
SUBSTITUTE HOUSE BILL 2890

State of Washington

55th Legislature

1998 Regular Session

By House Committee on Transportation Policy & Budget (originally sponsored by Representatives Mitchell, Fisher, K. Schmidt, Radcliff, Cairnes, Zellinsky, Backlund, Skinner, Chandler, Robertson, DeBolt, Sterk, Romero, Gardner, Hankins, Constantine, Mielke, Wood, McCune, Sherstad, Ogden, O'Brien, Linville, Cooke, Cooper, Boldt, Lambert, Tokuda, Anderson, Dickerson, Thompson and Conway)

Read first time 02/04/98. Referred to Committee on .

1 AN ACT Relating to performance budgeting for transportation
2 agencies; adding a new section to chapter 43.88 RCW; adding a new
3 chapter to Title 47 RCW; and creating new sections.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** TITLE. This act may be known and cited as
6 the transportation efficiency and accountability act.

7 NEW SECTION. **Sec. 2.** INTENT. It is the intent of the legislature
8 to ensure efficiency and accountability for transportation agencies'
9 programs and activities. Performance budgeting requires investment
10 choices that are based on anticipated results and outcomes.

11 This chapter capitalizes upon activities performed by the
12 transportation agencies: Strategic planning, performance measure
13 establishment, quality initiatives, performance reporting, and
14 participation in the transportation executive information system.

15 The objective of this chapter is to require the department of
16 licensing, department of transportation, and Washington state patrol to
17 submit performance-based budgets for the 2001-2003 biennium to the
18 governor and the legislature. The use of performance budgeting

1 provides the opportunity to prioritize and focus transportation
2 revenues on programs that maximize the value of the public's
3 transportation resources and revenues. This chapter provides the
4 framework for the citizens of the state to more fully benefit from the
5 transportation programs and their goals, objectives, and effectiveness.

6 NEW SECTION. **Sec. 3.** PERFORMANCE BUDGET DEVELOPMENT. The
7 transportation agencies, in cooperation with the office of financial
8 management and the legislative transportation committee, shall
9 implement a performance budgeting process that provides a measurable
10 link between agency objectives, service levels, and budget. The
11 agencies shall also develop indicators of performance, stated in terms
12 of expected results, to measure the agencies' progress in achieving the
13 agencies' goals.

14 NEW SECTION. **Sec. 4.** STRATEGIC PLAN. The transportation agencies
15 shall submit a strategic plan with their agency request budgets. At a
16 minimum, the strategic plan must include a six-year outlook and
17 operational and strategic components that serve as a focus for agency
18 operations. The operational component shall define and clarify the
19 agency mission, provide the basis for budget development, and outline
20 the agency's goals. The strategic component shall define and clarify
21 the agency vision and outline the agency goals and strategies.

22 NEW SECTION. **Sec. 5.** PERFORMANCE MEASURE ESTABLISHMENT. The
23 agencies shall establish performance indicators that measure activities
24 and associated goals and strategies in the strategic plan. The
25 agencies shall also provide a preferred level of performance over the
26 next six years. Among other indicators, the satisfaction of the
27 consumers of the agencies' services shall be considered. The agencies
28 shall establish performance measures for the activities of each
29 program.

30 NEW SECTION. **Sec. 6.** PROGRAM AUTHORIZATION REVIEW. (1) The
31 legislative transportation committee, the office of financial
32 management, and the transportation agencies shall establish the means
33 of conducting program authorization reviews of all transportation
34 programs. The reviews shall include:

1 (a) An agency self-assessment to judge the quality and usefulness
2 of:

3 (i) The agency's long-term strategic program goals;

4 (ii) Program priorities and objectives;

5 (iii) Activities necessary to achieve program priorities and
6 objectives;

7 (iv) Service level criteria for the necessary activities;

8 (v) Best practices by other states as a possible benchmark of the
9 performance of their programs; and

10 (vi) Service level criteria, as measured against different funding
11 levels;

12 (b) A review of the agency self-assessment and a report to the
13 legislature;

14 (c) A report which recommends whether to retain, eliminate, or
15 modify funding and related statutory references for the agency. The
16 parties conducting the review shall consider: (i) Whether the agency
17 performance measurements adequately measure the agency goals; (ii)
18 whether the program performs efficiently and effectively, including
19 comparisons with other jurisdictions, if applicable; (iii) whether
20 there are other cost-effective alternative methods of accomplishing the
21 program's mission; and (iv) whether there are any funds saved by the
22 agency's performance.

23 (2) The legislature will propose a six-year program evaluation
24 schedule.

25 NEW SECTION. **Sec. 7.** IMPLEMENTATION SCHEDULE. The transportation
26 agencies shall each designate a program to test the effectiveness of
27 performance-based budgeting for the 1999-2001 budget submittal period
28 and biennium as a phase-in of full performance-based budgeting by 2001-
29 2003.

30 NEW SECTION. **Sec. 8.** ACTIVITY INVENTORY. Each agency shall
31 submit a program list to the legislative transportation committee and
32 the office of financial management at the end of each fiscal year. The
33 list must describe the functions of the program, the fund sources for
34 the program, and the number of full-time equivalents. Each agency
35 shall consider the name of each program to ensure that the name is
36 clear and understandable to a lay person.

1 NEW SECTION. **Sec. 9.** PROGRAM LEVEL BUDGET REQUESTS. The
2 transportation agencies shall develop agency biennial budget requests
3 at the agency budget program level, rather than the object level, and
4 submit their biennial and supplemental budget requests to the office of
5 financial management via a common budget system beginning July 1, 1998.

6 NEW SECTION. **Sec. 10.** TRANSPORTATION EXECUTIVE INFORMATION
7 SYSTEM. The agencies shall input monthly their financial information
8 and quarterly program performance measurements into the transportation
9 executive information system and other systems as required by the
10 office of financial management. There is no requirement to submit a
11 monthly hard copy report to the legislature.

12 NEW SECTION. **Sec. 11.** CURRENT ACTIVITIES. This act does not
13 require an agency to develop a new strategic plan, performance
14 measures, or management quality initiatives in place of current
15 activities that substantively meet the intent of this act.

16 NEW SECTION. **Sec. 12.** Section captions used in this act are not
17 part of the law.

18 NEW SECTION. **Sec. 13.** Sections 1 through 6 and 8 through 11 of
19 this act constitute a new chapter in Title 47 RCW.

20 NEW SECTION. **Sec. 14.** A new section is added to chapter 43.88 RCW
21 to read as follows:

22 SUBMITTAL OF AGENCY BUDGETS. Notwithstanding RCW 43.88.030, the
23 transportation agencies are exempt from providing agency-request
24 budgets with tabulations showing expenditures classified by object.

--- END ---