

CERTIFICATION OF ENROLLMENT
SECOND SUBSTITUTE HOUSE BILL 1970

Chapter 384, Laws of 2005

59th Legislature
2005 Regular Session

GOVERNMENT ACCOUNTABILITY

EFFECTIVE DATE: 7/24/05

Passed by the House April 20, 2005
Yeas 66 Nays 31

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 12, 2005
Yeas 46 Nays 0

BRAD OWEN

President of the Senate

Approved May 11, 2005.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SECOND SUBSTITUTE HOUSE BILL 1970** as passed by the House of Representatives and the Senate on the dates hereon set forth.

RICHARD NAFZIGER

Chief Clerk

FILED

May 11, 2005 - 9:07 a.m.

**Secretary of State
State of Washington**

SECOND SUBSTITUTE HOUSE BILL 1970

AS AMENDED BY THE SENATE

Passed Legislature - 2005 Regular Session

State of Washington 59th Legislature 2005 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives P. Sullivan, Springer, Miloscia, Upthegrove, Morrell, Haigh, O'Brien, Linville and Takko; by request of Governor Gregoire)

READ FIRST TIME 03/07/05.

1 AN ACT Relating to improving government management, accountability,
2 and performance; adding new sections to chapter 43.17 RCW; and creating
3 new sections.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that:

6 (1) Citizens demand and deserve accountability of public programs
7 and activities. Public programs must continuously improve
8 accountability and performance reporting in order to increase public
9 trust.

10 (2) Washington state government agencies must continuously improve
11 their management and performance so citizens receive maximum value for
12 their tax dollars.

13 (3) The application of best practices in performance management has
14 improved results and accountability in many Washington state agencies
15 and other jurisdictions.

16 (4) All Washington state agencies must develop a performance-based
17 culture that can better demonstrate accountability and achievement.

1 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.17 RCW
2 to read as follows:

3 As used in sections 3 and 4 of this act:

4 (1) "State agency" or "agency" means a state agency, department,
5 office, officer, board, commission, bureau, division, institution, or
6 institution of higher education, and all offices of executive branch
7 state government-elected officials, except agricultural commissions
8 under Title 15 RCW.

9 (2) "Quality management, accountability, and performance system"
10 means a nationally recognized integrated, interdisciplinary system of
11 measures, tools, and reports used to improve the performance of a work
12 unit or organization.

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

15 (1) Each state agency shall, within available funds, develop and
16 implement a quality management, accountability, and performance system
17 to improve the public services it provides.

18 (2) Each agency shall ensure that managers and staff at all levels,
19 including those who directly deliver services, are engaged in the
20 system and shall provide managers and staff with the training necessary
21 for successful implementation.

22 (3) Each agency shall, within available funds, ensure that its
23 quality management, accountability, and performance system:

24 (a) Uses strategic business planning to establish goals,
25 objectives, and activities consistent with the priorities of
26 government, as provided in statute;

27 (b) Engages stakeholders and customers in establishing service
28 requirements and improving service delivery systems;

29 (c) Includes clear, relevant, and easy-to-understand measures for
30 each activity;

31 (d) Gathers, monitors, and analyzes activity data;

32 (e) Uses the data to evaluate the effectiveness of programs to
33 manage process performance, improve efficiency, and reduce costs;

34 (f) Establishes performance goals and expectations for employees
35 that reflect the organization's objectives; and provides for regular
36 assessments of employee performance;

1 (g) Uses activity measures to report progress toward agency
2 objectives to the agency director at least quarterly;

3 (h) Where performance is not meeting intended objectives, holds
4 regular problem-solving sessions to develop and implement a plan for
5 addressing gaps; and

6 (i) Allocates resources based on strategies to improve performance.

7 (4) Each agency shall conduct a yearly assessment of its quality
8 management, accountability, and performance system.

9 (5) State agencies whose chief executives are appointed by the
10 governor shall report to the governor on agency performance at least
11 quarterly. The reports shall be included on the agencies', the
12 governor's, and the office of financial management's web sites.

13 (6) The governor shall report annually to citizens on the
14 performance of state agency programs. The governor's report shall
15 include:

16 (a) Progress made toward the priorities of government as a result
17 of agency activities; and

18 (b) Improvements in agency quality management systems, fiscal
19 efficiency, process efficiency, asset management, personnel management,
20 statutory and regulatory compliance, and management of technology
21 systems.

22 (7) Each state agency shall integrate efforts made under this
23 section with other management, accountability, and performance systems
24 undertaken under executive order or other authority.

25 NEW SECTION. **Sec. 4.** A new section is added to chapter 43.17 RCW
26 to read as follows:

27 Starting no later than 2008, and at least once every three years
28 thereafter, each agency shall apply to the Washington state quality
29 award, or similar organization, for an independent assessment of its
30 quality management, accountability, and performance system. The
31 assessment shall evaluate the effectiveness of all elements of its
32 management, accountability, and performance system, including:
33 Leadership, strategic planning, customer focus, analysis and
34 information, employee performance management, and process improvement.
35 The purpose of the assessment is to recognize best practice and
36 identify improvement opportunities.

1 NEW SECTION. **Sec. 5.** If specific funding for the purposes of this
2 act, referencing this act by bill or chapter number, is not provided by
3 June 30, 2005, in the omnibus appropriations act, this act is null and
4 void.

 Passed by the House April 20, 2005.

 Passed by the Senate April 12, 2005.

 Approved by the Governor May 11, 2005.

 Filed in Office of Secretary of State May 11, 2005.