

ONE HUNDRED FOURTH LEGISLATURE

FIRST SESSION

LEGISLATIVE RESOLUTION 333

Introduced by Watermeier, 1.

PURPOSE: The purpose of this resolution is to examine methods to improve government efficiency. Nebraska's overall state spending has increased faster than the cost of living for numerous budget cycles. This trend at the state level is not sustainable over the long-term and will eventually result in significant financial challenges for the state as well as Nebraska taxpayers. These spending levels have also led to Nebraska maintaining its position as one of the highest tax states in the United States.

Controlling growth in government spending at the state and local levels while simultaneously delivering high quality public services will require governmental entities to evaluate new strategies and methods for delivering these services in a more efficient and effective way. These new strategies must focus on simpler program delivery and waste reduction.

For more than 25 years, private sector employers in the United States have utilized a wide variety of quality improvement techniques to improve the development and delivery of their products and services while lowering their overall cost structure. Many of these improvement processes were derived by businesses from around the world. American automobile manufacturers, for example, copied the principles of lean manufacturing in an effort to make American cars more competitive in the world marketplace. Private businesses have more recently adopted additional strategies like Six Sigma, Kaizen, executive coaching, and supply chain management.

These various quality improvement strategies first practiced in the private sector are now being implemented in the health care, utility, and government sectors. Nebraska employers like Blue Cross and Blue Shield are fully committed to their quality improvement efforts and have committed short-

term resources with the goal of improving their product offerings and lowering costs over the long term. Today, more than 13 states from both sides of the political spectrum have implemented aggressive and focused quality improvement strategies. States like Iowa have used lean government strategies to successfully decrease the amount of time necessary to improve an air quality permit. These positive results were accomplished with less overall cost.

This study shall examine, but not be limited to, the following issues:

(1) Whether there is a clear need to improve the effective delivery of programs implemented by and administered in the State of Nebraska;

(2) What quality improvement initiatives other states have undertaken to address program inefficiencies and cost;

(3) What has been the result in states that have implemented lean government and other similar strategies;

(4) What quality improvement strategies would have the greatest likelihood of success in Nebraska;

(5) Whether initiatives should be on a wide scale or pilot basis if Nebraska decides to implement quality improvement strategies;

(6) Whether there will be support within both the legislative and executive branches to support and implement strategies derived through quality improvement efforts;

(7) How the state can successfully engage current employees in the quality improvement process;

(8) How the state can engage customers in improving service delivery; and

(9) Whether quality improvement processes could ultimately lead to cost savings.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED FOURTH LEGISLATURE OF NEBRASKA, FIRST SESSION:

1. That the Appropriations Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.

2. That the committee shall upon the conclusion of its study make a report

of its findings, together with its recommendations, to the Legislative Council or Legislature.