

# SENATE BILL REPORT

## SHB 1517

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As Reported By Senate Committee On:  
State & Local Government, March 28, 2001  
Ways & Means, April 2, 2001

**Title:** An act relating to quality improvement.

**Brief Description:** Establishing quality management programs.

**Sponsors:** By House Committee on State Government (originally sponsored by Representatives Miloscia, Anderson, Dunshee, Jarrett, Hunt, Keiser, Lambert, Ruderman, Rockefeller, Fromhold, Schindler, Boldt, Kenney, Simpson, Barlean, Tokuda and Dickerson).

**Brief History:**

**Committee Activity:** State & Local Government: 3/22/01, 3/28/01 [DPA].  
Ways & Means: 4/2/01 [DPA].

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### SENATE COMMITTEE ON STATE & LOCAL GOVERNMENT

**Majority Report:** Do pass as amended.

Signed by Senators Patterson, Chair; Fairley, Vice Chair; Gardner, Hale, Haugen, Horn, Kline, McCaslin, Roach, T. Sheldon and Swecker.

**Staff:** Eugene Green (786-7405)

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### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** Do pass as amended.

Signed by Senators Brown, Chair; Constantine, Vice Chair; Fraser, Hewitt, Honeyford, Kline, Kohl-Welles, Long, Parlette, Rasmussen, Regala, Roach, Rossi, Sheahan, B. Sheldon, Snyder, Spanel, Thibaudeau and Winsley.

**Staff:** Erin Hannan (786-7708)

**Background:** The Governor issued Executive Order 97-03 in 1997 requiring all agencies to develop and implement programs to improve the quality, efficiency, and effectiveness of public services they provide using quality improvement, business process redesign, employee involvement, and other quality improvement techniques. Quality improvement plans were required to be submitted to the Governor by no later than July 1, 1997. Each agency is required to make quarterly reports on its programs.

The Governor's Council on Service Improvement and Performance was established to advise the Governor on quality improvements. Membership on the council includes representatives from business, labor, media, and higher education communities, along with members of the Governor's executive cabinet.

**Summary of Ways & Means Amended Bill:** Many of the provisions of Executive Order 97-03, relating to quality improvement programs, are placed into statute. Efforts taken under this statutory program are to be integrated with quality management programs undertaken under an executive order or other authority.

Within available funds, every state executive agency must develop and implement a quality management program to improve the quality, efficiency, and effectiveness of the public services it provides using business process redesign, employee involvement, and other quality management techniques. Each agency must ensure that its quality management program:

- identifies immediate-term and near-term opportunities to improve services and reduce costs;
- identifies goals and uses strategic business planning and performance measures to establish priorities and measure progress toward meeting them, including performance measures assessing consumer satisfaction and agency progress toward accomplishing outcomes specified in its budget;
- reports the results of its quality management program on a quarterly basis;
- evaluates the results of its quality, service, and management improvement programs and assesses program effects; and
- develops a plan for quality improvement that documents efforts that have been made.

State agencies under the supervision of the Governor must report program results regularly to the Governor. State executive agencies under elected executive officials other than the Governor report program results to this executive official regularly.

Each state executive agency must develop and implement a complete quality management program by June 30, 2002. Institutions of higher education may defer development and implementation until June 30, 2004.

Starting in 2004 and at least once every three years thereafter, state executive agencies or their subdivisions must apply for the Governor's Washington State Quality Award Program or equivalent program for potential recognition.

Both houses of the Legislature must develop and implement similar quality improvement programs by June 30, 2003, but the results are to be reported to the leadership of each major political party caucus in its house.

The Supreme Court is encouraged to develop and implement similar quality improvement programs for the judicial branch of government by June 30, 2003, but the results are to be reported to the Chief Justice. The programs may be implemented directly by the court or may be delegated to the Administrator for the Courts.

Local governments are encouraged to develop and implement quality management programs.

**Ways & Means Amended Bill Compared to State & Local Government Bill:** Agency fiscal obligations are limited to within available funds.

**Amended Bill Compared to Substitute Bill:** The amended bill defers the development and implementation of quality management programs by institutions of higher education until June 30, 2004.

**Appropriation:** None.

**Fiscal Note:** Available.

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

**Testimony For:** We want to make sure that our state agencies are as responsive and productive as possible. The Legislature should take the lead in this. The Governor's Executive Order only applies to cabinet agencies. This bill applies to all agencies.

**Testimony Against:** None.

**Testified:** Representative Miloscia, prime sponsor.