

Senate Bill 1039

Sponsored by Senators MORSE, SCHRADER, DECKERT, DEVLIN, WESTLUND, NELSON, AVAKIAN, JOHNSON, VERGER, Representatives JENSON, BURLEY, BERGER, BRUUN; Senators ATKINSON, BEYER, BROWN, BURDICK, COURTNEY, FERRIOLI, G GEORGE, L GEORGE, GORDLY, KRUSE, METSGER, MONNES ANDERSON, MONROE, MORRISETTE, STARR, WALKER, WHITSETT, WINTERS

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Establishes Committee on Performance Excellence. Authorizes committee to enter into performance excellence initiatives with state agencies. Requires committee to make periodic public reports on achievement of performance excellence.

A BILL FOR AN ACT

1
2 Relating to state agency performance excellence.

3 Whereas the state cannot legislate excellence, but can expect it, support it and acknowledge it
4 when it occurs; and

5 Whereas excellence is a passion and when it exists the Legislative Assembly should support it
6 fully; and

7 Whereas the purpose of this legislation is to create a process that will oversee the journey to
8 excellence and will encourage the most vital aspects of Oregon state government to be managed at
9 a world-class level; now, therefore,

10 **Be It Enacted by the People of the State of Oregon:**

11 **SECTION 1. (1) The Committee on Performance Excellence is established. The committee**
12 **shall consist of 11 members, appointed as follows:**

13 **(a) The Speaker of the House of Representatives shall appoint two members of the House**
14 **of Representatives;**

15 **(b) The President of the Senate shall appoint two members of the Senate;**

16 **(c) The Governor shall appoint four employees of the executive department, as defined**
17 **in ORS 174.112, including managers and front line leaders; and**

18 **(d) The Governor shall appoint three public members who have demonstrated experience**
19 **in the practice of continuous improvement in business.**

20 **(2)(a) Except as otherwise provided in paragraph (b) of this subsection, the term of office**
21 **of each member is four years, but a member serves at the pleasure of the appointing au-**
22 **thority. Before the expiration of the term of a member, the appointing authority shall ap-**
23 **point a successor whose term begins on July 1 next following. A member is eligible for**
24 **reappointment. If there is a vacancy for any cause, the appointing authority shall make an**
25 **appointment to become immediately effective for the unexpired term.**

26 **(b) If a legislative member of the committee ceases to be a legislator, the legislator's**
27 **position on the committee becomes vacant. If an executive department member of the com-**
28 **mittee ceases to be an employee of the executive department, the member's position on the**
29 **committee becomes vacant.**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 (3) The committee shall select one of its members as chairperson and another as vice
2 chairperson. The committee may determine the duties and powers of the officers, as well as
3 the terms of office of the officers.

4 (4) A majority of the members of the committee constitutes a quorum for the transaction
5 of business.

6 (5) The committee shall meet at least once every calendar quarter at a place, day and
7 hour determined by the committee. The committee may also meet at other times and places
8 specified by the call of the chairperson or of a majority of the members of the committee.

9 (6) When the committee has selected a state agency for a performance excellence initi-
10 ative, the committee may appoint as ex officio members of the committee the director and
11 any other employees of the agency for the purposes of planning and initial implementation
12 of the initiative.

13 **SECTION 2.** (1) The mission of the Committee on Performance Excellence is to assist
14 state agencies in reaching performance excellence by engaging in performance excellence
15 initiatives with individual agencies.

16 (2)(a) The committee shall focus on the following areas that define performance:

17 (A) Customer and market focus.

18 (B) Human resources.

19 (C) Leadership.

20 (D) Measurement, analysis and knowledge management.

21 (E) Process management.

22 (F) Results.

23 (G) Strategic planning.

24 (b) The committee may focus on other areas that define performance and may give dif-
25 ferent weights to different areas described in this subsection, according to the needs of the
26 particular agency that is a partner in a particular initiative.

27 (c) The committee shall help agencies develop or maintain methods for reaching and
28 measuring performance excellence, including, but not limited to:

29 (A) Setting long-range plans and short-term priorities;

30 (B) Developing performance measures that indicate how well an agency's systems are
31 performing;

32 (C) Working with internal and external customers to identify possible improvements to
33 the agency's systems;

34 (D) Identifying ways to make core processes operate better, faster and at less cost;

35 (E) Creating mechanisms to develop the skills of all agency employees; and

36 (F) Showing measurable results for the investment that taxpayers have made.

37 (3) The committee shall identify those agencies and services that are most important to
38 Oregonians and shall develop criteria for selecting particular agencies and a schedule for
39 engaging in performance excellence initiatives with those agencies. The committee may de-
40 termine how many and what initiatives it can engage in at any given time.

41 (4) As part of any performance excellence initiative, the committee shall support agency
42 efforts to acquire the methods, tools and skills to achieve excellence in each performance
43 area. The support may include, but need not be limited to:

44 (a) Assisting an agency in acquiring services from consultants, training organizations,
45 universities, business executives and other appropriate entities.

1 (b) Advising an agency on how to gain support for financing performance excellence.

2 (c) Helping an agency to identify needs and obtain needed support.

3 (d) Working with an agency to ensure statewide training and development programs that
4 assist the agency in its pursuit of excellence.

5 (e) Acting as a sounding board and advocate to help an agency remove administrative
6 barriers that prevent the agency from achieving performance excellence.

7 **SECTION 3.** When the Committee on Performance Excellence has chosen an agency for
8 participation in a performance excellence initiative:

9 (1) The committee, with any ex officio members from the agency appointed as provided
10 in section 1 (6) of this 2007 Act, shall develop the framework of expectations for that par-
11 ticular agency, including but not limited to:

12 (a) Performance areas to be focused on in the initiative;

13 (b) An indication of what constitutes excellence for the agency in given performance
14 areas; and

15 (c) An indication of how progress will be measured and of how much progress can rea-
16 sonably be expected in a three-year period.

17 (2) Members of the committee shall spend time with agency employees learning about
18 agency operations.

19 (3) The committee shall meet regularly, on a schedule determined by the committee, to
20 review the agency's progress toward excellence. Meetings shall include, but need not be
21 limited to, presentations by agency employees on overall progress and on progress in specific
22 areas of performance that have been identified.

23 (4) The committee and the agency may use the review sessions to continuously refine and
24 improve the methods used by the agency to achieve the goals of the performance excellence
25 initiative.

26 (5) The committee and the agency shall work together to obtain independent, third party
27 assessments of the agency's progress towards meeting the goals of the performance excel-
28 lence initiative. The purpose of the assessment is to enable the agency and the committee
29 to learn whether the goals and methods of the performance excellence initiative are appro-
30 priate or how they might be changed to better help the agency achieve excellence.

31 (6) The committee shall make periodic public reports on achievement of performance
32 excellence. The reports shall be in a form and manner determined by the committee and may
33 include, but need not be limited to, press releases. The reports shall be delivered to the
34 Governor and to each member of the Legislative Assembly and made available to the general
35 public.

36 **SECTION 4.** As used in sections 1 to 5 of this 2007 Act, "state agency" or "agency" has
37 the meaning given that term in ORS 291.002.

38 **SECTION 5.** The Legislative Fiscal Office shall provide administrative support to the
39 Committee on Performance Excellence. The Legislative Fiscal Office may obtain assistance
40 from the Oregon Department of Administrative Services or any other state agency necessary
41 to fully support the activities of the committee.

42 **SECTION 6.** Notwithstanding the term of office specified by section 1 of this 2007 Act,
43 of the members first appointed to the Committee on Performance Excellence:

44 (1) One executive department member and one public member shall each serve for a term
45 ending July 1, 2009.

1 **(2) One House member, one Senate member and one executive department member shall**
2 **each serve for a term ending July 1, 2010.**

3 **(3) One executive department member and one public member shall each serve for a term**
4 **ending July 1, 2011.**

5 **(4) One House member, one Senate member, one executive department member and one**
6 **public member shall each serve for a term ending July 1, 2012.**

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