

# SENATE BILL REPORT

## SB 6424

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As Reported by Senate Committee On:  
Accountability & Reform, February 3, 2016

**Title:** An act relating to annual self-assessments performed by state agencies under the quality management statute.

**Brief Description:** Expanding the subjects to be covered in annual self-assessments performed by state agencies under the quality management statute and requiring the results of such assessments to be conveyed to the legislature.

**Sponsors:** Senators Miloscia, Braun, Schoesler, Brown and Roach.

**Brief History:**

**Committee Activity:** Accountability & Reform: 1/27/16, 2/03/16 [DP-WM].

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### SENATE COMMITTEE ON ACCOUNTABILITY & REFORM

**Majority Report:** Do pass and be referred to Committee on Ways & Means.  
Signed by Senators Miloscia, Chair; Padden, Vice Chair; Dansel.

**Staff:** Karen Barrett (786-7413)

**Background:** The 2005 Legislature established that management of State agencies should be governed by a nationally recognized integrated and interdisciplinary system of measures, tools and reports to improve organizational performance. This law is referred to in shorthand as the quality management statute. It can be found within Chapter 43.17 of the Revised Code of Washington (RCW) and standards articulated therein apply to every department, commission, bureau, division, institution, college, university, and all executive branch offices with one exception - the State agriculture commission codified under Title 15 RCW. Yearly self-assessments should be occurring in ways that support the governor's issuance of an annual report to citizens on the performance of state agency programs. This statute specifies what elements should be reported by the governor. There are seven broad categories:

- agency quality management systems;
- fiscal efficiency;
- process efficiency;
- asset management;
- personnel management;
- statutory and regulatory compliance; and

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- management of technology systems.

Not less than once every three years, agencies must present their own self-assessment systems to an independent organization to validate effect, secure feedback, and recognize best practices where that is occurring across state government.

**Summary of Bill:** The subjects to be covered in the Governor's annual report under the quality management statute are expanded to include lawsuit payments, leadership, regulatory efficiency, transparency, ethics, worker death or injury, and client death or injury. The Governor is directed to rank order performance of state agencies in these broad categories. Client, ethics, and transparency are defined for purposes of this amendment. Agency self-evaluations must be reported to the Legislature; and for purposes of said reporting, large agency is defined so that semi-autonomous operating division, branch, or institution are differentiated when reporting on quality management, performance, and accountability systems in place. The state auditor is directed to review implementation of the Governor's report, as amended, every two years. The standards articulated in the quality management statute for agencies of state government would become mandatory and not, as stated presently, subject to available funds.

**Appropriation:** None

**Fiscal Note:** Requested on January 19, 2016.

**Committee/Commission/Task Force Created:** No.

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

**Staff Summary of Public Testimony:** PRO: The "within available funds" prose has been interpreted by agencies as an optional directive.

CON: According to the Office of Financial Management, the ability of agencies to manage the requirement within available funds is critical prose to retain.

OTHER: The university has questions about implementation of this proposal. Would lawmakers need self-assessments for all three campuses or something more granular from state higher education institutions?

**Persons Testifying:** PRO: Senator Miloscia, prime sponsor.

CON: Scott Merriman, OFM.

OTHER: Genesse Adkins, UW.

**Persons Signed In To Testify But Not Testifying:** No one.