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The Commonwealth of Massachusetts

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REPORT

OF

THE COMMITTEES ON RULES

OF THE TWO BRANCHES, ACTING CONCURRENTLY

ON A

MESSAGE FROM HIS HONOR, THE LIEUTENANT-GOVERNOR,

ACTING GOVERNOR, RECOMMENDING LEGISLATION RELA-

TIVE TO THE ESTABLISHMENT OF A CABINET FORM

OF GOVERNMENT IN THE EXECUTIVE DEPART-

MENT OF THE COMMONWEALTH

(See House, No. 5202).

[Printing of this document authorized by an order adopted by the House  
on June 25, 1969]

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JUNE, 1969

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## The Commonwealth of Massachusetts

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This Bill, accompanied by a Special Message, was filed by the Governor on May 19, 1969. It was referred to the Committee on Rules of the Two Branches Acting Concurrently which, on June 2 and 3, 1969, conducted an extensive public hearing on the proposed legislation.

The Bill would create a new administrative mechanism in the State Government. The purpose of this mechanism would be to foster and facilitate continuing efforts:

1. To update and strengthen the means by which the Commonwealth seeks to plan, estimate, determine, and control the use of its funds and the work of its employees ("means" in this context including not only the procedures, systems, and tools used in managing the State agencies but also the technical skills of the managers);

2. As a specialized aspect of such updating and strengthening, to decentralize, through appropriate staff guidelines and monitoring procedures, some of the fiscal and supervisory controls which are now administered centrally by the Executive Office for Administration and Finance; and

3. To clarify and simplify the functional relationships between the many existing State agencies, so that duplication and overlapping of function may be eliminated, red tape untangled, service improved, and the number of separate agencies gradually reduced.

The proposed new administrative mechanism would consist of nine Executive Offices directly under the Governor, each headed by a Secretary who would be appointed by and serve at the pleasure of the Governor and would be in charge of a non-Civil Service professional staff employed by him, subject to appropriation and the Governor's approval. Such Offices would be established for Administration, Communities and Development, Consumer Affairs, Educational Affairs, Environmental Affairs, Human Services, Manpower Affairs, Public Safety, and Transportation and Construction—and all existing State agencies, with a few exceptions, would be "declared to be within" one or another of the nine Offices.

Within the broad service area assigned to his Office, the Secretary would be the Governor's "executive officer". However, apart from limited authority over budget and cost estimates, applications for and receipts of federal funds and other grants, requests for appropriation allotments, and transfers between subsidiary accounts, the Secretary would have no "line" (neither direct day-to-day nor ultimate) responsibility for the operations of any of the agencies placed in his Office.

Such responsibility could arise only if the General Court should amend the laws which now define the powers and duties of such agencies—and no such amendments, the Governor's Message indicated, would be proposed until, several years hence, the so-called "Phase II" reorganization plans had been prepared and were ready for submission to the Legislature.

Accordingly, the Secretary would be no "czar" in dealing with the agencies in his Office. Rather, he would function as a "staff" officer for the Governor—his spokesman-coordinator-expediter in the broad service area assigned to the Office—and also as the leader of an "in-house" task force which, subject to general directions and standards to be developed and promulgated by the Secretary of Administration, would design and introduce—or in certain instances recommend to the Governor—improvements in the organization, operations, and services of the agencies in his Office.

In a word, therefore, the Bill proposes only a *procedure* for updating and bettering the organizational structure of the State Government and the means by which it is managed; by itself, the Bill would effect *no reorganization* of that structure or those means.

For the former would require favorable action by the General Court on reorganization plans which are apparently several years off in their formulation; and as for the latter, it is obvious that extensive and complex preparatory work in the Executive Office for Administration and Finance would have to precede installation of the kind of decentralized systems of data management, cost analyses and control, program budgeting and evaluation, personnel planning and management, and information dissemination contemplated by the Governor's Message.

Nonetheless, the Committee recognizes that the objectives sought by the Bill are unassailable: today as never before, continu-

ing efforts to make the State Government more responsive, efficient, and economical are imperative. And as a procedure for mobilizing and directing such efforts, the Bill has, in our view, considerable logic and merit—even if, as became clear at the Committee's hearing, the suggestion of \$100 million in eventual savings from the Bill is disingenuous and cannot be supported.

Because it provides for executive direction and responsibility we regard the Bill's procedure as more promising than that of a so-called "Baby Hoover Commission". Also, in the absence of a strong conviction to the contrary, we are willing to test the argument that the work of organizational analysis essential to all reorganization plans can be accomplished more perceptively and rapidly by nine decentralized "in-house" task forces composed of persons having a continuing concern for the functions and programs of the agencies analyzed than by persons attached to the Executive Office for Administration and Finance for varied, roving, and limited field assignments. Furthermore, we understand that the procedure proposed by the Bill has been working with tolerable success in California since 1961.

However, the Committee's hearing revealed unmistakably the present unreadiness of the Executive Office for Administration and Finance for the recommended new administrative mechanism. For instance, no decisions have yet been taken as to what "inhibiting, costly and time-consuming central controls" should be decentralized; no "appropriate guidelines" for any such decentralization have been even initially sketched out; and first drafts are still to be prepared of procedures for "carefully monitoring the performance of the agencies to insure adherence to these guidelines." Nor is any kind of blueprint now available for action by a Secretary and his staff in seeking to consolidate "to the greatest extent practical" the "staff functions" of the existing State agencies declared to be within his Office.

In short, if the proposed nine Secretaries, each with his secretariat of technicians, should take office forthwith—before the indispensable preparatory work of the Commissioner of Administration had been completed or at least had progressed a considerable distance—administrative chaos would, in our view, be guaranteed: confusion, misunderstanding, discord, incongruity, jockeying for position. Manifestly, to update and decentralize the management

systems of the State Government through nine new Executive Offices requires—for the prospect of even modest success—lead-time for and intensive groundwork by the Commissioner of Administration, supported by technical advice and staff which at present, in adequate strength, he neither has nor has the funds to engage.

As a consequence, we report our recommendation as follows:

1. That the Bill be enacted, subject, however, to an effective date of April 30, 1971; and

2. That \$600,000 be appropriated for the fiscal year beginning July 1, 1969 to be used by the Commissioner of Administration to design and implement improved management procedures and systems for the day-to-day operations of the State agencies and, as an aspect thereof, to plan that decentralization of those procedures and systems which will be required if the nine Executive Offices provided by the Bill are to serve tangibly the Bill's purposes and be workable when the Bill takes effect.

If our recommendation is adopted, the General Court will be making an unequivocal and substantive commitment to (1) immediate improvements in the management of the Commonwealth's business and (2) continuing efforts to clarify and simplify the organizational structure of the State Government. Moreover, it will be doing so in a way calculated to avoid many of the troubles and disappointments which have attended the recent reorganizations of the public welfare and mental health programs—and in a way calculated also to reduce by close to 50% (\$2,000,000) the Bill's initial cost, as estimated by the Governor.

Furthermore, since the Governor taking office in 1971 will be able to offer the prospect of four-year appointments, deferring the effective date of the Bill will measurably strengthen his hand in recruiting for the new Executive Offices, and will give him time to propose any refinements or other changes found to be desirable in the legislation before it becomes operative.

Because of the size of the proposed appropriation, the likelihood that its renewal in some amount will be sought next year, and the urgent and indispensable nature of the work to be undertaken by the Commissioner of Administration pursuant to the appropriation, we serve notice that, if the appropriation is voted, the Committee will follow closely the course of the Commissioner's work, periodically calling on him for information and reports and, with counsel of the Committee, evaluating the progress being made.

HOUSE

NO. 5473

ST. JOHN'S UNIVERSITY

ST. JOHN'S UNIVERSITY, ST. JOHN'S, N.B.

Resolved, That the sum of \$10,000 be and is hereby appropriated for the purchase of a new building for the purpose of housing the students of the University, and that the same be paid out of the moneys to be received from the sale of the property now owned by the University, and that the Board of Trustees be and they are authorized to execute such contracts and to do such other things as may be necessary to carry out the purposes of this resolution.

Approved: \_\_\_\_\_

Secretary

ST. JOHN'S UNIVERSITY

1917

