
Appropriations Committee

HB 1834

Brief Description: Using performance measures for budgeting decisions.

Sponsors: Representatives McIntire, Anderson, Kessler, Conway, Fromhold, Clements, Kagi, Linville, Jarrett, Hunter, Tom, Hinkle, Upthegrove, Kilmer, Wood and Santos.

Brief Summary of Bill

- Requires state agencies to establish performance measures for each major activity in their budget.
- Directs the Office of Financial Management to submit proposed priority measurements to the Legislature. A process is established for the Legislature to review these measures that includes both fiscal and policy committees.
- Requires the House of Representatives and the Senate to adopt priority performance measures by concurrent resolution before taking executive action on the operating and transportation budgets.
- Requires the Legislative Evaluation and Accountability Program committee to compile and validate a data base of priority performance measurement data, including historical information.

Hearing Date: 2/22/05

Staff: Charlie Gavigan (786-7340).

Background:

The Budget and Accounting Act establishes the framework for the development, implementation and monitoring of the state budget.

For the purpose of assessing program performance, each state agency is required to establish program objectives for each major program in its budget. The objectives must be expressed to the extent practicable in outcome-based, objective, and measurable form. Each state agency is also required to adopt procedures for continuous self-assessment of each program and activity, using the mission, goals, objectives, and measurements of the agency.

Budget proposals made by agencies must be directly linked to the agency's stated mission, program goals, and objectives. Consistent with this policy, agency budget proposals must include

integration of performance measures that allow objective determination of a program's success in achieving its goals. The Budget and Accounting Act establishes various requirements for the budget documents that the Governor must submit to the Legislature before each regular session. The required documents include: the Governor's budget message, which explains the budget and outlines proposed fiscal policies for the period covered by the budget; the budget bill; and other supporting information. The requirement to submit a level of budget detail referred to as activity level has been suspended in recent biennia.

Summary of Bill:

State agencies are required to establish performance measures, rather than program objectives, for each major activity in their budget. Across all of state government, the number of measures submitted should total between 100 and 200.

The Office of Financial Management (OFM) is directed to submit proposed priority measurements to the Legislature. A process is established for the Legislature to review these measures that includes both fiscal and policy committees. The House of Representatives and the Senate must adopt priority performance measures by concurrent resolution before taking executive action on the operating and transportation budgets.

The Legislative Evaluation and Accountability Program (LEAP) committee is required to compile and validate a data base of priority performance measurement data, including historical information. The OFM is required to submit certain data to LEAP for that purpose.

The Governor's budget document must also include a list of all performance measures, priority performance measures, and any new or revised priority performance measures being proposed by the Governor.

An obsolete provision requiring a report to the Legislature by September 30, 1996, is eliminated. A reference to the now obsolete Legislative Committee on Performance Review is replaced with a reference to the LEAP committee.

Appropriation: None.

Fiscal Note: Requested on February 21, 2005.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.