## **2SHB 1970** - S COMM AMD

By Committee on Government Operations & Elections

## ADOPTED 04/12/2005

1 Strike everything after the enacting clause and insert the 2 following:

## 3 "NEW SECTION. Sec. 1. The legislature finds that:

- 4 (1) Citizens demand and deserve accountability of public programs 5 and activities. Public programs must continuously improve 6 accountability and performance reporting in order to increase public 7 trust.
- 8 (2) Washington state government agencies must continuously improve 9 their management and performance so citizens receive maximum value for 10 their tax dollars.
- 11 (3) The application of best practices in performance management has 12 improved results and accountability in many Washington state agencies 13 and other jurisdictions.
- 14 (4) All Washington state agencies must develop a performance-based 15 culture that can better demonstrate accountability and achievement.
- NEW SECTION. Sec. 2. A new section is added to chapter 43.17 RCW to read as follows:

As used in sections 3 and 4 of this act:

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- 19 (1) "State agency" or "agency" means a state agency, department, 20 office, officer, board, commission, bureau, division, institution, or 21 institution of higher education, and all offices of executive branch 22 state government-elected officials, except agricultural commissions 23 under Title 15 RCW.
- (2) "Quality management, accountability, and performance system"
  means a nationally recognized integrated, interdisciplinary system of
  measures, tools, and reports used to improve the performance of a work
  unit or organization.

NEW SECTION. **Sec. 3.** A new section is added to chapter 43.17 RCW to read as follows:

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- (1) Each state agency shall, within available funds, develop and implement a quality management, accountability, and performance system to improve the public services it provides.
- (2) Each agency shall ensure that managers and staff at all levels, including those who directly deliver services, are engaged in the system and shall provide managers and staff with the training necessary for successful implementation.
- (3) Each agency shall, within available funds, ensure that its quality management, accountability, and performance system:
- (a) Uses strategic business planning to establish goals, objectives, and activities consistent with the priorities of government, as provided in statute;
- 15 (b) Engages stakeholders and customers in establishing service 16 requirements and improving service delivery systems;
- 17 (c) Includes clear, relevant, and easy-to-understand measures for each activity;
  - (d) Gathers, monitors, and analyzes activity data;
  - (e) Uses the data to evaluate the effectiveness of programs to manage process performance, improve efficiency, and reduce costs;
  - (f) Establishes performance goals and expectations for employees that reflect the organization's objectives; and provides for regular assessments of employee performance;
  - (g) Uses activity measures to report progress toward agency objectives to the agency director at least quarterly;
  - (h) Where performance is not meeting intended objectives, holds regular problem-solving sessions to develop and implement a plan for addressing gaps; and
    - (i) Allocates resources based on strategies to improve performance.
- 31 (4) Each agency shall conduct a yearly assessment of its quality 32 management, accountability, and performance system.
  - (5) State agencies whose chief executives are appointed by the governor shall report to the governor on agency performance at least quarterly. The reports shall be included on the agencies', the governor's, and the office of financial management's web sites.
- 37 (6) The governor shall report annually to citizens on the

- performance of state agency programs. The governor's report shall
  include:
- 3 (a) Progress made toward the priorities of government as a result 4 of agency activities; and
  - (b) Improvements in agency quality management systems, fiscal efficiency, process efficiency, asset management, personnel management, statutory and regulatory compliance, and management of technology systems.
- 9 (7) Each state agency shall integrate efforts made under this 10 section with other management, accountability, and performance systems 11 undertaken under executive order or other authority.
- 12 <u>NEW SECTION.</u> **Sec. 4.** A new section is added to chapter 43.17 RCW 13 to read as follows:

Starting no later than 2008, and at least once every three years 14 15 thereafter, each agency shall apply to the Washington state quality 16 award, or similar organization, for an independent assessment of its 17 quality management, accountability, and performance system. assessment shall evaluate the effectiveness of all elements of its 18 19 management, accountability, and performance system, including: Leadership, strategic planning, customer focus, analysis 20 21 information, employee performance management, and process improvement.

- The purpose of the assessment is to recognize best practice and identify improvement opportunities.
- NEW SECTION. Sec. 5. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2005, in the omnibus appropriations act, this act is null and void."

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On page 1, line 2 of the title, after "performance;" strike the

- 1 remainder of the title and insert "adding new sections to chapter 43.17
- 2 RCW; and creating new sections."

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