UPDATE: The House version of the DOA bill

The House of Representatives has finally unveiled their amendment to the Department of Administration bill – after crafting it behind closed doors for more than two months. It sailed through the House in record time and has already gone back to the Senate.

This House proposal finally eliminates the Budget and Control Board. The trouble is, it doesn't go much further than the lackluster Senate version; mainly it reshuffles state agencies on the grounds that doing so would encourage efficiency. But restructuring government isn't just about efficiency. It's chiefly about concentrating accountability and diffusing authority: that is, making elected officials accountable for their decisions, and establishing checks on their power.

The House version of the bill accomplishes little in that regard. So what *does* it do?

Bond Authority

Real reform: Lawmakers should publicly debate and vote on every bond they authorize, not give that authority to some anonymous board that voters can't hold accountable.

The House amendment: The authority to issue state debt involves appropriating state money and should rest exclusively with the legislature. The House proposal, however, punted the responsibility to a new state agency. The State Contracts and Accountability Authority is overseen by a seven-member authority comprised of the governor, lieutenant governor, comptroller general, treasurer, and appointments by the Speaker of the House and President of the Senate. The state's current Joint Bond Review Authority – which reviews projects prior to approval by the Budget and Control Board – will remain in place, and will serve the same role it currently serves. Instead of the B&CB approving recommended projects from the Joint Bond Review Committee, the new hybrid State Contracts and Accountability Authority will carry out this responsibility.

Mid-year Budget Cuts and Deficit Recognition

Real reform: In the event that there is a revenue shortfall – in effect meaning that lawmakers spent more money than the should have – they should come back into session and make responsible, targeted cuts. Elected officials should be held accountable for their decisions.

The House amendment: In a revenue shortfall, lawmakers have the option of taking no action on mid-year budget cuts, thus automatically giving tough, potentially unpopular decisions to an anonymous bureaucrat (the Director of the Executive Budget Office). On the plus side, the House version would force the General Assembly to pass a joint resolution if members want to allow an agency to run a deficit. Up until now, that decision has rested with the Budget and Control Board.

Legislative "Oversight"

Real reform: Lawmakers should mandate regular, objective and public audits by the Legislative Audit Council on a schedule that is independently determined.

The House amendment: The Senate version of this bill broadened the General Assembly's power through legislative "investigative committees" – which would have the authority to summon and question not just state employees, but *private citizens* if they deem them to have relevant information. In addition, the Senate version left decisions regarding which agencies are "investigated" up to legislative leaders – the same ones who control most of state government already. The proposal put forth by the House did nothing to change this. Like the Senate version, the House version of the bill would give high-ranking legislators the authority to go on witch-hunts when an executive agency's decisions aren't to their liking.

Procurement Oversight

Real reform: The responsibility for purchasing goods and services for the state should lie with one person – the chief executive – whom the citizens of South Carolina can hold accountable for corruption or poor decision-making.

The House amendment: The House plan (unlike the Senate's) moves all of procurement under the Department of Administration. However, the plan leaves in place the current Procurement Review Panel – a panel that's appointed by a new board consisting of the current B&CB plus the attorney general and lieutenant governor – which would hear grievances and appeals from state agencies. The House version, then, would give the governor all the accountability for procurement (the governor would bear the responsibility for any corruption or misappropriation of funds in procurement) but empower a legislatively-influenced board to circumvent the governor's actual *power* over procurement. To put it differently: If all a state agency has to do is convince the Procurement Review Panel to second guess a procurement decision by the executive, then the governor would have all the accountability without having all the responsibility.

Board of Economic Advisors

Real reform: The chairman of the BEA should be appointed by the governor with advice and consent of the Senate.

The House amendment: The House bill puts the BEA under an agency – the Revenue and Fiscal Affairs Office – that's overseen by the state's budget-writing committees. But as we've **pointed out before**, there's an inherent conflict of interest in making the person responsible for telling the legislature how much it can spend accountable to the legislators who are doing the spending.

In conclusion, what we have is another lackluster half-measure that largely ignores the real point of restructuring. To repeat: Restructuring should be about concentrating accountability and diffusing authority, not about reshuffling some state agencies and claiming it'll be more "efficient." Maybe if lawmakers formed their proposals in the open – and actually listened to the people who actually pay for government – they might understand the distinction a little better.