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Westly Calls on Governor to Eliminate Most Agency Secretary Positions

Westly to scrutinize agency spending and issue report to Governor and public

Sacramento, CA – California State Controller Steve Westly today called on Governor Arnold Schwarzenegger to enhance state services and empower those doing the work of the people by eliminating or reducing many of the state agency offices.

In a letter to Governor Schwarzenegger, Westly urged him to improve oversight and delivery of services by eliminating the duplicative roles of the Governor's Office, agencies and departments. Westly also informed the Governor that he would scrutinize agency spending and issue an audit report by the middle of 2004.

“You demonstrated on October 7th that reform begins at the top,” Westly wrote to the Governor. “Government is not about offices and units. It's about providing Californians the best possible services and protections.”

Westly urged the Governor to re-organize his administration to ensure that those providing services have full access to his office. This way, the top priorities of the people are given a direct connection with the Governor's Office.

“Californians want an end to waste and unnecessary administration,” Westly said. “Governor Schwarzenegger was elected to reform government and I want to help him deliver for the people.”

According to the Controller's Office, average salaries at the agencies are estimated to be as much as 64 percent higher than those at the departments where services are directly provided. In addition, agency staffs have quadrupled since their inception. Agencies have their own communications, legislative, policy and administrative staff, duplicating functions provided in Governor's Office and the departments.

LETTER TO GOVERNOR SCHWARZENEGGER FOLLOWS

LETTER TO GOVERNOR SCHWARZENEGGER

Dear Governor Schwarzenegger:

You demonstrated on October 7th that reform begins at the top. As you begin to build your new administration, I urge you enhance state services and empower those doing the work of the people by eliminating or reducing many of the state agency offices.

The Legislative Analyst's Office, in a December 2002 report, recommended eliminating general fund financing of the agency secretaries, which it said would save \$7.8 million. Adopting this recommendation in a way that streamlines state bureaucracy would give the Governor's Office direct authority over those organizations that provide services.

And it does something much more than save money and consolidate government. It sets the right example.

The current budget crisis is not about choosing between the Department of Health Services and the Department of Transportation.

But you can choose between the Department of Health Services and the health agency. And you can choose between the Department of Transportation and the transportation agency.

You have appointed diverse and dynamic individuals to head your administration in secretary positions. They shouldn't be isolated or insulated from those who are providing services or enforcing the law. They should be heading departments with direct access to you and your staff.

Many state agency offices duplicate the work done by the departments they oversee and provide little added benefit to Californians. The Governor's Office, the agencies and the departments all have their own legislative, communications, policy and administrative staff.

This is a costly bureaucratic layer. According to my office, the estimated average salary of an agency secretary and his or her staff is as much as 64 percent higher than the salaries for department staff. And the number of employees at agencies has quadrupled since their inception.

As an executive at eBay, I worked to ensure that our employees provided the best possible consumer experience. That meant eliminating all extra steps, unnecessary bureaucracy and paperwork.

Just before you assumed office, the California Teachers Association urged you to end the duplicative roles of an education superintendent and a secretary by eliminating the education secretary position. The superintendent should never be restrained from improving schools.

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Eliminating bureaucracy could have enormous potential for a smarter and more agile state government.

- California's top health official, the Director of the Department of Health Services, is responsible for managing Medi-Cal and other health care programs, as well as ensuring the rapid response and readiness of the state's public health infrastructure. The health director should have a direct line to the Governor's office, rather having to report through the Health and Human Services Agency.
- The Department of Transportation manages infrastructure needs throughout the state. The Governor's office should demand direct access to those responsible for carrying out our transportation needs by eliminating the added step of reporting through the Business, Transportation and Housing Agency.
- The Department of Consumer Affairs is responsible for enforcing consumer protection laws and overseeing boards that monitor doctors, nurses and other professions. You should give the department direct coordination with your office, without having to report through the State and Consumer Services Agency. This will get information to consumers faster and ensure better protection from fraud and bad business practices.

You should ensure that any re-organization gives full authority to those responsible for fulfilling the priorities of the people and carrying out the law. I also believe you may find that some of the agencies serve necessary purposes.

Government is not about offices and units. It's about providing Californians the best possible services and protections. Let's replace government's complex institutional arrangements with government that most efficiently provides services to the people. Let's show we're serious about taking on the budget crisis by starting at the top.

The State Constitution gives my office strong audit authority. I will be giving special auditing scrutiny to the expenses and resources of agency offices and will issue a subsequent report to you and the public by the middle of 2004.

Thank you for your attention to this matter. I offer the assistance of our staff of auditors to help you streamline government.

Sincerely,

Steve Westly
California State Controller

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