

SECOND REGULAR SESSION

SENATE BILL NO. 869

89TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR MAXWELL.

Read 1st time February 4, 1998, and 1,000 copies ordered printed.

TERRY L. SPIELER, Secretary.

S2753.02I

AN ACT

To repeal section 33.803, RSMo 1994, and to enact in lieu thereof five new sections relating to governmental organization.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 33.803, RSMo 1994, is repealed and five new sections enacted in lieu thereof, to be known as sections 33.287, 33.288, 33.289, 33.293 and 33.803, to read as follows:

33.287. As used in sections 33.287 to 33.289, the following terms mean:

(1) **"Measurable objective", a specific quantifiable outcome that defines how a state agency will achieve its goals and assesses the actual impact on the public being served;**

(2) **"Performance budgeting", the method for determining a state agency's request for appropriations derived from the agency's statutory responsibilities, its strategic plan and the achievement of the agency's measurable objectives;**

(3) **"Policy area", a broad functional category for grouping programs within and across state agencies according to the degree to which they share the same or similar goals; encompass activities that share a common purpose; have common or similar customers; have common or similar measurable objectives; and may be analyzed by similar methods;**

(4) **"Program", a set of functionally-related activities and expected results that attempt to accomplish goals and objectives within a single statutory authorizing scheme;**

(5) **"State agency", any executive department;**

(6) **"Strategic plan", a long-range policy-oriented document that identifies a state agency's mission, goals, measurable objectives and leads to priority-based resource allocation and other decisions.**

33.288. 1. By January 1, 1999, and by October first each year thereafter, each state agency shall develop a draft strategic plan. During preparation of the plan, each agency shall consult with the standing committees of the general assembly having jurisdiction over that agency's matters. Copies of the strategic plan shall be provided to the state budget director, the standing committees of the general assembly having jurisdiction over that agency's matters and the appropriations committees of the house of representatives and senate.

2. By September 30, 1999, for at least one program, each state agency shall develop budget requests that are tied to measurable objectives for that program and the measurable objectives shall be submitted to the general assembly with the governor's budget recommendations.

3. By September 30, 1999, each state agency shall identify, in consultation with the standing committees of the general assembly having jurisdiction, at least one program within a policy area that has the same or similar goals and objectives as one or more other state agencies; develop jointly with those state agencies measurable objectives; and coordinate strategies for achieving those objectives. The joint measurable objectives and strategies shall be submitted to the general assembly with the governor's budget recommendations.

4. By December 31, 1999, the state budget director and the appropriations committees of the house of representatives and senate shall develop a plan to group state agencies into policy areas based upon common goals and measurable objectives. Policy areas shall be chosen in a manner that allows for effective performance budgeting and incorporates the recommendations prepared by the commissioner of administration pursuant to section 33.293, RSMo.

5. By September 30, 2000, state agencies within each policy area as identified by the plan in subsection 4 of this section shall develop joint strategic plans that identify common goals, measurable objectives and implementation methods for all policy areas. Plans shall be submitted to the state budget director, the standing committees of the general assembly having jurisdiction over that agency's matters and the appropriations committees of the house of representatives and senate.

6. As of September 30, 2001, and annually thereafter, state agencies within each policy area shall develop budget requests that are based upon, and make reference to, measurable objectives and strategic plans.

33.289. 1. Workforce development shall be the initial policy area included in the joint strategic plan developed pursuant to subsection 3 of section 33.288 by the department of elementary and secondary education, coordinating board for higher education, department of economic development, department of social services, department of mental health and department of labor and industrial

relations. Notwithstanding the provisions of section 33.288 to the contrary, joint strategic plans for workforce development shall be completed on or before October 1, 1999.

2. For purposes of this section, "workforce development" shall mean activities, programs and financial assistance structured to provide long-term incentives for:

(1) Individuals to improve their work related skills through education or employment-oriented training;

(2) Employers to enhance the nature of industry, product lines or other assets so as to create better opportunities for expanded employment and market development; or

(3) Stabilization of individuals' physical environment in order to maximize productivity.

3. Joint strategic plans for workforce development shall, at a minimum, include common systems for assessing workers' level of skill, identify minimum skills required to adequately staff employment vacancies and develop methods to match trained workers and job opportunities.

33.293. 1. The commissioner of administration shall biennially, beginning in fiscal year 1998-1999, conduct a minimum of twelve regional public meetings to identify from the citizens of the state:

(1) State programs that are providing efficient and beneficial services;

(2) State programs that are not operating effectively; and

(3) Areas of need that are not met by current state programs.

The location and structure of the public meetings shall be of a nature to encourage maximum participation from citizens statewide.

2. On or before October 1, 1999, the commissioner of administration shall file with the appropriations committees of the house of representatives and senate the commissioner's report and recommendations based upon the findings collected from the public meetings.

33.803. 1. Detail base review procedures may be designed to:

(1) Operate on a defined rotating basis requiring the detailed review of specified departments or agencies in a particular fiscal year; or

(2) Provide for random review of specific departments or agencies on the basis of perceived needs and requirements of the state budget.

2. Detail base review shall be required by the budget and appropriations committees and the selection of the department or agency or program shall be made with a majority concurrence of the chairman of the house budget committee, the chairman of the senate appropriations committee and the director of the division of budget and planning. The review, whether on a defined rotating basis or on a random basis, may be applied to the:

- (1) Entire budget of the department or agency;
- (2) Budget subclasses as detailed by the office of administration; or
- (3) Selected programs.

3. Where similar programs or services are provided by more than one department or agency, the detail base review procedures may provide for a review and investigation of the program or service level on an interagency or interdepartmental basis in an effort to consolidate such programs or services.

4. In addition to the detail base reviews specified in this section, the commissioner of administration shall conduct a detail base review evaluation of each agency's strategic plans and budget requests to determine the success of each program in achieving its stated measurable objectives pursuant to sections 33.287 to 33.289. The commissioner is authorized to contract with nongovernmental entities to ensure the completion of an independent evaluation. The commissioner shall report the results of the evaluation to the appropriations committees of the house of representatives and the senate on or before October 1, 2001, and annually thereafter.

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