

1 H.702

2 ~~SHORT FORM~~

3 Introduced by Representatives Brumsted of Shelburne, Kornheiser of
4 Brattleboro, Leavitt of Grand Isle, McCarthy of St. Albans City,
5 and Walker of Swanton

6 Referred to Committee on

7 Date:

8 Subject: Legislative operations; government accountability

9 Statement of purpose of bill as introduced: This bill proposes to implement
10 the recommendations of the Summer Government Accountability Committee,
11 which aim to systematize the General Assembly's government accountability
12 efforts as much as possible rather than relying upon individual legislators or
13 individual committees.

14 An act relating to legislative operations and government accountability

15 It is hereby enacted by the General Assembly of the State of Vermont:

16 ~~(TEXT OMITTED IN SHORT FORM BILLS)~~

** * * Purpose and Findings * * **

Sec. 1. PURPOSE

(a) The purpose of this act is to actuate the principle of government accountability by focusing on how evidence is used to inform policy, how our State laws are carried out, and how legislation can best be formed to achieve its intended outcomes. This act strives to systematize government accountability efforts as much as possible with simple, clear, independent, objective, and fact-based processes rather than rely upon individual legislators or individual committees to be effective.

(b) Government accountability means the principle of demanding that legislation succeeds in achieving its stated policy goals through the provision of means by which to measure whether the policy goals have been met. The metrics for determining whether success has been achieved are as important as the goals themselves.

(c) Government oversight means the mechanisms put into place to ensure that the bodies of government tasked with executing legislative intent are properly doing so. Oversight by the Legislature is the examination of the processes followed and the information produced by government officials executing the law to determine whether those officials are properly and adequately achieving the policy goals established by the General Assembly.

**** Creation of the Joint Government Oversight and Accountability*

*Committee ****

Sec. 2. 2 V.S.A. chapter 28 is added to read:

CHAPTER 28. JOINT GOVERNMENT OVERSIGHT AND
ACCOUNTABILITY COMMITTEE

§ 971. CREATION OF COMMITTEE

(a) There is created the Joint Government Oversight and Accountability Committee, whose membership shall be appointed each biennial session of the General Assembly. The Committee shall work independently and with other legislative committees to assist with matters related to issues of significant public concern.

(b) The Committee shall be composed of eight members: four members of the House of Representatives, not more than two shall be from the same party, appointed by the Speaker of the House; and four members of the Senate, not more than two shall be from the same party, appointed by the Committee on Committees. In addition to two members-at-large appointed from each chamber, one appointment shall be made from each of the House Committee on Government Operations and Military Affairs, the Senate Committee on Government Operations, and the House and Senate Committees on Appropriations.

(c) The Committee shall elect a chair, vice chair, and clerk from among its members and shall adopt rules of procedure. The position of chair shall rotate biennially between the House and the Senate members. The Committee shall

keep minutes of its meetings and maintain a file thereof. A quorum shall consist of five members.

(d) The Committee shall meet as necessary for the prompt discharge of its duties but shall meet at least every other week.

(e) For attendance at a meeting when the General Assembly is not in session, members of the Committee shall be entitled to compensation for services and reimbursement of expenses as provided under subsection 23(a) of this title.

(f) The professional and clerical services of the Joint Fiscal Office, the Office of Legislative Operations, and the Office of Legislative Counsel shall be available to the Committee.

§ 972. DUTIES AND POWERS

(a) Duties. The Committee shall have duties as described in this section and elsewhere in law.

(1)(A) The Committee shall exercise government oversight by examining and investigating matters of significant public concern relating to State government performance. The Committee shall examine the possible reasons for any failure of government oversight and provide findings and tangible recommendations to standing committees of jurisdiction to prevent future failures.

(B) The Committee will select issues of significant public concern to examine and investigate by a majority of the current Committee members who have not recused themselves from the matter. The Committee shall consider issues of significant public concern referred to the Committee pursuant to a resolution adopted by either chamber of the General Assembly.

(C) As used in this section, an “issue of significant public concern” means any issue that:

(i) affects the State as a whole;

(ii) affects a vulnerable population;

(iii) costs the State more than \$100,000,000.00;

(iv) implicates a serious failure of State government oversight or accountability;

(v) arises from previously enacted legislation; or

(vi) constitutes a failure to adequately respond to State or federal audits.

(2) The Committee shall, with coordination from the Legislative Committee on Administrative Rules, evaluate executive entities directed to adopt rules to ensure consistency and accountability in the rulemaking process.

(3) The Committee shall review performance notes issued pursuant to section 523 of this title and monitor performance measures for legislation requiring any performance note.

(4) The Committee shall, on an annual basis, issue a report that includes:

(A) which issues of significant public concern the Committee has examined and investigated, including relevant information and data;

(B) the Committee's current objectives for review of issues of significant public concern and which objectives, to date, have and have not been met;

(C) the Committee's objectives for review of issues of significant public concern for the upcoming two years; and

(D) any additional resources required by the Committee to adequately conduct its work.

(b) Powers. The Committee shall have powers as described in this section and elsewhere in law.

(1) Subpoenas and oaths. The Committee shall have the power to issue subpoenas and administer oaths in connection with the examination and investigation of matters of government oversight and accountability related to issues of significant public concern. The Commission may take or cause depositions to be taken as needed in any investigation or hearing.

(2) Direction of Joint Fiscal Office Division of Performance Accountability. The Committee may use the staff and services of the Division of Performance Accountability for carrying out the purposes of this chapter.

* * * Reports * * *

Sec. 3. 2 V.S.A. § 20 is amended to read:

§ 20. LIMITATION ON DISTRIBUTION AND DURATION OF AGENCY

REPORTS

(a) Unless otherwise provided by law, whenever it is required by statute, rule, or otherwise that an agency, department, or other entity submit an annual, biennial, or other periodic report to the General Assembly, that requirement shall be met by submission by ~~January~~ November 15 of copies of the report for activities in the preceding fiscal year to the Clerk of the House, the Secretary of the Senate, the Office of Legislative ~~Counsel~~ Operations, chairs of legislative standing committees of jurisdiction, and such individual members of the General Assembly or committees that specifically request a copy of the report. ~~To the extent practicable, reports~~ Reports shall also be ~~placed~~ published on the agency's ~~Internet~~ website. No general distribution or mailing of such reports shall be made to members of the General Assembly.

* * *

(e) If it becomes apparent to any agency, department, or other entity directed by the General Assembly to report on a matter that the agency,

department, or entity will be unable to do so within the required time, the reporting agency, department, or entity shall inform, if applicable, the relevant legislative committee's current chair, the committee assistant, and the Office of Legislative Operations of which report will be late, why, and when it will be delivered.

Sec. 4. MANAGEMENT OF REPORTS AND DATA; APPROPRIATION

(a) The Office of Legislative Operations, in coordination with the Office of Legislative Counsel and Legislative Office of Information Technology, shall review the systems involved in publishing the current publicly available legislative reports database to ensure that legislatively mandated reports are being efficiently tracked, submitted, and published in an accessible manner.

~~(b) The sum of \$100,000.00 is appropriated from the General Fund to the Legislative Office of Information Technology in fiscal year 2025 for the purpose of upgrading the General Assembly's report management system.~~

~~(a)~~ (b) On or before January 31, 2025, the directors of the Office of Legislative Operations, the Office of Legislative Counsel, and the Legislative Office of Information Technology, or their designees, will together report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations on the status of the publicly available legislative reports database and with any recommendations for legislative action.

** * * Joint Fiscal Office * * **

Sec. 5. 2 V.S.A. § 527 is added to read:

§ 527. DIVISION OF PERFORMANCE ACCOUNTABILITY

(a) There is hereby created within Joint Fiscal Office a division to be known as the Division of Performance Accountability.

(b) The Division shall provide nonpartisan services as described in this section and elsewhere in law.

(c) At the direction of the Joint Government Oversight and Accountability Committee, and with the approval of the Speaker of the House and the President Pro Tempore of the Senate, the Division shall produce performance notes regarding certain proposed or enacted legislation for the use of the Committee. Performance notes shall include information regarding legislative intent, policy goals, metrics to measure results and evaluate whether the goals are being accomplished, and estimates of any savings, return on investment, or quantifiable benefit resulting from the adoption of the legislation.

Sec. 6. CREATION OF POSITION IN DIVISION OF PERFORMANCE

ACCOUNTABILITY; APPROPRIATION

~~*(a) One new, permanent, full-time, exempt position is created in the Joint Fiscal Office's Division of Performance Accountability.*~~

~~*(b) The*~~ *To the extent funds are available, the sum of \$160,000.00 is appropriated from the General Fund to the Joint Fiscal Office in fiscal year*

2025 for the purpose of creating a new, permanent, full-time, exempt position in the Division of Performance Accountability.

** * * State-Funded Grants Review * * **

Sec. 6a. WORKING GROUP ON STATE GRANT PROCESSES

(a) Creation. There is created the Working Group on State Grant Processes for the purpose of assessing the State's current grant awarding procedures.

(b) Membership. The Working Group shall be composed of the following members:

(1) the Secretary of Administration or designee;

(2) six representatives of nonprofit organizations, selected by Common Good Vermont, with at least one representative being a certified public accountant and at least one representative being a certified financial planner; that within 12 months following July 1, 2024 have received a State-funded grant, as follows:

(A) two representatives from human service organizations;

(B) one representative from an arts, culture, or humanities organization; an environmental organization; or a recreational organization;

(C) one representative from an education organization, excluding higher education;

(D) one representative from a nonprofit agency that provides mental health care; and

(E) one representative from Common Good Vermont.

(3) one representative from a Vermont United Way organization, appointed by the Executive Director of the United Way of Vermont;

(4) two current members of the House of Representatives, who shall be appointed by the Speaker of the House;

(5) two current members of the Senate, who shall be appointed by the Committee on Committees;

(6) one representative of the Department of Finance and Management, appointed by the Governor; and

(7) one member, appointed by the Vermont League of Cities and Towns.

(c) Meetings.

(1) The Secretary of Administration or designee shall call the first meeting of the Working Group to occur on or before September 1, 2024.

(2) The Working Group shall select a chair from among its members at the first meeting.

(3) A majority of the membership shall constitute a quorum.

(4) The Working Group shall meet not fewer than eight times.

(5) The Chair may establish subcommittees to perform the work set forth in this section.

(d) Powers and duties. The Working Group shall:

(1) assess the State's current grant and contracting funding levels and identify cost of living or other inflationary adjustments;

(2) assess the impact of bridge loans and lines of credit and identify alternative mechanisms for meeting funding needs;

(3) assess grant and contracting processes and practices across State agencies and departments and identify uniform best practices;

(4) determine the specific circumstances under which funding should be reimbursable;

(5) identify the funding sources that are currently reimbursable but are not required to be and recommend solutions to improve reimbursement practices and processes;

(6) identify system improvements that would simplify grant application and reporting processes;

(7) examine ways to ensure consistency between State and federal indirect rates, including:

(A) implementing a standard indirect rate across all State-funded grants;

(B) reviewing the process for nonprofit organizations to qualify for an indirect rate above the standard rate; and

(C) honoring federal indirect rates;

(8) analyze the impact of grants being executed more than 30 days after a notice of award is issued;

(9) analyze the impact of agencies not paying grantees within 30 days after receiving a written request for payment on a grant; and

(10) consider related issues that arise during the course of the Working Group's duties as set forth in this section.

(e) Reporting. The Working Group shall submit a written report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations with its recommendations based on the analysis conducted pursuant to this section on or before September 1, 2025.

(f) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Working Group serving in the member's capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than eight meetings.

(2) Other members of the Working Group shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than eight meetings.

(3) Payments to members of the Working Group authorized under this subsection shall be made from monies appropriated to the General Assembly.

(g) Expiration. The Working Group shall cease to exist on December 31, 2025.

Sec. 6b. STATE-FUNDED GRANTS; REPORT ON PROMPT

EXECUTION AND PAYMENT

On or before November 15, 2024, the Agency of Administration, in consultation with the Joint Fiscal Office, shall submit a preliminary written report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations analyzing and summarizing the fiscal and logistical impacts of requiring State agencies to:

(1) execute State-funded grant agreements within 30 days after providing notice of award to a grantee; and

(2) promptly pay grantees of State-funded grant agreements within 30 days after receipt of a valid written request for payment.

** * * Effective Date * * **

Sec. 7. EFFECTIVE DATE

This act shall take effect on passage.