

SENATE BILL REPORT

ESHB 1367

As of March 19, 2003

Title: An act relating to government accountability.

Brief Description: Authorizing the legislative accountability board to conduct expanded performance measure reviews.

Sponsors: House Committee on State Government (originally sponsored by Representatives Rockefeller, Alexander, Morris, Jarrett, Conway, Murray, Clibborn, Kenney, Wallace, McIntire, Anderson, Upthegrove, Berkey, Campbell, Kagi, McDermott, Darneille, Wood, Hudgins, Simpson and Ruderman).

Brief History:

Committee Activity: Government Operations & Elections: 3/21/03.

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

Staff: Mac Nicholson (786-7445)

Background: The Joint Legislative Audit and Review Committee (JLARC) has 16 members; eight senators and eight representatives, with four from each caucus of each chamber. During odd-year regular legislative sessions, JLARC develops a 16 to 24 month performance audit work plan and conducts performance audits and other reviews as required by the work plan and legislative mandates. As necessary, JLARC may consult or contract with private or other public experts to conduct the performance audits, and involve front-line employees and internal auditors as much as possible.

Upon completion of the audit, JLARC must publish a final performance audit report and distribute it to the agency, the Office of Financial Management (OFM), the appropriate standing committees of the Legislature, and the public. Subsequently, JLARC can produce a preliminary compliance report detailing the agency's compliance with the committee's recommendations, hold hearings and receive public testimony, and issue a final compliance report.

Summary of Bill: The name of JLARC is changed to the Legislative Accountability Board. In developing the performance audit work plan, the board must consult with the chairs and staff of appropriate legislative committees, the State Auditor, and the director of OFM. In conducting the performance audits, the board must solicit input from appropriate representatives and experts in the field that is the subject of the audit. In order to minimize operational costs, the board is instructed to use qualified public and private resources and entities when appropriate and feasible, or when staff resources are insufficient. As part of a performance audit, the board is directed to make recommendations regarding the continuation, abolition, consolidation, or reorganization of audited agencies, departments or programs.

The board is also required to conduct performance measure reviews of selected state agencies and departments based on a five-year work plan adopted by the board. Performance measure reviews are independent evaluations of how an agency uses its performance measures (key indicators used to measure program results against agreed upon program goals or standards) to assess the outcomes of activities authorized by the Legislature. The purpose of the reviews is to ensure that the Legislature has a way to adequately and accurately assess the performance and outcomes of an agency. Completed performance reviews must be presented to the agency, OFM, the board, the appropriate standing committees of the Legislature, and the public.

After reviewing the performance measure review, the legislative auditor must publicly recommend whether a full performance audit of the reviewed agency or department is appropriate. The board must solicit input from the public at a subsequent hearing to decide whether and how to proceed with a full performance audit. If the board decides that a full performance audit is appropriate, the board shall add the audit to its biennial performance audit work plan.

The board must review and re-approve its rules every two years. The board, the legislative auditor, and the board staff must undergo a performance audit every three years, with the first to be completed by June 30, 2004.

Appropriation: None.

Fiscal Note: Available.

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