

Introduced by

Representatives Carlson, Berg, Svedjan

Senators Holmberg, Stenehjem

1 A BILL for an Act to provide for state government performance and accountability; and to create  
2 and enact a new subsection to section 54-44.1-06, relating to information included in the  
3 executive budget.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. Government performance and accountability committee -**  
6 **Appointment - Acceptance of funds - Expenditures.** The legislative council, during each  
7 biennium, shall appoint a seven-member government performance and accountability  
8 committee in the same manner as the council appoints other interim committees. The council  
9 may appoint two citizen members to the committee. The council may also include the governor,  
10 or the governor's designee, and the state auditor as ex officio voting members of the  
11 committee. The council shall designate the chairman of the committee. The council shall  
12 consider reappointment of members to the committee to maintain continuity. A member may  
13 serve a maximum of eight years. New members may be appointed by the committee to fill any  
14 vacancy from nominees submitted to the committee. The committee shall operate in  
15 accordance with the statutes and procedures governing the operation of other legislative  
16 council interim committees. The committee may accept and use gifts, grants, or assistance to  
17 accomplish its purposes.

18 **SECTION 2. Government performance and accountability committee - Powers**  
19 **and duties.** The government performance and accountability committee has continuing  
20 existence and may meet and conduct its business during the legislative session and in the  
21 interim between sessions. The purpose of the committee is to improve program effectiveness  
22 and accountability by focusing on program impact and results, service quality, and customer  
23 satisfaction. During the initial biennium, the committee shall select at least five state agencies  
24 or departments to develop and implement strategic planning and performance reporting

pursuant to provisions of this chapter. The committee may select additional agencies or departments. For each agency or department selected, the committee shall:

1. Establish performance indicators for each agency or department to measure agency or department performance.
2. Receive status reports from each agency or department on the development of the agency or department's four-year strategic plan.
3. Receive performance reports from each state agency or department.
4. Receive performance validation reports from the state auditor's office.
5. Receive public input regarding agency and department strategic plans and performance results.
6. Report agency or department noncompliance with provisions of this chapter to the appropriations committees during the next legislative assembly.

**SECTION 3. Agency and department cooperation and staff assistance.** Each state agency and department selected and the office of management and budget and the state auditor's office shall provide information and assistance as requested by the government performance and accountability committee to perform its duties and responsibilities.

**SECTION 4. Strategic planning.** Each department and agency of state government selected by the government performance and accountability committee shall prepare and submit to the office of management and budget and the legislative council, by March fifteenth of each even-numbered year, a strategic plan for the agency or department's operations for the next four fiscal years. The strategic plan must be prepared in accordance with guidelines developed by the governor and approved by the government performance and accountability committee. The strategic plan must include:

1. The purpose of the agency or department.
2. The agency or department's overall goals and objectives to accomplish its purpose.
3. A description of the indicators developed under this chapter and used to measure the performance results of the agency or department.
4. An analysis of the use of the agency or department's resources to achieve the agency or department's goals and objectives.

5. An analysis of the agency or department's performance results compared to the results anticipated by the legislative assembly.

The office of management and budget shall provide training for agency and department personnel in the preparation of strategic plans and reporting of performance results. The office of management and budget shall develop methods of making agency and department strategic plans available to the public.

**SECTION 5. Performance reporting.** Each agency or department selected by the government performance and accountability committee shall annually prepare and present its performance report to the government performance and accountability committee. The report must include an analysis of the agency or department's actual performance results to the performance results anticipated by the legislative assembly and explanatory information on any deviation from the anticipated performance results. During each session of the legislative assembly, each selected agency or department shall present its most recent performance report to the appropriations committees of the legislative assembly.

**SECTION 6. Performance validating.** The state auditor, as requested by the government performance and accountability committee, shall review and validate agency and department performance results.

**SECTION 7.** A new subsection to section 54-44.1-06 of the North Dakota Century Code is created and enacted as follows:

For those budget units involved in strategic planning and performance reporting, statements of each agency or department's strategic plan for the next biennium and for the subsequent biennium with comparisons of actual to anticipated performance for recent fiscal years. The statements must identify the relationship of the governor's recommendation for appropriations for each budget unit to the anticipated strategic plan and performance results of the budget unit.

**SECTION 8. BUDGET SECTION REPORT AND RECOMMENDATIONS TO THE LEGISLATIVE COUNCIL.** The government performance and accountability committee shall report to the budget section by May 2004 on the status of the development of a strategic planning and performance review system for the selected state agencies or departments and shall make recommendations relating to the continuation or expansion of the strategic planning and performance review system, including the provision of incentives for agencies to

Fifty-eighth  
Legislative Assembly

- 1 participate, along with any legislation required to implement the recommendations, to the
- 2 legislative council. The legislative council shall report its findings and recommendations,
- 3 together with any legislation required to implement the recommendations, to the fifty-ninth
- 4 legislative assembly.