

1 State of Arkansas
2 88th General Assembly
3 Regular Session, 2011
4

As Engrossed: H3/16/11

A Bill

HOUSE BILL 1039

5 By: Representative English
6 By: Senator Bledsoe
7

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 AND EFFECTIVE* AGENCY OPERATIONS;
12 AND FOR OTHER PURPOSES.
13
14

Subtitle

15 *PROVIDING FOR THE REVIEW OF STATE AGENCY*
16 *PERFORMANCE BY THE JOINT PERFORMANCE*
17 *REVIEW COMMITTEE TO ENSURE EFFICIENT AND*
18 *EFFECTIVE AGENCY OPERATIONS.*
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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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 of Representatives; 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 and effectively 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 chapter is to develop a method to examine
36 various aspects of state agency performance and outcomes to ensure that each

1 agency operates in a reasonably transparent, efficient, and effective manner
2 to achieve its statutory purposes.

3
4 25-42-102. Definitions.

5 As used in this chapter:

6 (1) "Dashboard" means a visual display of the most important
7 information needed to achieve one (1) or more objectives, consolidated and
8 arranged on a single screen so the information may be monitored at a glance;

9 (2) "Program" means an aggregation of similar activities
10 performed by a state agency, not necessarily along organizational lines, that
11 may logically be considered an entity for budgeting, accounting, and
12 reporting purposes and that contributes to common goals;

13 (3)(A) "State agency" means any agency, department, authority,
14 board, commission, bureau, council, or other agency of the state, including
15 without limitation state-supported institutions of higher education.

16 (B) "State agency" includes without limitation:

17 (i) The offices of the Governor, Lieutenant
18 Governor, Attorney General, Secretary of State, Treasurer of State, Auditor
19 of State and Commissioner of State Lands;

20 (ii) Legislative commissions, bureaus, and offices;

21 (iii) Judicial offices;

22 (iv) Constitutional offices, commissions, and
23 departments that receive a state appropriation for the expenditure of state
24 funds, special revenues, or federal funds; and

25 (v) The Arkansas Lottery Commission;

26 (4) "Success" means the:

27 (A) Achievement of something required, planned, or
28 attempted; and

29 (B) Meeting of established goals.

30
31 25-42-103. Disclosure of programs to Joint Performance Review
32 Committee.

33 (a)(1) Each state agency shall file with the Joint Performance Review
34 Committee by November 1, 2011, an electronic report with a description of
35 each program administered by the state agency that expends state or federal
36 funds.

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

3 (3) A state agency shall complete a form for each program
4 administered by the state agency.

5 (4) The information submitted under this subsection shall comply
6 with state enterprise architecture.

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

8 (1) The name of the agency;

9 (2) The name of the fund from which state revenue is expended to
10 administer the program;

11 (3) The amount of state or federal funds expended;

12 (4) The source of the state or federal funds;

13 (5) The purpose of the program;

14 (6) The services provided by the program;

15 (7) The number of customers served by the program; and

16 (8) A program assessment considering the following issues:

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

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

21 (C) Whether another state agency or other organization
22 would provide the services offered by the program if the program were not in
23 existence;

24 (D) Whether opportunities exist to improve program results
25 through alternative service delivery;

26 (E) The identity of public or private sector program
27 partners that are critical to program success;

28 (F) An identification of the most significant
29 opportunities to improve program results; and

30 (G) A list of state agency contracts with date, length,
31 amount, and service or product provided.

32 (c) The Joint Performance Review Committee shall provide information
33 received under this section to the Department of Information Systems for
34 inclusion in a state dashboard.

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36 25-42-104. Evaluation of programs.

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

4 (2) The Joint Performance Review Committee shall:

5 (A) Select programs for review that the Joint Performance
6 Review Committee feels will provide a fair representation of the state
7 agency's overall performance and outcomes;

8 (B) Develop a schedule for the review of programs; and

9 (C) Complete its review of programs on or before November
10 1, 2016.

11 (b) When reviewing a program, the Joint Performance Review Committee
12 shall consider the following issues:

13 (1) Program purpose and design, for which the Joint Performance
14 Review Committee shall consider without limitation whether the:

15 (A) Program's purpose is clear;

16 (B) Program addresses a specific and existing problem,
17 interest, or need;

18 (C) Program is designed so that it is not redundant or
19 duplicative of other state, federal, local, or private efforts;

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

22 (E) Program is effectively designed and targeted so that
23 resources will reach intended beneficiaries and address the program's
24 purpose;

25 (2) Program planning, for which the Joint Performance Review
26 Committee shall consider without limitation whether the:

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

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

31 (C) Program's purpose, goals, and measures have been
32 communicated throughout the state agency and across program partners; and

33 (D) State agency responsible for the program has taken
34 meaningful steps or developed a plan to address any deficiencies indicated
35 when analyzing program planning;

36 (3) Program management, for which the Joint Performance Review

1 Committee shall consider without limitation whether:

2 (A) The state agency regularly collects timely and
3 credible performance information, including without limitation information
4 from key partners, and uses it to manage the program and improve performance
5 and outcomes;

6 (B) Managers, key personnel, and program partners are held
7 accountable for cost, schedule, efficiency, performance, and outcome results;
8 and

9 (C) The program has procedures to measure and achieve
10 efficiencies and cost effectiveness in program execution and service
11 delivery, including without limitation:

12 (i) Competitive sourcing;

13 (ii) Cost comparisons;

14 (iii) Information technology improvements; and

15 (iv) Incentives; and

16 (4) Program results, for which the Joint Performance Review
17 Committee shall consider without limitation whether the:

18 (A) Program demonstrates adequate progress in achieving
19 its long-term performance goals;

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

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

25 (D)(i) State agency seeks, gathers, and reviews input to
26 address any:

27 (a) Deficiencies in customer service;

28 (b) Changes in programmatic circumstances;

29 (c) Cost savings; and

30 (d) Elimination of unsuccessful programs.

31 (ii) If deficiencies in customer service and changes
32 in programmatic circumstances are identified, a state agency shall make a
33 report to the Joint Performance Review Committee that addresses the
34 deficiencies.

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36 25-42-105. Reports of program reviews.

1 (a)(1) The Joint Performance Review Committee shall prepare a report
2 regarding its review of programs under § 25-42-104 and its level of success,
3 including without limitation the results of its study of each reviewed
4 program, and shall make any recommendations for improvement.

5 (2) The Joint Performance Review Committee shall adopt its
6 report at a meeting of the Joint Performance Review Committee.

7 (3)(A) The Joint Performance Review Committee may prepare its
8 report as a series of two (2) or more reports addressing specific groupings
9 of state agencies.

10 (B) If the Joint Performance Review Committee elects to
11 prepare a series of reports, it may elect to adopt each portion of the report
12 separately under a schedule developed by the Joint Performance Review
13 Committee.

14 (b)(1) The report shall be filed with the:

15 (A) Governor;

16 (B) President Pro Tempore of the Senate;

17 (C) Speaker of the House of Representatives;

18 (D) Chief Fiscal Officer of the State; and

19 (E) Director of the Department of Information Systems.

20 (2) If the report is prepared as a series of two (2) or more
21 reports, each portion of the report shall be filed with the Governor, the
22 President Pro Tempore of the Senate, and the Speaker of the House of
23 Representatives upon its adoption by the Joint Performance Review Committee.

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25 25-42-106. Joint Performance Review Committee -- Subcommittees --
26 Staff support -- Evaluation dates and deadlines.

27 (a) The Joint Performance Review Committee may establish one (1) or
28 more subcommittees for the purpose of performing its duties under this
29 chapter.

30 (b) The Bureau of Legislative Research shall provide staff support for
31 the Joint Performance Review Committee as it performs its duties under this
32 chapter.

33 (c) At the first meeting of the Joint Performance Review Committee
34 following a regular session of the General Assembly, the Joint Performance
35 Review Committee shall establish relevant dates and deadlines for evaluations
36 under this chapter.

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