
Appropriations Committee

HB 3080

Brief Description: Focusing the state budgeting process on outcomes and priorities.

Sponsors: Representatives Linville and Rockefeller.

Brief Summary of Bill

- Agency objectives must focus on data that measure whether the agency is achieving or making progress toward the purpose of the program.
- For agencies headed by gubernatorial appointees, OFM will conduct quarterly performance reviews of selected agencies.
- For agencies headed by commissions or separately elected officials, the commission or official will conduct quarterly performance reviews of that agency.
- The Governor's operating budget document must contain proposals to remedy or improve programs that are determined to be underachieving or inefficient as determined by the analysis of agency goals, objectives, and outcomes.

Hearing Date: 2/9/04

Staff: Dave Johnson (786-7154).

Background:

The Budget and Accounting Act establishes the framework for the development, implementation and monitoring of the state budget.

Agency Objectives

For the purpose of assessing program performance, each state agency is required to establish program objectives for each major program in its budget. The objectives must be expressed to the extent practicable in outcome-based, objective, and measurable form.

Performance Monitoring

Each state agency is also required to adopt procedures for continuous self-assessment of each program and activity, using the mission, goals, objectives, and measurements of the agency.

Agency Budget Requests

Budget proposals made by agencies must be directly linked to the agency's stated mission, program goals and objectives. Consistent with this policy, agency budget proposals must include integration of performance measures that allow objective determination of a program's success in achieving its goals.

Governor's Budget Proposal

The Budget and Accounting Act establishes various requirements for the budget documents that the Governor must submit to the Legislature before each regular session. The required documents include the Governor's budget message, which explains the budget and outlines proposed fiscal policies for the period covered by the budget; the budget bill and other supporting information.

Summary of Bill:

Findings & Intent

The Legislature finds that the incorporation of agency missions, goals, and objectives into the state budgeting process has not produced a sufficient focus on outcomes, as opposed to mere outputs. The intent of the Legislature is to refocus the state budgeting process on whether state agencies are producing real results that reflect the purposes of statutory programs.

Agency Objectives

Objectives must specifically address the substantive purpose of the program and focus on data that measure whether the agency is achieving or making progress toward the purpose of the program. Objectives that merely list output or similar statistics are presumptively insufficient.

Performance Monitoring

The requirement for each state agency to adopt procedures for continuous self-assessment of each program and activity, using the mission, goals, objectives of the agency is removed.

Instead, for agencies headed by gubernatorial appointees, the Office of Financial Management must conduct quarterly reviews of selected agencies to analyze whether the objectives and measurements submitted by agencies demonstrate progress toward the agencies' mission and goals.

For agencies headed by commissions or separately elected officials, the commission or official must conduct quarterly reviews to analyze whether the objectives and measurements submitted by the agency demonstrate progress toward the agencies' mission and goals.

Agency Budget Requests

When the quarterly performance review or other analysis determines that an agency is making insufficient progress toward the goals of any particular program or is otherwise underachieving or inefficient, the agency's budget request must contain proposals to remedy or improve the program.

In reviewing agency budget requests to prepare the Governor's budget request, the Office of Financial Management will consider the extent to which the agency's objectives demonstrate progress toward the agency's mission and goals, along with any specific performance review. If the agency's objectives demonstrate that the agency is making insufficient progress toward the goals of any particular program or is otherwise underachieving or inefficient, the Office of Financial Management shall propose remedies or improvements.

Governor's Budget Proposal

The Governor's operating budget document or documents must reflect agency goals, objectives, and outcomes. The Governor's operating budget document or documents must contain proposals to remedy or improve programs that are determined to be underachieving or inefficient as determined by the analysis of agency goals, objectives, and outcomes.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.