

SENATE BILL NO. 193

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIFTH LEGISLATURE - SECOND SESSION

BY SENATORS DYSON, Bunde, Therriault, Wagoner

Introduced: 1/16/08

Referred: Health, Education and Social Services, State Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the state budget, to performance of state agencies, including the
2 judicial branch, and to missions and desired results to be applied to certain expenditures
3 by state agencies; and providing for an effective date."

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * **Section 1.** AS 37.07.014(a) is amended to read:

6 (a) To carry out its legislative power under art. II, sec. 1, Constitution of the
7 State of Alaska, and to promote results-based government, the legislature shall issue a
8 mission statement for each agency and the desired results the **legislature expects the**
9 agency **to** [SHOULD] achieve **in fulfilling its stated mission**. The legislature may
10 issue a separate mission statement for a subunit of an agency. [A MISSION
11 STATEMENT AND DESIRED RESULTS SHOULD PROMOTE THE EFFICIENT,
12 MEASURED USE OF THE STATE'S RESOURCES.] A mission statement and
13 desired results constitute **the authorized** policy under which an agency shall operate,
14 and, where appropriate, the mission statement may be implemented by statute.

1 * **Sec. 2.** AS 37.07.014(b) is amended to read:

2 (b) The legislature shall provide for a budget review function that **facilitates**
 3 **[PROMOTES]** results-based government. The legislature shall adopt a method of
 4 measuring results for each agency. **Until the legislature adopts a method of**
 5 **measuring results for a particular program or agency activity, the agency shall**
 6 **create the necessary strategies, measures, and targets for that program or activity**
 7 **that meet the requirements of AS 37.07.050 to ensure the program or activity**
 8 **complies with the mission statement and achieves the desired results. The results**
 9 **of strategies, measures, and targets** [MEASUREMENTS] shall be reported semi-
 10 annually by each agency to the legislature. The reports shall be used by the legislature
 11 to evaluate whether the mission and desired results for that agency or subunit of the
 12 agency are **achieving the purposes for which appropriations for use by that**
 13 **agency or subunit were intended** [BEING ACHIEVED].

14 * **Sec. 3.** AS 37.07.014(c) is amended to read:

15 (c) The legislature shall analyze the comprehensive operating and capital
 16 improvements programs and financial plans recommended by the governor. **The**
 17 **legislature shall, when making budgetary decisions, consider the performance of**
 18 **the agency based on the mission statement and desired results and on the**
 19 **achievements of the agency relative to its established targets. When submitting**
 20 **their recommendations on appropriations for an agency, legislative finance**
 21 **subcommittees shall include**

22 **(1) an analysis of the agency's performance relative to its missions**
 23 **and measures;**

24 **(2) a statement of the extent to which the actions of the agency**
 25 **conform to its mission statement;**

26 **(3) an analysis of the agency's progress toward achieving the**
 27 **desired results set for it;**

28 **(4) a statement of actions taken by the agency in response to**
 29 **findings of the most recent audit of its operations;**

30 **(5) recommended statutory or organizational changes necessary to**
 31 **better achieve the agency's mission or accomplish its desired results.**

1 * **Sec. 4.** AS 37.07.014(d) is amended to read:

2 (d) To foster results-based government, to carry out the mission statements,
3 and to obtain desired results, the legislature shall authorize the comprehensive
4 operating and capital improvements programs and financial plans. The legislature shall
5 allocate the state's resources for effective and efficient delivery of public services by

6 (1) clearly identifying desired results;

7 (2) confirming priorities presented by each agency or setting
8 priorities if an agency presentation is not acceptable;

9 (3) assigning accountability; and

10 (4) using methods for measuring, reporting, and evaluating results.

11 * **Sec. 5.** AS 37.07.014(f) is amended to read:

12 (f) To help fulfill the legislature's responsibilities under this section and
13 achieve results-based government, each agency shall

14 (1) allocate resources to achieve the mission and desired results
15 established by the legislature;

16 (2) express desired results established by the legislature and other
17 program results in measurable terms;

18 (3) measure progress towards mission statements and desired results
19 established by the legislature and other results;

20 (4) except as otherwise required by law, start only [PROMOTE]
21 activities consistent with mission statements and desired results established by the
22 legislature [THAT REDUCE OR AVOID FUTURE COSTS];

23 (5) plan for the short-term and the long-term using consistent
24 assumptions for major demographic and other trends; and

25 (6) require accountability at all levels for meeting program mission
26 statements and desired results established by the legislature.

27 * **Sec. 6.** AS 37.07.050(a) is amended to read:

28 (a) The agencies shall establish and maintain [ASSURE THE
29 DEVELOPMENT OF] a statewide system of results-based government designed to
30 increase efficiency and effectiveness of state programs and services. Toward that end,
31 each state agency shall, on a semi-annual basis, report to the legislature on the

1 effectiveness of its statewide system of results-based government. The report
 2 must identify the results-based targets and measures used to achieve the desired
 3 results established by the legislature, analyze the relative success of each strategy
 4 and the actions that were taken to achieve those results, identify actions that
 5 failed to achieve satisfactory progress toward achieving desired results and the
 6 corrective actions that will be taken, provide a narrative analysis discussing why
 7 actions were or were not successful as well as recent or future changes that could
 8 affect the agency's ability to achieve the desired results, and proposed new
 9 strategies and measures that will more effectively achieve the desired results
 10 [IDENTIFY RESULTS-BASED MEASURES THAT HAVE BEEN USED TO
 11 WORK TOWARD ACHIEVEMENT OF THE MISSION STATEMENT AND
 12 DESIRED RESULTS ISSUED BY THE LEGISLATURE AND OF OTHER GOALS
 13 OF THE AGENCY, AND SET OUT THE RESULTS AS MEASURED]. Each state
 14 agency shall also prepare information that shall be compiled and submitted on
 15 December 15 each year to the office, the legislature, and the legislative finance
 16 division. This [; THIS] information must

17 (1) identify the agency mission and desired results established by the
 18 legislature;

19 (2) identify the goals and objectives the agency will use to achieve the
 20 legislature's mission and desired results;

21 (3) set out the results of any user group or employee surveys and, if
 22 the results do not agree with the mission and desired results, goals, and objectives,
 23 explain why;

24 (4) include written, defined methods of measuring results that apply to
 25 the responsibilities, products, and services of the agency;

26 (5) identify and report on the effectiveness of results-based
 27 strategies and measures [THAT HAVE BEEN] used to achieve [WORK TOWARD
 28 ACHIEVEMENT OF] the mission statement and desired results issued by the
 29 legislature and other goals of the agency [AND SET OUT THE RESULTS AS
 30 MEASURED];

31 (6) identify surveys or other methods of gathering user group and

1 **employee** opinions that have been used by the agency to identify ways to improve its
2 programs;

3 (7) identify methods of measuring performance when the mission
4 statement and desired results issued by the legislature involve more than one agency
5 and make recommendations to

6 **(A) eliminate duplication of government functions and waste;**

7 **(B) encourage and improve collaboration by agencies in**
8 **shared functions and accountability to enhance the ability of the state to**
9 **function more effectively and efficiently;**

10 **(C) improve the ability of each agency to achieve its mission**
11 **statement and desired results;**

12 (8) identify ways in which the agency has involved its employees in
13 the development of methods of measuring **and achieving** results, including
14 opportunities for employee representatives to participate in committees established to
15 develop methods of measuring results **and strategies for achieving results;**

16 (9) include the budget requested to carry out the agency's proposed
17 plans in the succeeding fiscal year, including information reflecting the expenditures
18 during the last fiscal year, the expenditures authorized for the current fiscal year, the
19 expenditures proposed for the succeeding fiscal year, an explanation of the services to
20 be provided, the number of total positions for all persons employed **by** or under
21 contract **with** [BY] the agency for personal services including those rendered for
22 capital improvement projects, the need for the services, the cost of the services, and
23 other information requested by the office;

24 (10) include a report of agency receipts during the last fiscal year, an
25 estimate of receipts during the current fiscal year, and an estimate of receipts for the
26 succeeding fiscal year;

27 (11) identify legislation required to implement the proposed programs
28 and financial plans;

29 (12) include an evaluation of the advantages and disadvantages of
30 specific alternatives to existing or proposed agency activities or administrative
31 methods;

1 (13) prioritize the activities of the agency from the most important to
 2 the least important; **in this paragraph, an activity is all or part of a program or**
 3 **function that would be discontinued or would not be started if an appropriation**
 4 **were not available to fund the activity, and it is not the agency, subagency, or**
 5 **other entity that performs the activity;**

6 (14) **for each new budget item, identify the mission and desired**
 7 **results the new item is intended to address; and**

8 (15) **as appropriate, identify other agencies that perform functions**
 9 **that are needed by the reporting agency to accomplish a mission or desired**
 10 **result.**

11 * **Sec. 7.** AS 37.07.050(h) is amended to read:

12 (h) Each agency shall, with participation of its employees, develop methods
 13 for measuring agency results. A group or committee established by an agency to
 14 develop methods of measuring results shall include a representative of each of the
 15 bargaining units that represents employees of the agency. **The agency shall develop**
 16 **targets and measurements for each of the following categories:**

17 (1) **efficiency;**

18 (2) **accessibility to users and other agencies;**

19 (3) **confidentiality and data security;**

20 (4) **timeliness;**

21 (5) **consistency;**

22 (6) **productivity;**

23 (7) **innovation;**

24 (8) **application of technological advancements.**

25 * **Sec. 8.** AS 37 is amended by adding a new chapter to read:

26 **Chapter 40. Operating Budget Expenditures.**

27 **Sec. 37.40.010. Legislative purpose, application, immunity from suit.** (a)

28 The purpose of this chapter is to state the missions and desired results the legislature
 29 expects state agencies to achieve when expending public money appropriated by the
 30 operating budget, to define the measurement criteria to be used in evaluating proposed
 31 expenditures during the budgetary approval process, and to specify a process for

1 identifying improvement targets in conjunction with the appropriation process.

2 (b) This section applies to the departments of the executive branch of state
3 government, the University of Alaska, and the judicial branch.

4 (c) The judicial branch and all departments, divisions, and programs of the
5 executive branch of state government, including the University of Alaska shall be held
6 accountable by the legislature for their actions, including compliance with the
7 recommendations of legislative audits as directed by the legislature.

8 (d) Except as provided in (e) of this section, to the extent that provisions of
9 this chapter conflict with other laws, the other laws control.

10 (e) Notwithstanding other laws, the state and its agents and employees are
11 immune from suit that is based on accomplishing or failing to accomplish a mission or
12 desired result under this chapter, or failure to achieve a target established under those
13 sections.

14 **Sec. 37.40.020. Department of Education and Early Development.** The
15 mission of the Department of Education and Early Development is to provide quality
16 standards-based instruction to improve academic achievement for all students, and to
17 give parents choices for excellent education of their children. The desired results for
18 this department are to

19 (1) increase, by three percent each year, student skills in reading,
20 writing, and mathematics as measured by the statewide comprehensive accountability
21 plan;

22 (2) increase classroom safety and improve student behavior and health
23 according to standards set by school safety, health, and behavior committees; success
24 shall be measured by the availability of standards for each school on the school's
25 website; the names of parents and community members involved in determining the
26 initial standards shall be posted by August 31, 2009;

27 (3) reduce the number of instances of child abuse, including sexual
28 abuse or sexual assault, by ensuring that all staff members report instances of child
29 abuse, sexual abuse, or sexual assault within two hours after becoming aware of them;

30 (4) ensure that all parents have easy and ready access to all sex
31 education materials taught at their children's schools;

1 (5) ensure that all parents are offered clear and easy opportunities, on
2 behalf of their children, to opt out of sex education instruction;

3 (6) ensure that all students, while on school grounds or participating in
4 school events, are free from exposure to pornography;

5 (7) ensure that all school districts maintain the ability to hire any
6 qualified teacher;

7 (8) ensure that all students attend mandatory classes that explain the
8 benefits of sexual abstinence;

9 (9) reduce obesity among students so that, each year, an additional
10 seven percent of students considered obese the previous year are no longer obese;

11 (10) ensure that schools do not provide or sell food or drinks that are
12 known to contribute to obesity or diabetes or are determined by the parents of the
13 community to be unhealthy;

14 (11) increase the number of WWAMI program graduates who return to
15 the state to practice medicine.

16 * **Sec. 9.** This Act takes effect July 1, 2008.