
SENATE BILL 5278

State of Washington 64th Legislature 2015 Regular Session

By Senators Miloscia, Jayapal, Hill, Keiser, and Chase

Read first time 01/16/15. Referred to Committee on Accountability and Reform.

1 AN ACT Relating to legislative oversight of state agency
2 performance; and amending RCW 43.88.090.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 43.88.090 and 2012 c 229 s 587 are each amended to
5 read as follows:

6 (1) For purposes of developing budget proposals to the
7 legislature, the governor shall have the power, and it shall be the
8 governor's duty, to require from proper agency officials such
9 detailed estimates and other information in such form and at such
10 times as the governor shall direct. The governor shall communicate
11 statewide priorities to agencies for use in developing biennial
12 budget recommendations for their agency and shall seek public
13 involvement and input on these priorities. The estimates for the
14 legislature and the judiciary shall be transmitted to the governor
15 and shall be included in the budget without revision. The estimates
16 for state pension contributions shall be based on the rates provided
17 in chapter 41.45 RCW. Copies of all such estimates shall be
18 transmitted to the standing committees on ways and means of the house
19 and senate at the same time as they are filed with the governor and
20 the office of financial management.

1 The estimates shall include statements or tables which indicate,
2 by agency, the state funds which are required for the receipt of
3 federal matching revenues. The estimates shall be revised as
4 necessary to reflect legislative enactments and adopted
5 appropriations and shall be included with the initial biennial
6 allotment submitted under RCW 43.88.110. The estimates must reflect
7 that the agency considered any alternatives to reduce costs or
8 improve service delivery identified in the findings of a performance
9 audit of the agency by the joint legislative audit and review
10 committee. Nothing in this subsection requires performance audit
11 findings to be published as part of the budget.

12 (2) Each state agency shall define its mission and establish
13 measurable goals for achieving desirable results for those who
14 receive its services and the taxpayers who pay for those services.
15 Each agency shall also develop clear strategies and timelines to
16 achieve its goals. This section does not require an agency to develop
17 a new mission or goals in place of identifiable missions or goals
18 that meet the intent of this section. The mission and goals of each
19 agency must conform to statutory direction and limitations.

20 (3) For the purpose of assessing activity performance, each state
21 agency shall establish quality and productivity objectives for each
22 major activity in its budget. The objectives must be consistent with
23 the missions and goals developed under this section. The objectives
24 must be expressed to the extent practicable in outcome-based,
25 objective, and measurable form unless an exception to adopt a
26 different standard is granted by the office of financial management
27 and approved by the legislative committee on performance review.
28 Objectives must specifically address the statutory purpose or intent
29 of the program or activity and focus on data that measure whether the
30 agency is achieving or making progress toward the purpose of the
31 activity and toward statewide priorities. The office of financial
32 management shall provide necessary professional and technical
33 assistance to assist state agencies in the development of strategic
34 plans that include the mission of the agency and its programs,
35 measurable goals, strategies, and performance measurement systems.

36 (4) Each state agency shall adopt procedures for and perform
37 continuous self-assessment of each activity, using the mission,
38 goals, objectives, and measurements required under subsections (2)
39 and (3) of this section. The assessment of the activity must also
40 include an evaluation of major information technology systems or

1 projects that may assist the agency in achieving or making progress
2 toward the activity purpose and statewide priorities. The evaluation
3 of proposed major information technology systems or projects shall be
4 in accordance with the standards and policies established by the
5 information services board. Agencies' progress toward the mission,
6 goals, objectives, and measurements required by subsections (2) and
7 (3) of this section is subject to review as set forth in this
8 subsection.

9 (a) The office of financial management shall regularly conduct
10 reviews of selected activities to analyze whether the objectives and
11 measurements submitted by agencies demonstrate progress toward
12 statewide results and report its analysis, including pertinent
13 performance measures, to legislative fiscal committees.

14 (b) The office of financial management shall consult with: (i)
15 The four-year institutions of higher education in those reviews that
16 involve four-year institutions of higher education; and (ii) the
17 state board for community and technical colleges in those reviews
18 that involve two-year institutions of higher education.

19 (c) The goal is for all major activities to receive at least one
20 review each year.

21 (d) The office of financial management shall consult with the
22 information services board when conducting reviews of major
23 information technology systems in use by state agencies. The goal is
24 that reviews of these information technology systems occur
25 periodically.

26 (5) It is the policy of the legislature that each agency's budget
27 recommendations must be directly linked to the agency's stated
28 mission and program, quality, and productivity goals and objectives.
29 Consistent with this policy, agency budget proposals must include
30 integration of performance measures that allow objective
31 determination of an activity's success in achieving its goals. When a
32 review under subsection (4) of this section or other analysis
33 determines that the agency's objectives demonstrate that the agency
34 is making insufficient progress toward the goals of any particular
35 program or is otherwise underachieving or inefficient, the agency's
36 budget request shall contain proposals to remedy or improve the
37 selected programs. The office of financial management shall develop a
38 plan to merge the budget development process with agency performance
39 assessment procedures. The plan must include a schedule to integrate
40 agency strategic plans and performance measures into agency budget

1 requests and the governor's budget proposal over three fiscal
2 biennia. The plan must identify those agencies that will implement
3 the revised budget process in the 1997-1999 biennium, the 1999-2001
4 biennium, and the 2001-2003 biennium. In consultation with the
5 legislative fiscal committees, the office of financial management
6 shall recommend statutory and procedural modifications to the state's
7 budget, accounting, and reporting systems to facilitate the
8 performance assessment procedures and the merger of those procedures
9 with the state budget process. The plan and recommended statutory and
10 procedural modifications must be submitted to the legislative fiscal
11 committees by September 30, 1996.

12 (6) In reviewing agency budget requests in order to prepare the
13 governor's biennial budget request, the office of financial
14 management shall consider the extent to which the agency's activities
15 demonstrate progress toward the statewide budgeting priorities, along
16 with any specific review conducted under subsection (4) of this
17 section and report its analysis, including pertinent performance
18 measures, to legislative fiscal committees.

19 (7) In the year of the gubernatorial election, the governor shall
20 invite the governor-elect or the governor-elect's designee to attend
21 all hearings provided in RCW 43.88.100; and the governor shall
22 furnish the governor-elect or the governor-elect's designee with such
23 information as will enable the governor-elect or the governor-elect's
24 designee to gain an understanding of the state's budget requirements.
25 The governor-elect or the governor-elect's designee may ask such
26 questions during the hearings and require such information as the
27 governor-elect or the governor-elect's designee deems necessary and
28 may make recommendations in connection with any item of the budget
29 which, with the governor-elect's reasons therefor, shall be presented
30 to the legislature in writing with the budget document. Copies of all
31 such estimates and other required information shall also be submitted
32 to the standing committees on ways and means of the house and senate.

--- END ---