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HOUSE BILL 2524

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State of Washington                      59th Legislature                      2006 Regular Session

By Representatives Nixon, Rodne and Talcott

Read first time 01/10/2006.                      Referred to Committee on State Government Operations & Accountability.

1            AN ACT Relating to performance and outcome measure reviews;  
2 amending RCW 43.09.435; adding new sections to chapter 43.06 RCW;  
3 recodifying RCW 43.09.435 and 43.09.460; and repealing RCW 43.09.430,  
4 43.09.440, 43.09.445, 43.09.450, 43.09.455, 43.09.460, 43.88.162, and  
5 2.56.200.

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

7            **Sec. 1.** RCW 43.09.435 and 2005 c 385 s 3 are each amended to read  
8 as follows:

9            (1) The citizen advisory board is created to improve efficiency,  
10 effectiveness, and accountability in state government.

11            (2) The board shall consist of ten members as follows:

12            (a) One member shall be the state auditor or his or her designee,  
13 who shall be a nonvoting member;

14            (b) One member shall be the legislative auditor or his or her  
15 designee, who shall be a nonvoting member;

16            (c) One member shall be the director of the office of financial  
17 management or his or her designee, who shall be a nonvoting member;

18            (d) Four of the members shall be selected by the governor as  
19 follows: Each major caucus of the house of representatives and the

1 senate shall submit a list of three names. The lists may not include  
2 the names of members of the legislature or employees of the state. The  
3 governor shall select a person from each list provided by each caucus;  
4 and

5 (e) The governor shall select three citizen members who are not  
6 state employees.

7 (3) The board shall elect a chair. The legislative auditor, the  
8 state auditor, and the director of the office of financial management  
9 may not serve as chair.

10 (4) Appointees shall be individuals who have a basic understanding  
11 of state government operations with knowledge and expertise in  
12 performance management, quality management, strategic planning,  
13 performance assessments, or closely related fields.

14 (5) Members selected under subsection (2)(d) and (e) of this  
15 section shall serve for terms of four years, with the terms expiring on  
16 June 30th on the fourth year of the term. However, in the case of the  
17 initial members, two members shall serve four-year terms, two members  
18 shall serve three-year terms, and one member shall serve a two-year  
19 term, with each of the terms expiring on June 30th of the applicable  
20 year. Appointees may be reappointed to serve more than one term.

21 (6) The office of the state auditor shall provide clerical,  
22 technical, and management personnel to the board to serve as the  
23 board's staff.

24 (7) The board shall meet at least once a quarter and may hold  
25 additional meetings at the call of the chair or by a majority vote of  
26 the members of the board.

27 (8) The members of the board shall be compensated in accordance  
28 with RCW 43.03.220 and reimbursed for travel expenses in accordance  
29 with RCW 43.03.050 and 43.03.060.

30 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.06 RCW  
31 to read as follows:

32 (1) The citizen advisory board shall advise the governor regarding  
33 agency performance and outcome measures.

34 (2) The board shall develop a schedule and common methodology for  
35 conducting ongoing performance and outcome measure reviews of all state  
36 agencies and programs. The reviews shall include, but not be limited  
37 to, the following:

1 (a) Determining whether the performance and outcome measures are  
2 consistent with legislative mandates, strategic plans, mission  
3 statements, and goals and objectives;

4 (b) Examining how agency management uses the measures to manage  
5 resources in an efficient and effective manner;

6 (c) Assessing how performance benchmarks are established for the  
7 purpose of assessing overall performance compared to external standards  
8 and benchmarks;

9 (d) Examining how an analysis of the measurement data is used to  
10 make planning and operational improvements;

11 (e) Determining how performance and outcome measures are used in  
12 the budget planning, development, and allotment processes;

13 (f) Reviewing how performance data are reported to and used by the  
14 legislature;

15 (g) Assessing whether the performance measure data are reliable and  
16 collected in a uniform and timely manner; and

17 (h) Making recommendations as necessary.

18 (3) The board may contract for the performance reviews with private  
19 entities or with the joint legislative audit and review committee.

20 (4) The board shall solicit comments on preliminary performance and  
21 outcome measure reviews from the reviewed agency. Those comments must  
22 be included in the final report. Final reports on performance and  
23 outcome measure reviews shall be submitted to the governor, the joint  
24 legislative audit and review committee, the state auditor, the  
25 appropriate committees of the legislature, and the public. Final  
26 reports must be posted on the internet.

27 (5) Based on the results of a performance and outcome measure  
28 review, the board may recommend to the governor, the joint legislative  
29 audit and review committee, and the state auditor that a full  
30 performance audit of an agency be undertaken.

31 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.06 RCW  
32 to read as follows:

33 An agency reviewed under RCW 43.09.435 (as recodified by this act)  
34 is responsible for any follow-up and corrective action identified in  
35 the review. The reviewed agency must submit a plan for addressing any  
36 findings and recommendations identified in the final report. The plan  
37 shall include the name of the contact person responsible for each

1 action, the action planned, and the anticipated completion date. If  
2 the reviewed agency does not agree with the findings and  
3 recommendations or believes action is not required, then the action  
4 plan must include an explanation and specific reasons.

5 NEW SECTION. **Sec. 4.** RCW 43.09.435 and 43.09.460 are recodified  
6 as new sections in chapter 43.06 RCW.

7 NEW SECTION. **Sec. 5.** The following acts or parts of acts are each  
8 repealed:

9 (1) RCW 43.09.430 (Performance audits--Definitions) and 2005 c 385  
10 s 2;

11 (2) RCW 43.09.440 (Performance audits--Collaboration with joint  
12 legislative audit and review committee--Criteria--Statewide performance  
13 review--Contracting out--Release of audit reports) and 2005 c 385 s 5;

14 (3) RCW 43.09.445 (Performance audits--Local jurisdictions) and  
15 2005 c 385 s 6;

16 (4) RCW 43.09.450 (Performance audits--Audit of performance audit  
17 program) and 2005 c 385 s 8;

18 (5) RCW 43.09.455 (Performance audits--Follow-up and corrective  
19 action--Progress reports) and 2005 c 385 s 9;

20 (6) RCW 43.09.460 (Performance audits--Appropriation--Budget  
21 request) and 2005 c 385 s 11;

22 (7) RCW 43.88.162 (State auditor's powers and duties--Performance  
23 audits) and 2005 c 385 s 7; and

24 (8) RCW 2.56.200 (Performance audits) and 2005 c 385 s 10.

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