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# BILL ANALYSIS

## **State Government Committee**

### **ESHB** 1517

**Brief Description:** Establishing quality management programs.

**Sponsors:** House Committee on State Government (originally sponsored by Representatives Miloscia, Anderson, Dunshee, Jarrett, Hunt, Keiser, Lambert, Ruderman, Rockefeller, Fromhold, Schindler, Boldt, Kenney, Simpson, Barlean, Tokuda and Dickerson).

### **Brief Summary of Engrossed Substitute Bill**

 Requires each state agency and both houses of the Legislature, and encourages the Supreme Court and local governments, to develop and implement a quality management program to improve quality, efficiency, and effectiveness through business process redesign, employee involvement, and other quality management techniques.

**Hearing Date:** 1/18/02

**Staff:** Marsha Reilly (786-7135).

#### **Background:**

The Governor issued Executive Order 97-03 in 1997 requiring all agencies to develop and implement programs to improve the quality, efficiency, and effectiveness of public services they provide using quality improvement business process redesign, employee involvement, and other quality improvement techniques. Quality improvement plans were required to be submitted to the Governor by no later than July 1, 1997. Each agency is required to make quarterly reports on its programs.

The Governor's Council on Service Improvement and Performance was established to advise the Governor on quality improvements. Membership on the council includes representatives from business, labor, media, and higher education communities, along with members of the Governor's executive cabinet.

#### **Summary of Bill:**

Many of the provisions of Executive Order 97-03, relating to quality improvement programs, are placed into statute. Efforts taken under this statutory program are to be integrated with

quality management programs undertaken under an executive order or other authority.

Every state executive agency, including associated departments, divisions, boards, and commissions, institutions of higher education, must develop and implement a quality management program by June 30, 2002, to improve the quality, efficiency, and effectiveness of the public services it provides using business process redesign, employee involvement, and other quality management techniques. Agencies are to engage front line employees in the program and provide employees with training necessary for successful implementation. Each program shall:

- · Identify immediate-term and near-term opportunities to improve services and reduce costs:
- · Identify goals and use strategic business planning and performance measures to establish priorities and measure progress toward meeting them, including performance measures assessing consumer satisfaction and agency progress toward accomplishing outcomes specified in its budget;
- · Report the results of its quality management program, including improved outcomes for public service and efficiency, on a regular basis;
- · Evaluate the results of its quality, service, and management improvement programs and assess program effects; and
- Develop a plan for quality improvement that documents efforts that have been made.

State executive agencies under the supervision of the Governor report program results to the Governor; state agencies under elected executive officials other than the Governor report program results to the appropriate executive official.

Beginning in 2004 and at least once every three years thereafter, state agencies or their subdivision, or both, must apply for the governor's Washington state quality award program, or equivalent. Every subdivision of a state agency with three thousand or more full-time equivalent employees must complete an application once in each five-year period.

Both houses of the Legislature must develop and implement quality improvement programs by June 30, 2003. Results are reported to the leadership of each major political party caucus within its house.

The Supreme Court is encouraged to develop and implement a quality improvement program for the judicial branch of government by June 30, 2003, but the results are to be reported to the chief justice. The programs may be implemented directly by the court or may be delegated to the Administrator for the Courts.

Local governments are encouraged to develop and implement quality management programs by June 30, 2002.

**Rulemaking Authority:** No express authority.

**Appropriation:** None.

Fiscal Note: Available.

**Effective Date:** Ninety days after adjournment of session in which bill is passed. However, the bill is null and void unless funded in the budget.

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