

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 68

BY STATE AFFAIRS COMMITTEE

AN ACT

1 RELATING TO PERFORMANCE EVALUATIONS; AMENDING SECTION 67-457, IDAHO CODE,  
2 TO REVISE PROVISIONS REGARDING THE JOINT LEGISLATIVE OVERSIGHT COM-  
3 MITTEE AND THE OFFICE OF PERFORMANCE EVALUATIONS; REPEALING SECTION  
4 67-458, IDAHO CODE, RELATING TO DEFINITIONS; REPEALING SECTION 67-459,  
5 IDAHO CODE, RELATING TO TERM OF MEMBERSHIP AND ORGANIZATION OF COMMIT-  
6 TEE; REPEALING SECTION 67-460, IDAHO CODE, RELATING TO POWERS OF COM-  
7 MITTEE; REPEALING SECTION 67-461, IDAHO CODE, RELATING TO CONDUCT AND  
8 ISSUANCE OF PERFORMANCE EVALUATION REPORTS; REPEALING SECTION 67-462,  
9 IDAHO CODE, RELATING TO RECORDING TESTIMONY UNDER OATH; REPEALING SEC-  
10 TION 67-463, IDAHO CODE, RELATING TO ASSISTANCE; REPEALING SECTION  
11 67-464, IDAHO CODE, RELATING TO QUORUM; AMENDING SECTION 67-1904, IDAHO  
12 CODE, TO REVISE PROVISIONS REGARDING PERFORMANCE MEASUREMENTS OF STATE  
13 AGENCIES; AND DECLARING AN EMERGENCY.  
14

15 Be It Enacted by the Legislature of the State of Idaho:

16 SECTION 1. That Section 67-457, Idaho Code, be, and the same is hereby  
17 amended to read as follows:

18 67-457. ~~JOINT LEGISLATIVE OVERSIGHT COMMITTEE OFFICE OF PERFORMANCE~~  
19 ~~EVALUATIONS -- CREATION -- DUTIES~~. There is hereby created the joint leg-  
20 ~~islative oversight committee which shall be appointed as follows: the~~  
21 ~~president pro tempore of the senate shall appoint majority party members of~~  
22 ~~the senate, the senate minority leader shall appoint minority party members~~  
23 ~~of the senate, the speaker of the house of representatives shall appoint ma-~~  
24 ~~majority party members of the house of representatives and the minority leader~~  
25 ~~of the house of representatives shall appoint minority party members of the~~  
26 ~~house of representatives. Membership on the committee shall be evenly di-~~  
27 ~~vided between the house of representatives and the senate and shall be evenly~~  
28 ~~divided between the two (2) largest political parties represented in the~~  
29 ~~legislature. The cochairmen of the joint finance-appropriations committee,~~  
30 ~~or their designees, shall be members of the joint legislative oversight com-~~  
31 ~~mittee. The joint legislative oversight committee is hereby created under~~  
32 ~~the jurisdiction of the legislative council for the purpose of conduct-~~  
33 ~~ing performance audits or evaluations, and reviewing all records related~~  
34 ~~thereto, of any state agency at any time as the committee deems necessary.~~  
35 ~~The legislative council shall appoint cochairmen who shall be from different~~  
36 ~~houses of the legislature and who shall be from different political parties~~  
37 ~~and shall determine the size of the committee. The legislative council, by~~  
38 ~~a seventy-five percent (75%) vote, shall appoint a director of legislative~~  
39 ~~performance evaluations for the purpose of conducting performance audits~~  
40 ~~or evaluations pursuant to sections 67-457 through 67-464, Idaho Code. The~~  
41 ~~director of legislative performance evaluations shall serve at the plea-~~  
42 ~~sure of the joint legislative oversight committee. The legislative council~~

1 ~~shall initially establish the compensation of the director of legislative~~  
2 ~~performance evaluations and thereafter the compensation of the director of~~  
3 ~~legislative performance evaluations shall be established by the joint leg-~~  
4 ~~islative oversight committee.~~

5 (1) The office of performance evaluations is hereby created under the  
6 jurisdiction of the legislative council for the purpose of conducting per-  
7 formance audits or evaluations, reviewing all records related thereto, and  
8 preparing reports of each state agency as to its performance measurements  
9 and strategic planning. The office of performance evaluations shall also  
10 review all state agency contracts.

11 (2) The legislative council shall appoint a director of the office of  
12 performance evaluations. The legislative council shall establish the com-  
13 ensation of the director, and the director shall serve at the pleasure of  
14 the legislative council.

15 (3) For the purpose of this section:

16 (a) "Agency" has the meaning provided in section 67-1902, Idaho Code.

17 (b) "Performance audit or evaluation" means an examination of the ef-  
18 fectiveness of the administration and the efficiency and adequacy of  
19 such administration in terms of the programs of the state agency au-  
20 thorized by law to be performed. Such examinations shall include, but  
21 shall not be limited to:

22 (i) How effectively the programs are administered;

23 (ii) Benefits of each program in relation to the expenditures;

24 (iii) Goals of the programs;

25 (iv) Development of indicators by which the success or failure of  
26 a program may be gauged;

27 (v) Conformity of programs with statute;

28 (vi) Assistance to legislative committees dealing with specific  
29 programs;

30 (vii) A review of a state agency's performance measurements and  
31 strategic planning required pursuant to chapter 19, title 67,  
32 Idaho Code; and

33 (viii) Impact of federal grant-in-aid programs on agency pro-  
34 grams.

35 SECTION 2. That Section [67-458](#), Idaho Code, be, and the same is hereby  
36 repealed.

37 SECTION 3. That Section [67-459](#), Idaho Code, be, and the same is hereby  
38 repealed.

39 SECTION 4. That Section [67-460](#), Idaho Code, be, and the same is hereby  
40 repealed.

41 SECTION 5. That Section [67-461](#), Idaho Code, be, and the same is hereby  
42 repealed.

43 SECTION 6. That Section [67-462](#), Idaho Code, be, and the same is hereby  
44 repealed.

1 SECTION 7. That Section [67-463](#), Idaho Code, be, and the same is hereby  
2 repealed.

3 SECTION 8. That Section [67-464](#), Idaho Code, be, and the same is hereby  
4 repealed.

5 SECTION 9. That Section 67-1904, Idaho Code, be, and the same is hereby  
6 amended to read as follows:

7 67-1904. PERFORMANCE MEASUREMENT. (1) Every fiscal year, as part of  
8 its budget request, each agency shall prepare an annual performance report.  
9 The report shall be comprised of two (2) parts:

10 (a) Part I shall contain basic profile information for the prior four  
11 (4) fiscal years including statutory authority, fiscal year revenue and  
12 expenditure information and any informative breakdowns such as amounts  
13 from different revenue sources, types of expenditures, and data about  
14 the number and types of cases managed and/or key services provided to  
15 meet agency goals.

16 (b) Part II shall contain:

17 (i) Not more than ten (10) key quantifiable performance measures,  
18 which clearly capture the agency's progress in meeting the goals  
19 of its major divisions and core functions stated in the strate-  
20 gic plan required in section 67-1903, Idaho Code. The ~~goal(s)~~  
21 goals and strategies to which each measure corresponds shall also  
22 be provided. More measures may be requested by the germane commit-  
23 tee chairs through the process set forth in subsection (7) of this  
24 section.

25 (ii) Results for each measure for the prior four (4) fiscal years.  
26 In situations where past data is not available because a new mea-  
27 sure is being used, the report shall indicate the situation.

28 (iii) Benchmarks or performance targets for each measure for, at  
29 a minimum, the next fiscal year, and for each year of the four (4)  
30 years of reported actual results.

31 (iv) Explanations, where needed, ~~which~~ that provide context im-  
32 portant for understanding the measures and the results, and any  
33 other qualitative information useful for understanding agency  
34 performance.

35 (v) Attestation from the agency director that the data reported  
36 has been internally assessed for accuracy, and, to the best of the  
37 director's knowledge, is deemed to be accurate.

38 (2) Each agency performance report shall be presented in a consistent  
39 format, determined by the division of financial management, which allows for  
40 easy review and understanding of the information reported.

41 (3) Each agency shall review the results of the performance measures  
42 compared to benchmarks or performance targets and shall use the information  
43 for internal management purposes.

44 (4) Each agency shall maintain reports and documentation that support  
45 the data reported through the performance measures. This information shall  
46 be maintained and kept readily available for each of the four (4) years cov-  
47 ered in the most recent performance report.

1 (5) The performance report shall be submitted by the agency to the di-  
2 vision of financial management, the office of performance evaluations es-  
3 established pursuant to section 67-457, Idaho Code, and the budget and policy  
4 analysis office of the office of legislative services by September 1 of each  
5 year. ~~In fiscal year 2006, agencies shall submit part I of the performance~~  
6 ~~report required by subsection (1) (a) of this section no later than November~~  
7 ~~1, and are exempt from submitting part II of the performance report required~~  
8 ~~by subsection (1) (b) of this section.~~ In accordance with section 67-3507,  
9 Idaho Code, agency performance reports shall be published each year as part  
10 of the executive budget document.

11 (6) The office of budget and policy analysis of the office of legisla-  
12 tive services may incorporate all or some of the information submitted under  
13 this section in its annual legislative budget book.

14 (7) Each agency shall orally present the information from the perfor-  
15 mance report to its corresponding senate and house of representatives ger-  
16 mane committees each year unless a germane committee elects to have an agency  
17 present such information every other year. The presentations shall consist  
18 of a review of agency performance information and shall provide an oppor-  
19 tunity for dialogue between the agency and the committees about the suffi-  
20 ciency and usefulness of the types of information reported. Following any  
21 discussion about the information reported, the germane committees, in ac-  
22 cordance with the requirements of this section, may request any changes to be  
23 made to the types of information reported. ~~In fiscal year 2006, each agency~~  
24 ~~shall be required only to present part I of the performance report required~~  
25 ~~in subsection (1) (a) of this section and, at a minimum, a progress report on~~  
26 ~~the implementation of part II of the performance report as set forth in sub-~~  
27 ~~section (1) (b) of this section.~~

28 (8) If an agency and its corresponding germane committees determine  
29 that it is not feasible to develop a quantifiable measure for a particular  
30 goal or strategy, the germane committees may request an alternative form of  
31 measurement.

32 (9) The senate and the house of representatives germane committees  
33 should attempt to meet jointly to hear and discuss an agency's performance  
34 report and achieve consensus regarding the types of measures to be reported.

35 (10) Any performance report or document required by this section shall  
36 be produced electronically and transmitted to the division of financial  
37 management, the office of performance evaluations established pursuant  
38 to section 67-457, Idaho Code, and the legislative services office elec-  
39 tronically. Additionally, the agency shall have the performance report or  
40 document required by this section available on its website so that the public  
41 may access it. Each agency, department and commission shall seek to minimize  
42 the number of printed copies of strategic plans and annual reports by using  
43 electronic versions whenever possible, and by printing only a limited number  
44 sufficient for internal needs or anticipated requests for copies for which  
45 electronic versions are otherwise inadequate.

46 (11) The office of performance evaluations shall present its findings  
47 on each agency to the legislative council, or to such germane committees as  
48 the legislative council may decide, and shall participate in the presenta-  
49 tions required under subsection (7) of this section.

1           SECTION 10. An emergency existing therefor, which emergency is hereby  
2 declared to exist, this act shall be in full force and effect on and after its  
3 passage and approval.