

REVENUE: No revenue impact
FISCAL: Fiscal statement issued

Action:	Do Pass and Be Referred to the Committee on Ways and Means by Prior Reference
Vote:	5 - 0 - 0
Yeas:	Atkinson, Beyer, Burdick, Ferrioli, Rosenbaum
Nays:	0
Exc.:	0
Prepared By:	Erin Seiler, Administrator
Meeting Dates:	3/31, 4/7

WHAT THE MEASURE DOES: Directs Oregon Department of Administrative Services and Governor to submit continuous improvement level state budget based on performance management and performance measurement techniques. Specifies contents of budget. Allows Joint Committee on Ways and Means, Emergency Board, and Legislative Fiscal Office to review performance management and performance measurement processes for services contracted by state agencies and school districts. Directs Governor and Chief Justice to report to Legislative Assembly on plan to implement continuous improvement strategies. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Current utilization of performance management and key performance measurement in budgeting process
- Alignment of agency goals, priorities, and program activities and agency outcomes
- Performance management cycle
- Oversight of how state revenues are spent
- Implications for school districts
- Current unfilled full-time positions in state agencies

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: In 2008, the Legislative Assembly passed Senate Bill 1099, which established the nine-member Committee on Performance Excellence (CPE) composed of members from the executive, legislative, and judicial branches; unions; and businesses. CPE is charged with creating a “process that will oversee the journey to excellence and encourage the most vital aspects of Oregon state government to be managed at a world class level.” CPE worked with agency directors and legislators to learn more about ways to improve performance excellence in state government and promote improved performance management. In January 2010, CPE produced a report to the Governor, Legislature, and public summarizing the challenges, current initiatives, and requirements to advance state government performance excellence.

Senate Bill 676 was introduced on behalf of CPE and would expand the state budget policy to include the submittal of a continuous improvement level budget based on state agency performance management and performance measurements. Senate Bill 676 specifies that each state agency identify how the agency is addressing performance management and measurement, the number of people served by a program, and the amount expended for each person served by the program. The Governor and Chief Justice will report to the Legislative Assembly on a comprehensive plan that describes continuous improvement strategies including descriptions of performance management and measurement strategies.

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This summary has not been adopted or officially endorsed by action of the committee.