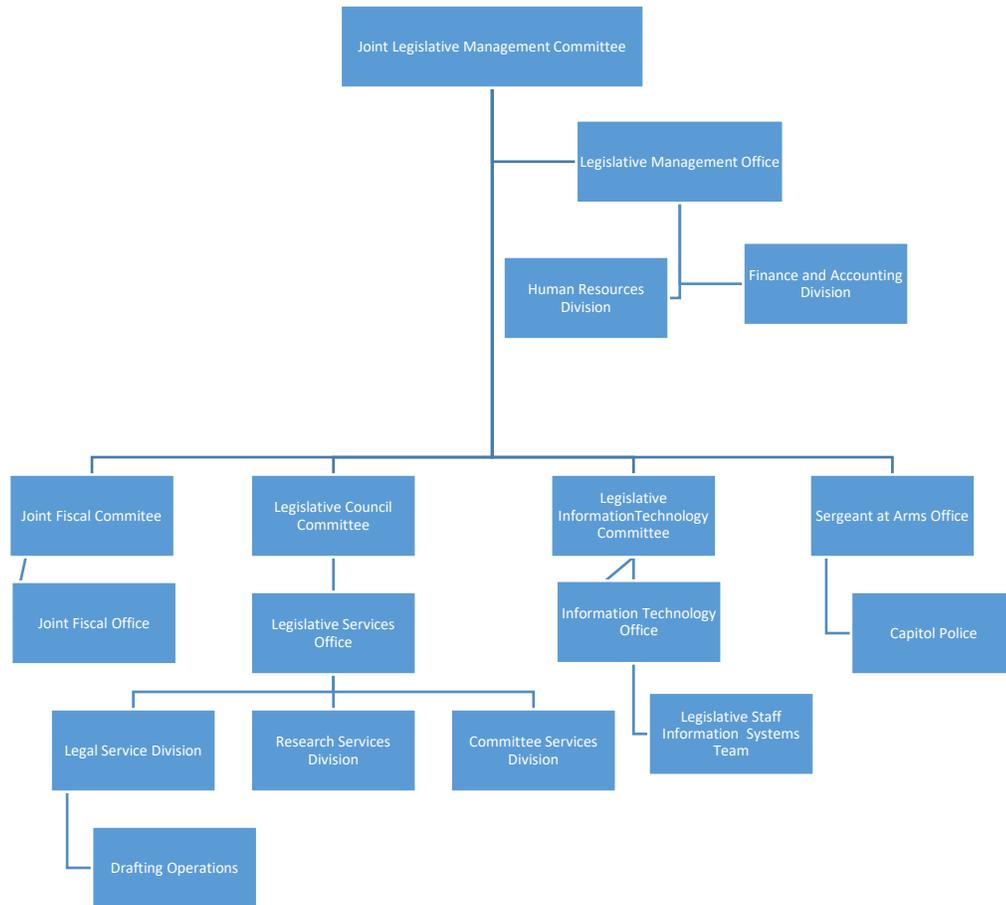
Regardless of the recommendations the JLMC makes in its report due on or before November 1, 2019, the JLMC should hire a Human Resources Director before the commencement of the 2020 Legislative Session. The recommendations in the report of the JLMC will include the appropriate organization, structure and oversight of the staff and staff offices of the General Assembly which will serve as the template for the Legislature during 2020. As it is unlikely the final restructuring will deviate substantially from the recommendations of the JLMC, the JLMC should not, as some witnesses advocated, wait on the hiring of a Human Resources Director – the positive benefits of a Human Resources Director should not be delayed, but rather utilized as soon as possible.

II. OPTION C

Figure 1 depicts the organization chart for Option C. For comparison the existing Vermont Legislature’s organizational chart and organization charts for Options A and B from the NCSL Report are included in an appendix as Figures 2, 3 and 4, respectively.

Similar to Options A and B in the NCSL report, Option C features oversight from the JLMC of all central nonpartisan staff except those employed by the House clerk and Senate secretary’s office, the reconfiguration of offices, and the centralization of most personnel and internal financial functions. It builds on the existing structure of specialized committees (where appropriate) to assist in management.

**Figure 1
Option C Reorganization**



Option C includes a new Legislative Management Office to contain the newly centralized personnel and internal functions and to provide support to the Legislative Management

Committee and four restructured offices: Joint Fiscal Office, Legislative Services Office, Information Technology Office and Sergeant At Arms Office.

As outlined below, Option C's organizational structure provides each restructured office with clear lines of accountability and service responsibility and retains the beneficial role of the Joint Fiscal Committee, the Legislative Council Committee and Legislative Information Technology Committee, while adding the coordinated oversight and accountability role of the JLMC and the support and harmonizing role of the Legislative Management Office.

Joint Legislative Management Committee

Similar to the NCSL Report, under Option C overall management of the General Assembly nonpartisan staff is consolidated in a new committee, the Joint Legislative Management Committee. The establishment of this committee provides greater overall oversight, accountability and consistency.¹

As currently statutorily constructed, the JLMC is comprised of four (4) members from each chamber with representatives from each chamber from the Joint Fiscal Committee, Legislative Council Committee and the Rules Committee, along with the Speaker of the House and Senate President Pro Tempore. See 2 V.S.A. §451(b).

Legislative Management Office

The Legislative Management Office houses the new human resources and finance and accounting departments. As explained in the NCSL Report, within the Finance and Accounting Division of the Office all currently decentralized and duplicate payroll functions are consolidated. This division of the Office is responsible for a variety of financial duties including coordinating, compiling and reporting on the General Assembly's operating budget, managing legislative accounts receivable and payable, overseeing legislative contracts and purchasing, and handling the paperwork for staff and member payrolls and reimbursements. The Human Resources Division includes a full-time director of Human Resources responsible for developing personnel programs and services for all legislative employees as outlined in the NCSL Report at pages 26 and 27.

A new Director of the Legislative Management Office (LMO) oversees the Office. Additionally, as the officer in charge of all the consolidate services, the LMO Director (with assistance of the LMO staff) serves the JLMC and the retained office management committees.² The Director is a contact person between each office and the JLMC. The Director as the coordinator of services for the General Assembly provides support and coordination for each office and among the offices. The Director is the facilitator, coordinator between the legislative members of the JLMC and the retained committees and the staff of the General Assembly. The Director is also

¹ The existing organizational structure provides too much diffusion of oversight and accountability which at times results in inconsistency and lack of transparency in outcomes.

² Any of the retained committees as restructured should not be staffing themselves or have employees from other divisions staffing them.

the facilitator and coordinator between the offices. The Director's role is to insure the smooth functioning of the General Assembly.

Legislative Services Office

The Legislative Services Office (LSO) in Option C resembles the description in the NCSL Report at page 29. It has three divisions; a Legal Services Division to provide bill drafting and related legal research service to legislators and legislative committees (the Division includes the drafting operations); a Research Services Division to provide legislators, committees and other staff with policy expertise, research and analysis; and, a Committee Services Division to service the committees of the General Assembly.

A Director oversees all retained functions of the LSO. The Director operates similar to a corporate division head with direct oversight by the retained Legislative Council Committee (probably renamed the Legislative Services Committee). The LSO Director reports to the Legislative Council Committee. The retention of the Legislative Council Committee permits the benefits of specialization in the appointment of Legislative Council Committee members. Issues not resolvable at the Legislative Council Committee level or through the efforts of the Legislative Management Office and its Director would then be brought by the LMO Director and/or the JLMC member from the Legislative Council Committee to the JLMC. The oversight of JLMC is retained over even more mundane matters if necessary by the inclusion of members of the Legislative Council Committee on the JLMC.

Issues involving hiring, firing, disciplining the LSO Director is initially conducted at the Legislative Council level, with the assistance of the LMO Director and staff of the Legislative Management Office. Final approval on hiring, firing and disciplining of the LSO Director are determined by the JLMC.

Joint Fiscal Office

The Joint Fiscal Office (JFO) in Option C retains its current core functions. However, by removing the services provided by the Legislative Management Office, JFO staff will have additional time and resources for its core functions.

JFO is overseen by a Director. Within the confines of the consolidation of services within the Legislative Management Office, the Director of the Joint Fiscal Office retains all oversight function of the Division.

Option C retains the Joint Fiscal Committee. The JFO Director reports to the Joint Fiscal Committee. As currently constituted the Joint Fiscal Committee has statutory duties beyond the management of JFO – which are retained under Option C. The statutory composition of the Joint Fiscal Committee provides intellectual capital which should be retained in the management of JFO. Once again, issues not resolvable at the Joint Fiscal Committee level or through the efforts of the Legislative Management Office and its Director would then be brought by the LMO Director and/or the JLMC member from the Joint Fiscal Committee to the JLMC. The oversight of JLMC is retained over even more mundane matters if necessary by the inclusion of members of the Joint Fiscal Committee on the JLMC.

Issues involving hiring, firing, disciplining the JFO Director are initially conducted at the Joint Fiscal Committee level, with the assistance of the LMO Director and staff of the LMO. Final approval on hiring, firing and disciplining of the JFO Director are determined by the JLMC.

Information Technology Office

Similar to the NCSL Report, Option C moves the current information technology group to a stand-alone division. Also, similar to the NCSL Report, Option C changes the purpose of the Legislative Staff Information Systems Team to an advisory role. The NCSL Report describes the functions of the Information Technology Office (ITO).

A Director oversees all functions of the ITO. Analogous to the Directors of LSO and JFO, the Director of ITO operates similar to a corporate division head with direct oversight by the retained Legislative Information Technology Committee. The ITO Director reports to the Legislative Information Technology Committee.

The Legislative Information Technology Committee is retained for the reasons mentioned above when discussing the Joint Fiscal Office and to keep consistency in the organizational chart. Issues not resolvable at the Legislative Information Technology Committee level or through the efforts of the Legislative Management Office and its Director would then be brought by the LMO Director and/or the JLMC member from the Legislative Information Technology Committee to the JLMC. The oversight of JLMC is retained over even more mundane matters if necessary by the inclusion of members of the Legislative Information Technology Committee on the JLMC.

As currently constituted the JLMC has a member from the Joint Rules Committee from each legislative body. For consistency in the structure, if the functions of the Sergeant At Arms are moved from the Joint Rules Committee to the JLMC (as advocated in all three options) a member on the JMLC from the Legislative Information Technology Committee should be substituted for the member from Joint Rules.

Alternatively, the JLMC could recommend the Legislative Information Technology Committee be abolished. This creates the ITO Director as a direct report to the JLMC. Given the specialized nature of the services provided, most issues should be resolvable internally or with the assistance of the LMO Director and LMO staff as their roles are defined above. However, the JLMC may need to be (or find itself) involved in setting priorities given the increased demands of the members of the General Assembly and the basic necessities of the staff which serve the General Assembly. If the JLMC does not set priorities, the ITO Director may end up receiving priority guidance from the respective appropriations committees. For consistency, to minimize the JLMC dealing with more minor issues, and to permit committee oversight by legislators with possibly greater knowledge in IT issues, Option C retains the structure of a joint oversight committee.

Although it is possible to envision the ITO in the Legislative Management Office the recommendation of Option C is to create a separate ITO. Including the ITO in the Legislative Management Office retains the danger of having information technology priorities set by and

overseen by a single user or customer of information technology – with the possibility for project bias.

Sergeant At Arms Office

Option C moves the Sergeant at Arms to a stand-alone office under the JLMC. The Director of this stand-alone office may be elected or hired by the JLMC. As described in the NCSL Report, the desirability of establishing qualifications for an evolving complex position favors the hiring model over the election model.

One area of responsibility of the Sergeant at Arms office is the implementation and enforcement of policies set by the Legislative branch in relation to the Legislative branch's building. It is important a joint committee of the legislature, not the director of another division, set the priorities for the Sergeant at Arms office. Historically, the Joint Rules Committee set these policies. If the Joint Rules Committee retained this oversight function, the Sergeant at Arms office will be outside the new restructuring. However, a general premise of the NCSL Report is the separation of legislative decisions from management decisions – with legislative decisions being retained by the various rules committees and the management decisions being under the newly created JLMC umbrella structure. As the functions of the Sergeant at Arms office are more management related than legislative related, it is preferred to move the Sergeant at Arms to the JLMC structure. Assuming the JLMC will recommend a structural change as suggested in the NCSL Report, Option C has the Director/Sergeant at Arms as a direct report to the JLMC.

Although not discussed in the NCSL Report, it is possible to separate and realign certain functions of the Sergeant at Arms Office while retaining the Sergeant at Arms' core functions. Certain functions could be reassigned to other offices such as the Legislative Management Office. As the NCSL Report did not explore this type of restructuring, it is not in Option C.

Benefits of Option C

Option C has four operation offices and one support office all supervised by the JLMC as an oversight committee. The creation of the support division permits the directors of the operational offices to focus on their core functions. It creates a team of Directors with delineated functions, responsibility and authority. Just as the constitutional structure separates and shares power among branches of government, Option C separates and shares legislative employee power (an important consideration given Vermont's part-time citizens' legislature). It retains elected legislative oversight of the legislative branch through function specific committees and creates a new oversight, accountability committee with the committee members of this new committee coming from the operating divisions and legislative leadership.

Option C is a hybrid option and provides greater flexibility for modification. If for some reason in the future Option C does not well serve the Legislative Branch, it is easier to modify Option C into either an Option A or Option B type structure, then it is to move from Option A or B into one of the alternative options.

III. SUMMARY OF OPTIONS

Existing structure

The existing structure uses specialized committees for each office. Similar to the committee structure in each chamber, this permits specialization, the appointment of uniquely qualified members, and the division of workload in the running of administrative functions. It also results in a too diffused structure without adequate coordinated and oversight and clear lines of responsibility and accountability.

Option A

Option A creates a new Executive Director who functions as the CEO of all central, non-partisan staff offices and who reports to and staffs a new Joint Legislative Management Committee. This new Executive Director is to coordinate and supervise all staff including hiring, firing and disciplining of all Directors. It results in the consolidation of all employment power within a single individual with oversight from a concentrated committee of eight members. As it replicates the corporate organizational structure it contains that structure's inherent flaws – such as agency, goal setting, supervision, etc.

Option B

Option B consolidates restructured offices under a new Joint Management Committee. It adds single committee coordination and oversight over the Legislature's employees. It provides greater coordination and oversight while clarifying lines of responsibility and accountability. As Option B has at least four office directors reporting directly to the Joint Legislative Management Committee it requires a greater time commitment from the members of the JLMC.

Option C

Option C includes the benefits of the a new oversight Joint Management Committee, retains the benefits of specialized committees, and harvests the coordinating and consolidating functions of a new Legislative Management Office and its Director. The retention of specialized committees permits the diffusion of time workload – but sacrifices some of the centralization of Option A. Option C attempts to partially address this by including on the Joint Management Committee members from each of the retained specialized committees.

APPENDIX

Figure 2
Current Staff Organization of the Vermont General Assembly

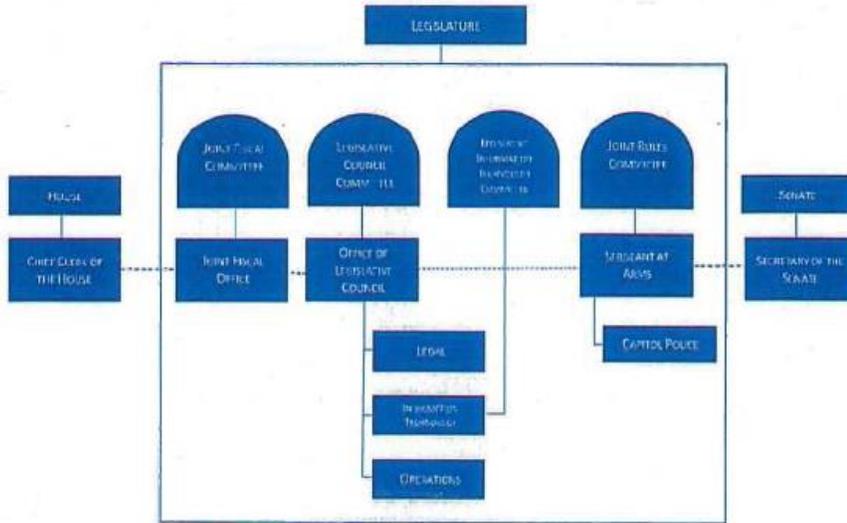


Figure 3
Option A Reorganization

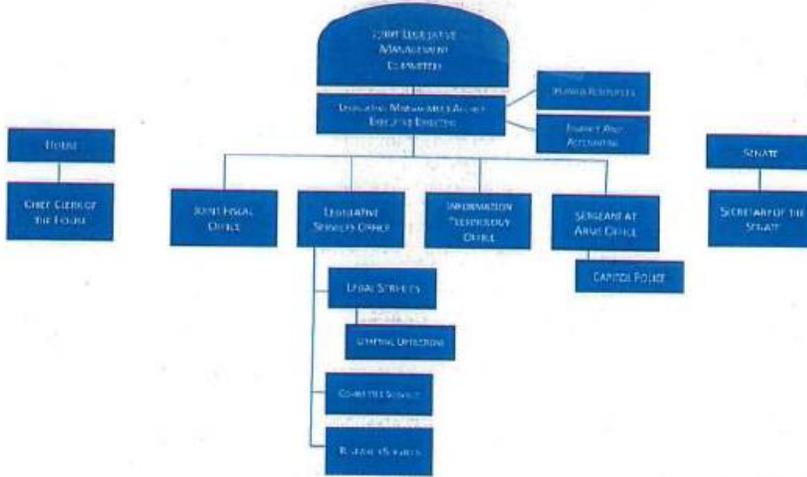


Figure 4
Option B Reorganization

