
Transportation Committee

HB 1121

Brief Description: Implementing performance audits of transportation-related agencies.

Sponsors: Representatives Wallace, Clibborn, Murray and Romero.

Brief Summary of Bill

- Creates subcommittee within JLARC to conduct performance audits of DOT.
- Performance audits of other transportation-related agencies will be conducted in future biennia.

Hearing Date: 1/20/03

Staff: Jeff Doyle (786-7322).

Background:

The State Auditor's office regularly audits state and local government agencies. These fiscal audits focus on accounting controls and statutory compliance. Performance audits, on the other hand, focus on the operational effectiveness and efficiency of an organization or program. These audits are most typically conducted through the Joint Legislative Audit and Review Committee (JLARC) at the direction of the legislature. Neither the State Auditor nor JLARC conduct regular scheduled performance audits of agencies.

Since 1991 there have been eight performance audits performed (seven since 1998) on the three major transportation-related agencies: Department of Licensing (DOL), Washington State Patrol (WSP) and the Department of Transportation (DOT). All of the performance audits had recommendations to improve the efficiency and effectiveness of the agency and/or programs. Many (but not all) of the recommendations were implemented.

Most recently, there have been initiatives or referenda that required some form of performance auditing of transportation agencies. Referendum 51 contained provisions requiring a new citizen board to analyze and report on the expenditures and progress of new transportation projects that were to be funded with the new taxes proposed in that measure. Initiative 745 would have required (among other things) the State Auditor to conduct

transportation performance audits. Proposed Initiative 257 would have required the State Auditor to conduct performance audits of all state agencies.

There is no current legal mandate for regular performance auditing of transportation-related agencies.

Summary of Bill:

A statutory Transportation Review and Audit Committee (TRAC) is created within the JLARC to conduct on-going performance audits of transportation-related agencies. There are eight legislators appointed to TRAC, with equal representation from the four caucuses. The chairpersons and ranking minority members of the House and Senate Transportation Committees must comprise four of the eight appointments to TRAC. The other members are appointed by the Speaker of the House and the President of the Senate.

For the next two years, TRAC is directed to focus their performance audits on the projects, programs, services and administration of the Department of Transportation. Thereafter, TRAC is directed to extend its performance auditing to include other transportation-related agencies and providers.

Upon completion of its audit, TRAC must forward the audit findings and final recommendations to the Governor and the Legislature, who must publish the results and make the audit report available to the public.

JLARC is authorized to retain professional staff or to contract out for professional expertise as necessary to support the audit responsibilities of TRAC.

Appropriation: None.

Fiscal Note: Requested on January 16, 2003.

Effective Date: Ninety days after adjournment of session in which bill is passed.