

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 88th General Assembly
3 Regular Session, 2011

A Bill

HOUSE BILL 1039

4
5 By: Representative English
6 By: Senator Bledsoe

For An Act To Be Entitled

9 AN ACT PROVIDING FOR THE REVIEW OF STATE AGENCY
10 PERFORMANCE BY THE JOINT PERFORMANCE REVIEW COMMITTEE
11 TO ENSURE EFFICIENT AGENCY OPERATIONS; AND FOR OTHER
12 PURPOSES.

Subtitle

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16 PROVIDING FOR THE REVIEW OF STATE AGENCY
17 PERFORMANCE BY THE JOINT PERFORMANCE REVIEW
18 COMMITTEE TO ENSURE EFFICIENT AGENCY
19 OPERATIONS.

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21
22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

23
24 SECTION 1. Arkansas Code § 10-3-901(a), concerning the membership of
25 the Joint Performance Review Committee, is amended to read as follows:

26 (a)(1) There is hereby created the "Joint Performance Review
27 Committee", which shall consist of twenty (20) members of the House of
28 Representatives ~~to be selected as prescribed by House Rules~~ and ten (10)
29 members of the Senate to be appointed ~~pursuant to Senate Rules~~ as follows:

30 (A) Four (4) members appointed by the majority party
31 leader of the House of Representatives;

32 (B) Four (4) members appointed by the minority party
33 leader of the House of Representatives;

34 (C) Four (4) members appointed by the majority party
35 leader of the Senate;

36 (D) Four (4) members appointed by the minority party



1 leader of the Senate;

2 (E) Twelve (12) members appointed by the Speaker of the
 3 House; and

4 (F) Two (2) members appointed by the President Pro Tempore
 5 of the Senate.

6 (2)(A) There shall be a Senate cochair and a House cochair and a
 7 Senate vice chair and a House vice chair of the committee.

8 (B)(i) The House cochair and House vice chair shall be
 9 selected according to House Rules.

10 (ii) The Senate cochair and Senate vice chair shall
 11 be selected according to Senate Rules.

12
 13 SECTION 2. Arkansas Code Title 25 is amended to add an additional
 14 chapter to read as follows:

15
 16 CHAPTER 42 – REVIEW OF STATE AGENCY PERFORMANCE

17
 18 25-42-101. Legislative intent.

19 (a) The General Assembly finds that:

20 (1) Arkansas state government is the state’s largest employer,
 21 with over fifty thousand (50,000) employees serving a number of state
 22 agencies and implementing a variety of programs;

23 (2) State government, like any significant business operation,
 24 should operate as efficiently as possible;

25 (3) Part of efficient operation includes an assurance that state
 26 government is achieving its purposes and every division of state government
 27 is accountable for its performance and outcomes;

28 (4) All revenue that funds government comes from the people and
 29 it is the responsibility of every elected official to carefully guard against
 30 misuse of this revenue; and

31 (5) A system of reviewing and analyzing state agency performance
 32 and outcomes would enhance agency performance, prevent the duplication of
 33 services, provide for more accurate budgeting, and ultimately improve the
 34 efficiency of state government operations.

35 (b) The intent of this subchapter is to develop a method to examine
 36 various aspects of state agency performance and outcomes to ensure that each

1 agency operates in an efficient manner that achieves its statutory purposes.

2
3 25-42-102. Definitions.

4 As used in this subchapter:

5 (1) "Program" means an aggregation of similar activities
6 performed by a state agency, not necessarily along organizational lines,
7 which can logically be considered an entity for budgeting, accounting, and
8 reporting purposes, and which contribute to common goals.

9 (2) "Program" includes without limitation activities that
10 fulfill a state agency's statutory responsibilities to:

11 (A) Provide a service to the public; or

12 (B) Issue licenses.

13 (3) "Program" does not include administrative expenditures
14 that do not directly relate to the fulfillment of statutory responsibilities;
15 and

16 (2) "State agency" means a board, commission, department,
17 division, an institution, and another office of state government whether
18 located within the legislative, executive, or judicial branch of government
19 and includes state-supported colleges and universities.

20
21 25-42-103. Disclosure of agency programs to Joint Performance Review
22 Committee.

23 (a)(1) Each state agency shall file with the Joint Performance Review
24 Committee by November 1, 2011, a description of each program administered by
25 the state agency that expends state or federal funds.

26 (2) The Joint Performance Review Committee shall make a form
27 available to state agencies to provide a description of each program.

28 (3) An agency shall complete a form for each program
29 administered by the agency.

30 (b) The description for each program shall contain without limitation:

31 (1) The name of the agency;

32 (2)(A) The fund that the state funds are expended from to
33 administer the program; or

34 (B) The source of the federal funds;

35 (3) The purpose of the program;

36 (4) The services provided by the program;

1 (5) The number of customers served by the program; and

2 (6) A program assessment considering the following issues:

3 (A) How citizens of the State of Arkansas would know if
 4 the program was successful or making progress;

5 (B) Statutory or operational barriers, if any, that
 6 prevent exceptional program performance;

7 (C) Whether another agency or organization would provide
 8 the services offered by the program if the program were not in existence;

9 (D) Whether opportunities exist to improve program results
 10 through alternative service delivery;

11 (E) The identity of public or private sector program
 12 partners that are critical to program success; and

13 (F) An identification of the most significant
 14 opportunities to improve program results.

15
 16 25-42-104. Evaluation of state agency programs.

17 (a)(1) The Joint Performance Review Committee shall thoroughly review
 18 select programs of each state agency to assess the overall functions of state
 19 agencies for the purpose of finding inefficiencies that might yield
 20 significant cost savings.

21 (2) The Joint Performance Review Committee shall:

22 (A) Select agency programs for review that the committee
 23 feels will provide a fair representation of the agency's overall performance
 24 and outcomes;

25 (B) Develop a schedule for the review of agency programs;
 26 and

27 (C) Complete its review of agency programs on or before
 28 November 1, 2016.

29 (b) When reviewing a state agency program, the committee shall
 30 consider the following issues:

31 (1) Program purpose and design, for which the committee shall
 32 consider without limitation whether the:

33 (A) Program's purpose is clear;

34 (B) Program addresses a specific and existing problem,
 35 interest, or need;

36 (C) Program is designed so that it is not redundant or

1 duplicative of other state, federal, local, or private efforts;

2 (D) Program is free of design flaws or other obstacles
3 that limit its effectiveness or efficiency; and

4 (E) Program is effectively designed and targeted so that
5 resources will reach intended beneficiaries and address the program's
6 purpose;

7 (2) Program planning, for which the committee shall consider
8 without limitation whether the:

9 (A) Program has specific long-term, results-based
10 performance measures that are linked to the program's purpose;

11 (B) Program has ambitious targets and timeframes for its
12 long-term measures that reasonably compare with peer group activities;

13 (C) Program's purpose, goals, and measures have been
14 communicated throughout the organization and across program partners; and

15 (D) Agency or department responsible for the program has
16 taken meaningful steps or developed a plan to address any deficiencies
17 indicated when analyzing program planning;

18 (3) Program management, for which the committee shall consider
19 without limitation whether:

20 (A) The agency regularly collects timely and credible
21 performance information, including without limitation information from key
22 partners, and uses it to manage the program and improve performance and
23 outcomes;

24 (B) Managers, key personnel, and program partners are held
25 accountable for cost, schedule, efficiency, performance, and outcome results;
26 and

27 (C) The program has procedures to measure and achieve
28 efficiencies and cost effectiveness in program execution and service
29 delivery, including without limitation:

30 (i) Competitive sourcing;

31 (ii) Cost comparisons;

32 (iii) Information technology improvements; and

33 (iv) Incentives; and

34 (4) Program results, for which the committee shall consider
35 without limitation whether the:

36 (A) Program demonstrates adequate progress in achieving

1 its long-term performance goals;

2 (B) Program demonstrates improved efficiencies or cost
 3 effectiveness in achieving program goals each year;

4 (C) Performance of the program at issue compares favorably
 5 to other programs with similar purposes, including without limitation
 6 governmental and private programs; and

7 (D) Agency seeks, gathers, and reviews input to address
 8 any:

9 (i) Deficiencies in customer service; or

10 (ii) Changes in programmatic circumstances.

11
 12 25-42-105. Reports of program reviews.

13 (a)(1) The Joint Performance Review Committee shall prepare a report
 14 regarding its review of state agency programs under § 25-42-104, which shall
 15 include without limitation the results of its study of each reviewed
 16 program's:

17 (A) Purpose and design;

18 (B) Planning;

19 (C) Management; and

20 (D) Results.

21 (2) The committee shall adopt its report at a meeting of the
 22 committee.

23 (3)(A) The committee may prepare its report as a series of two
 24 (2) or more reports addressing specific groupings of state agencies.

25 (B) If the committee elects to prepare a series of
 26 reports, it may elect to adopt each portion of the report separately under a
 27 schedule developed by the committee.

28 (b)(1) The report shall be filed with:

29 (A) The Governor;

30 (B) The President Pro Tempore of the Senate; and

31 (C) The Speaker of the House.

32 (2) If the report is prepared as a series of two (2) or more
 33 reports, each portion of the report shall be filed with the Governor,
 34 President Pro Tempore of the Senate, and the Speaker of the House upon its
 35 adoption by the committee.

36

1 25-42-106. Joint Performance Review Committee.

2 (a) The Joint Performance Review Committee may establish one (1) or
3 more subcommittees for the purpose of performing its duties under this
4 subchapter.

5 (b) The Bureau of Legislative Research shall provide staff support for
6 the Joint Performance Review Committee as it performs its duties under this
7 subchapter.

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