

Background

In 2009 when I first started working on state and county shared services, I noted that: “The economic crisis facing Oregon and its 36 counties is not a matter of short term cash flow. There is probably not a feasible way to raise enough new revenue to solve the budget gaps. And even if the federal timber payment problem didn’t exist, we’d still have a problem. We have an economically unsustainable program of delivering services. The solution will not come from simply asking the state and counties to consider raising additional revenue.”

Now in 2013, the “county payments issue” is still upon us, several counties are in fiscal distress, with urgent budget crises and imminent shut downs, and the state is in no position to simply bail them out by sending cash.

Our system of delivering services – policing, jails, ensuring clean water, protecting children, taking care of seniors and disabled persons; processing claims and complaints and forms – is complex. It’s tangled enough that it can take 3 or more legislative fiscal analysts to comb through various budgets of multiple agencies, reporting to *different* Ways and Means subcommittees, just to answer a question on what we spend to help those children, treat persons with addiction and mental health problems, support county fairs, tackle invasive species, or train workers. Then add to that 36 counties with their own processes and it gets really tangled up.

In just one program area, a report titled “Analysis of Oregon’s Alcohol and Drug Treatment and Prevention System” explains that there are multiple state agencies involved, differences in data systems, duplicate data entry, and subsequent burdens on providers, and then add on to that the counties and local organizations delivering treatment services.

**Our bureaucracy is sometimes in the way,
not facilitating and streamlining the service so much as weighing it down.**

The State and Local Government Efficiency Task Force convened several subcommittees around general program areas, such as Human Services, Criminal Justice, and Natural Resources. State and local officials and professionals looked for specific services where interagency bureaucracy needed to be straightened out, was duplicated, or needing fixing. A total of 12 recommendations were developed, and 7 specific bills. Your committee will be hearing several of those this session.

Government efficiency is not about simply automating existing tasks, layering technology on top of existing processes and structures, some of which have become outdated, irrelevant, and cumbersome. Sometimes we need to **clean out the closet** and get rid of what we don’t need – that will be the case with some of the bills you’ll see. In other cases, we need a more comprehensive restructuring of what we do.

There are places where we need to remove outdated statutes, re-vamp program delivery, and review who's responsible for what – and get out of the way. Where more than one agency is involved, we should ask Why, is it necessary, and how can we improve that to reduce bureaucracy, reduce time, and still achieve the objectives desired. In other words, not change our policy, just do a better job of getting there. Let's look at simplification; regionalization; consolidation; and reorganization, with an emphasis on saving money and improving service.

**There's too much redundant auditing, and not necessarily better outcomes.
Too much accounting, but a lack of accountability.**

We should consider a redistribution of functions of state and county government; achieve clarification and rationalization of what we have now, and accomplish a transfer of functions where it makes sense. Consider transfer of functions, or consolidation of policy, delivery, accountability, and funding streams.

The 2013 bills

You don't have any vast, sweeping re-structuring proposals to wrestle with today. You will see three modest and effective ways of tackling government efficiency, a continuation of finding the low-hanging fruit:

- 1- **cleaning out the closet** (for example, the bills removing outdated county treasurer statues);
- 2- **removing redundant procedures** (jail audits); and
- 3- **collaborating with local government** for everyone's benefit (for example, the investment pool).

A particular proposal may seem to benefit the state, or to benefit the county, but the point is that it really benefits *both* local AND state government in managing budgets and delivering services more effectively to Oregonians. And it's important to note that ALL of the ideas that were tossed around and developed – or put off – came about because local and state government sat down together to talk about what we do and how we do it. We really ought to be doing a lot more of that.

You have people here to provide testimony on each of the specific proposals.

Thank you.