

SHB 2029 - H AMD 476

By Representative Pike

NOT CONSIDERED

1 On page 50, after line 26, insert the following:

2

3 NEW SECTION. **Sec. 122.** A new section is added to chapter 43.31
4 RCW to read as follows:

5 (1) It is the intent of the legislature to provide improved means
6 of review by which to evaluate budget requests from the department of
7 commerce. The legislature therefore establishes a zero-base budget
8 review process for the department of commerce to help the legislature
9 and the governor establish priorities in the expenditure of public
10 resources for state programs and services.

11 (2) The definitions in this section apply to sections 122 through
12 124 of this act unless the context clearly requires otherwise.

13 (a) "Review" means a zero-based budget review.

14 (b) "Department" means the department of commerce, or successor
15 agency.

16 (c) "Zero-base budget review" means a written document prepared by
17 the office of financial management that contains an analysis of the
18 budget and the programmatic and fiscal basis of the department. A
19 zero-base budget review shall undertake this analysis without regard
20 to the department's past and current incremental funding.

21 (d) "Program" means a group of departmental services designed to
22 accomplish specific public goals and result in specific public
23 benefits.

24

25 NEW SECTION. **Sec. 123.** A new section is added to chapter 43.31
26 RCW to read as follows:

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1 (1) The legislature recognizes that it is imperative that the
2 reviews of the department be conducted on an on-going basis.

3 (2) The office of financial management shall review the department
4 each biennium, and the review must be provided to the appropriate
5 policy and fiscal committees of the legislature no later than August
6 31st following the biennium in which the review has been conducted.

7 (3) When conducting the review, the office of financial management
8 shall consult with the joint legislative audit and review committee
9 and the state auditor. The review is intended to complement, and not
10 to duplicate, performance audits and performance reviews conducted by
11 the joint legislative audit and review committee or the state auditor.

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13 NEW SECTION. Sec. 124. A new section is added to chapter 43.31
14 RCW to read as follows:

15 A zero-base budget review of the department shall include, but is
16 not limited to, the following:

17 (1) An analysis of the quantified objectives of each program
18 within the department;

19 (2) An analysis of the activities that are intended to accomplish
20 these objectives;

21 (3) Indicators of quantified measures of effectiveness and
22 efficiency of achievement of these objectives;

23 (4) The level of funding and full-time equivalent staff required
24 to accomplish each activity, without regard to past incremental or
25 total budgeted levels of funding; and

26 (5) If requested by legislation that specifies a review based on
27 alternate levels of funding for the department, an analysis of the
28 departmental budget at those different levels of funding."

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30 Renumber the remaining sections consecutively and correct any
31 internal references accordingly. Correct the title.

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EFFECT: Directs the Office of Financial Management (OFM) to

zero-base the budget for the Department of Commerce (Department) each biennium. The OFM shall report to the fiscal committees of the Legislature no later than August 31 following the biennium for which the zero-base review has been completed. The zero-base budget review shall include an analysis of the quantified objectives of each program, an analysis of the activities intended to accomplish these objectives, indicators of quantified measures of effectiveness and efficiency of achievement of objectives, the level of funding and full-time equivalent staff required for each activity regardless of past incremental or total budgeted levels of funding, and if requested by legislation, an analysis of the departmental budget at those different levels of funding.

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