



# North Dakota Legislative Council

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## GOVERNMENT EFFICIENCY INITIATIVES AND PROPOSALS IN OTHER STATES

This memorandum provides information regarding recent government efficiency initiatives and proposals in select other states.

### ALABAMA

In 2019, the Alabama Legislature created the Commission on the Evaluation of Services for the purpose of advising the legislature and the Governor regarding the evaluation of service, including evidence-based policymaking in the state. The commission is comprised of 14 commissioners, including 6 legislators, 1 legislative staff member, and 7 individuals appointed by the Governor.

The commission employs seven staff members, including a director, assistant director, and policy, research, and data analysts, to perform evaluations of state programs. The evaluations are to focus on strengthening accountability and transparency, maximizing the value of state resources, expanding innovative programs, improving the efficiency and effectiveness of government operations, determining whether expenditures are producing desired results, promoting continuous improvement, and determining whether policy alternatives could improve operations.

### HAWAII

The Hawaii State Legislature considered House Bill No. 487 (2025) ([Appendix A](#)) that would have required the use of an artificial intelligence (AI) tool to identify state statutes and regulations that are obsolete, duplicative, or inconsistent with statute or other regulations. The bill was introduced but not approved by committee for a vote of the full House of Representatives.

### INDIANA

The Indiana General Assembly enacted Senate Bill No. 5 (2025) ([Appendix B](#)) to allow state agencies to use AI software to prepare budget information and projections. The bill requires:

- Quarterly reports be provided to the Budget Committee that details the requests submitted by state agencies for new federal funds or to participate in a new federal program.
- State agencies may not immediately accept an award of new federal funds in certain circumstances or participate in a new federal program before a report has been reviewed by the Budget Committee.
- State agencies are required to provide the state comptroller with a contract for inclusion for the Indiana transparency website not later than 30 days after the contract is fully executed.
- Permanent full-time positions which have been vacant for 90 days or more be reviewed and either reauthorized or eliminated by the budget director.
- The budget director provide a quarterly report to the Governor's Office regarding those positions that were reauthorized or eliminated by the budget director in the preceding 3 months.
- State agencies to provide quarterly reports to the budget committee regarding the state agency's active contracts.

- Funds appropriated to a state agency for expenses related to a contract that are unused after the end of the contract term be canceled and returned to the fund of origin.
- The Department of Administration develop certain contract language to be included in state contracts of \$500,000 or more.
- The Office of the Secretary of Family and Social Services and the Office of Medicaid Policy and Planning to review monthly reports on the Medicaid program service utilization to identify trends and risks within the state Medicaid program, post publicly on the Office of the Secretary of Family and Social Service's website monthly financial reports or expenditures and revenues for each state Medicaid program, and submit a quarterly report to the Budget Committee.

### MISSISSIPPI

The Mississippi Legislature considered Senate Bill No. 2443 (2025) ([Appendix C](#)) that would have created a technology innovation fund to be administered by the Mississippi Department of Information Technology Services to be used for the development and deployment of innovative technological solutions, including AI, blockchain, data analytics, and cloud computing tools that enhance the efficiency, transparency, and responsiveness of government services. The department would have been required to use the fund to encourage public-private partnerships in the development and deployment of innovative technologies, ensure equitable access to technological innovations that can benefit underserved communities and regions, and enhance cybersecurity to protect the integrity of state digital infrastructure. This bill passed the Senate but not the House of Representatives.

### NEW HAMPSHIRE

In January 2025, New Hampshire Governor Kelly Ayotte signed Executive Order 2025-01 ([Appendix D](#)) to create the Governor's Commission on Government Efficiency, which is a 15-member commission consisting of 13 members appointed by the Governor, 1 member of the Senate appointed by the President of the Senate, and 1 member of the House Representatives appointed by the Speaker of the House.

The commission is required to develop proposals to streamline government, reduce inefficient spending, and find the most efficient ways to serve the people of New Hampshire, especially the most vulnerable citizens. The commission is required to submit proposals to the Governor to improve efficiency and effectiveness of state government. The commission's website allows members of the public to provide ideas to increase efficiency and effectiveness in state government.

### NEW MEXICO

In 1999, the New Mexico Legislature enacted the Accountability in Government Act for the purpose of providing more cost-effective and responsive government services by using the state budget process, defined outputs, and outcomes and performance measures to annually evaluate the performance of state government programs.

Prior to June 15 of each year, the Budget Division of the Department of Finance and Administration is required to develop instructions for the development of performance measures for evaluating approved programs.

Prior to July 15 of each year, each agency is required to submit a report of proposed program changes to the Budget Division and the Legislative Finance Committee. The division, in consultation with the committee and the agency, is required to review the requested changes, make any necessary revisions, and issue approval or disapproval within 30 days of receiving the report.

To facilitate review of agency performance, the committee staff developed a dashboard report to add emphasis and clarity in the reporting process and focus budget discussions on evidence-based initiatives and programming, which has helped the legislature in policy and budget decisionmaking. The Legislative Finance Committee holds hearings to receive performance reports from staff and invites agencies to present their plans for improvement.

New Mexico Code Section 6-3A-8 ([Appendix E](#)) provides the Governor's proposed budget and the committee's budget recommendation must include the following for each agency:

- A budget recommendation for each approved program.
- A summary, including outputs and outcomes, of each approved program.
- Performance measures and performance targets for each approved program.
- An evaluation of the performance of each approved program.
- Any other criteria considered relevant by the Governor or the committee.

The division, in consultation with the committee, is required to select agencies and specify performance measures for those agencies that must be reported to the division and committee on a quarterly basis.

### **NEW YORK**

The New York State Legislature considered Bill No. A07611 (2025) ([Appendix F](#)), also known as the New York State Digital Government Modernization Act, that would create a digital government modernization initiative, including a pilot program that uses AI-powered virtual assistants for motor vehicle services, tax payments and filings, business licensing and permits, and public assistance and benefits, such as Medicaid, supplemental nutrition assistance program (SNAP), and home energy assistance program.

The Office of Digital Government Modernization would provide reports on the pilot program to the Governor, majority and minority leaders of the Senate, and the speaker and minority leader of the Assembly. As of August 2025, the status of the bill is "held for consideration in governmental operations."

### **NORTH CAROLINA**

The North Carolina General Assembly approved Senate Bill No. 474 (2025) ([Appendix G](#)), also known as the North Carolina Division of Accountability, Value, and Efficiency Act, which requires the North Carolina Office of the State Auditor to establish a Division of Accountability, Value, and Efficiency to assess the continued need for each state agency and whether budget reductions are necessary. The bill allows the newly created division to use AI to examine state agency budgets and spending, including whether the money spent has been effective in achieving intended purposes.

In gathering and assessing relevant information, the Division may consult with the Joint Legislative Commission on Governmental Operations. By October 1, 2025, every state agency is required to provide a report to the Division on how the agency utilizes public funds to execute its powers and duties under law and to provide a description of all positions that have been vacant for six months or more. The Division may require state agencies to submit a report with additional agency and budget information and must provide reports to the North Carolina General Assembly.

The statutes establishing the Division expire on December 31, 2028.

### **OKLAHOMA**

In February 2025, Oklahoma Governor Kevin Stitt signed executive order 2025-04 ([Appendix H](#)) to create the Oklahoma Division of Government Efficiency, also known as "DOGE-OK" within the Office of Management and Enterprise Services to identify and recommend ways to eliminate wasteful government spending and review agency budgets. The division has the authority to review and report on agency budgets and to ensure funds are expended in a manner consistent with the purpose stated by the Oklahoma State Legislature and that funds are delivering a return on investment for Oklahoma taxpayers. Each agency is required to designate an employee within the agency to serve as a DOGE-OK coordinator. The goal of the division is to make Oklahoma a top-10 state for business.

The division is led by a chief advisor, appointed by the Governor, who must be a member of the Oklahoma business community. The chief advisor is empowered to collaborate with all state agencies, state officials, and existing state initiatives, and serves without compensation.

The division's first report of findings and recommendations was submitted on March 31, 2025. The report included recommended budget reductions for Oklahoma State Department of Health grant programs and an evaluation of statewide agency budget data and history. Budget savings realized by agency are included on the DOGE-OK website.

## PENNSYLVANIA

The General Assembly of Pennsylvania considered Senate Bill No. 462 (2025) ([Appendix I](#)), also known as the Transparency, Reform, and Accountability for Pennsylvania Act, that would have established an Office of Government Efficiency to adopt logical, quantitative, and qualitative rules to determine whether an existing statute or regulation is unreasonable, unduly burdensome, detrimental to economic well-being, duplicative, onerous, defective, or in conflict with another statute or regulation.

The office would have been required to identify statutes and regulations that may be appropriate for legislative and executive agency modification, revision, or repeal, and provide a report on the findings to the General Assembly and the Governor by June 30 of each year. The most recent legislative action listed for the bill was a referral to the Senate Intergovernmental Operations Committee in March 2025.

## TENNESSEE

In 2013, the Tennessee General Assembly passed the Tennessee Governmental Accountability Act to create a system of strategic planning, program performance measures, and performance audits to measure the effectiveness and efficiency of government services. The Customer Focused Government state agency manages the annual strategic planning process, which includes quarterly meetings with each state agency to monitor progress on each strategic plan and the posting of public-facing goals and initiatives to make Tennessee state government more transparent for the public.

## TEXAS

The Texas Legislature approved House Bill No. 149 (2025) ([Appendix J](#)), also known as the Texas Responsible Artificial Intelligence Governance Act, to create the Texas Artificial Intelligence Council within the Department of Information Resources. The council is required to:

- Ensure AI systems are ethical, developed in the public's best interest.
- Identify existing laws and regulations that impede innovation and recommend appropriate reforms.
- Analyze opportunities to improve the efficiency and effectiveness of state government operations through AI.
- Make recommendations to state agencies regarding the use of AI.
- Offer guidance and recommendations to the Texas Legislature on ethical and legal use of AI systems.
- Study and publish on the current regulatory environment of AI systems.

The Texas Legislature also approved Senate Bill No. 14 (2025) ([Appendix K](#)), to create a Texas Regulatory Efficiency Office within the Office of the Governor. The office is required to:

- Identify and expand opportunities for implementing efficiencies for state agencies.
- Assist state agencies in identifying unnecessary and ineffective rules and opportunities to repeal or amend rules to provide effective protection to the public with the least cost and inconvenience to regulated individuals.
- Improve public access to information regarding state agency rules, forms, and filings.

- Create an interactive website for use by the public to search and obtain information regarding rules, forms, and filings applicable to specific regulated occupations, industries, professions, and activities.

The office may establish the Texas Regulatory Efficiency Advisory Panel to serve as an advisory panel to the Governor's office. The Governor may give priority to individuals with experience in state agency rules and the rulemaking process, including expertise in regulatory research, compliance, cost and impact analysis, and related law and procedure, when appointing individuals to the panel. Members of the panel serve without compensation but may be reimbursed for actual and necessary expenses incurred in performing official duties, as approved by the office.

## UTAH

The Utah State Legislature approved House Bill No. 326 (2021) ([Appendix L](#)), to modify state government performance reporting and efficiency requirements, including providing the Governor's Office of Planning and Budget (formerly the Governor's Office of Management and Budget) and the Office of Legislative Fiscal Analyst develop an information system to collect, track, and publish agency performance measures to identify inefficient government programs and processes.

Each state agency is required to develop performance measures to be included in an appropriations act each fiscal year and by October 1 of each year, provide the Governor's Office of Planning and Budget and the Office of Legislative Fiscal Analyst recommendations for legislative changes to the agency's previously adopted performance measures for the next fiscal year and a report of the final status of the agency's performance measures including the appropriations act for the previous fiscal year. The Office of the Legislative Fiscal Analyst is required to report relevant performance measure information to the Executive Appropriations Committee and as needed, appropriation subcommittees.

In Senate Bill No. 296 (2023) ([Appendix M](#)), the Utah State Legislature further modified state government performance reporting and efficiency requirements to require the Governor's Office of Planning and Budget to create a list of funding items passed by the legislature within 21 days of adjournment of the legislative session and to review at least 20 percent of the performance measures for each state agency to ensure every performance measure is reviewed at least once every 5 years. The Governor's Office of Planning and Budget is required to report relevant performance measure information to the Governor. The Office of the Legislative Fiscal Analyst is required to review the performance measures on a schedule that aligns with the appropriation subcommittee's accountable budget process describe in legislative rule.

The Office of the Legislative Auditor General is required to independently review the results of each efficiency evaluation conducted by the Governor's Office of Planning and Budget and the Office of Legislative Fiscal Analyst to determine whether the executive agency has implemented recommendations from the evaluation. A copy of the review must be submitted to the Governor's Office of Planning and Budget and the Office of the Legislative Fiscal Analyst.

## VERMONT

The Vermont General Assembly previously appointed a legislative Government Accountability Committee to recommend mechanisms for state government to be more forward-thinking, strategic, and responsive to the long-term needs of citizens of Vermont. The committee was required to:

- Review statutory mandates for public services that may be duplicative.
- Review the legislative process for creating and eliminating programs and make recommendations for process enhancements that support greater long-range planning and responsiveness.
- Recommend strategies and tools that permit all branches of state government to prioritize the investment of federal, state, and local resources in programs that respond to the needs of the citizens of Vermont in a collaborative, cost-effective, and efficient manner. Functions that are not critical to a state agency's mission could be recommended for combination or elimination.

- Determine data-based program-level performance measures that demonstrate program results have been adopted for the programs in each state agency.
- Determine whether each state agency is taking actions to achieve population-level outcomes that are relevant to that agency.
- Ensure each agency's program-level performance measures are transparent and readily accessible to the public through electronic publication.
- Assess whether and how the State of Vermont should provide funds to nonprofit organizations, including whether grants to or contracts with nonprofit organizations should require results-based accountability.

The committee consisted of four members of the Senate appointed by the Committee on Committees and four members of the House of Representatives appointed by the Speaker of the House. A member from the Senate and a member of the House served as co-chairmen. The committee was required to provide an annual report by January 15 regarding its activities and recommendations to the Vermont General Assembly. The committee was repealed in 2023.

### WASHINGTON

The Washington State Legislature considered Senate Bill No. 5146 (2025) ([Appendix N](#)), to create a government efficiency portal to be administered by the Secretary of the Senate and the Chief Clerk of the House of Representatives that would provide state employees and members of the public the ability to identify state government services that are delivered in a duplicative, wasteful, or inefficient manner.

The bill provided any state employee that submitted suggestions for remediating duplication, waste, or inefficiency in the delivery of state services through the government efficiency portal that are implemented and result in net savings or revenue are eligible for cash awards under the existing employee suggestion program established Revised Code of Washington Section 41.60.041.

The bill was referred to the State Government, Tribal Affairs, and Elections Committee but was not reported out of committee.

ATTACH:14