

HOUSE BILL REPORT

HB 2699

As Reported by House Committee On:
State Government & Tribal Affairs

Title: An act relating to improving government.

Brief Description: Regarding an annual assessment and performance grading program.

Sponsors: Representatives Miloscia and Green.

Brief History:

Committee Activity:

State Government & Tribal Affairs: 1/26/10, 2/2/10 [DP].

Brief Summary of Bill

- Directs the State Auditor to develop and conduct an assessment and performance grading program of all state agencies.

HOUSE COMMITTEE ON STATE GOVERNMENT & TRIBAL AFFAIRS

Majority Report: Do pass. Signed by 6 members: Representatives Hunt, Chair; Appleton, Vice Chair; Armstrong, Ranking Minority Member; Flannigan, Hurst and Miloscia.

Minority Report: Do not pass. Signed by 2 members: Representatives Alexander and Taylor.

Staff: Pam Madson (786-7111).

Background:

A number of programs have been established to improve government efficiency and accountability.

As part of the Budget and Accounting Act, agencies must determine activities that meet the Governor's statewide priorities, evaluate those activities, and include in an agency's budget proposal ways to remedy or improve programs that are underachieving or inefficient. The biennial document must describe performance indicators that demonstrate measurable

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progress towards priority results and identify any activities that are not addressing the statewide priorities.

Agencies are required to establish a quality management, accountability, and performance system that includes strategic business planning involving stakeholders and customers. They must also include clear and relevant performance measures, evaluation and improvement in program performance, and goal setting for employees. Agencies must assess their performance annually and the Governor must report to citizens annually.

State agencies are required to apply once every three years to the Washington State Quality Award or similar organization for an assessment of the agency's quality management, accountability, and performance system. This requirement is suspended until 2012.

By executive order, the Governor has directed agencies to develop clear, relevant, and easy-to-understand measures that show whether or not programs are successful. Agencies are to gather, monitor and analyze program data and evaluate the effectiveness of programs. This activity is known as Government Management, Accountability, and Performance (GMAP).

In 2005 voters approved Initiative 900 authorizing the State Auditor (Auditor) to conduct performance audits of any state agency, local government, or public education agency or institution. Funding for these audits is provided through a dedicated portion of the existing state sales tax (0.16 percent). The Joint Legislative Audit and Review Committee (JLARC) must hold public hearings before audits are released and must report on the implementation of any State Auditor (Auditor) recommendations for legislative action.

The JLARC conducts performance audits, program evaluations, sunset reviews, and other analyses of state agencies and agency programs.

Summary of Bill:

The Auditor must establish and conduct an assessment and performance grading program of all state agencies. Areas to be assessed include quality management, productivity and fiscal efficiency, program effectiveness, contract management and oversight, internal audit, internal and external customer satisfaction, statutory and regulatory compliance, and technology systems and on-line services.

In establishing the grading system, the Auditor must consult with elected officials and front line agency employees, and professionals with a background in performance management.

The results of the assessment and grading program will be submitted to the Governor, the Office of Financial Management, the appropriate legislative committees, and the public by December 15 of each year. Results will be posted on the Internet.

The assessment and grading program is funded from the dedicated portion of the sales and use tax directed for use by the Auditor to conduct performance audits.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed, except section 3 which reinstates prior law related to state retail sales tax after a scheduled expiration and takes effect January 1, 2011.

Staff Summary of Public Testimony:

(In support) The Legislature passed this approach four years ago and we're going to try it again. Agencies are required to do assessments. This scorecard assessment will do a lot to bring back trust and public confidence in government here in Washington.

(Opposed) None.

Persons Testifying: Representative Miloscia, prime sponsor.

Persons Signed In To Testify But Not Testifying: None.