

SECOND REGULAR SESSION

# HOUSE BILL NO. 2005

## 91ST GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES BEARDEN, CHAMPION, HANAWAY, CROWELL, SECREST, REINHART, PORTWOOD, FROELKER, HUNTER (Co-sponsors), WRIGHT, QUINN, MAYER, LUETKEMEYER, BARTELSMEYER, MOORE, DEMPSEY, BYRD, MYERS, KING, OSTMANN, FARES, ROARK, BEHNEN, HENDRICKSON, PURGASON, GRIESHEIMER, ST. ONGE, SURFACE, BURTON, HENDERSON, JETTON, ROBIRDS, PHILLIPS, RECTOR, COOPER, TOWNLEY, KELLEY (47), DOLAN, SCHWAB, LINTON, LONG, MAY (149) AND BERKSTRESSER.

Read 1<sup>st</sup> time February 20, 2002, and 1000 copies ordered printed.

TED WEDEL, Chief Clerk

4651L.011

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### AN ACT

To repeal sections 33.800, 33.803, 33.805, 33.807, and 33.810, RSMo, and to enact in lieu thereof five new sections relating to state budget procedures.

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

Section A. Sections 33.800, 33.803, 33.805, 33.807, and 33.810, RSMo, are repealed and  
2 five new sections enacted in lieu thereof, to be known as sections 33.800, 33.803, 33.805,  
3 33.807, and 33.810, to read as follows:

33.800. The [chairman] **chair** of the house budget committee, the [chairman] **chair** of  
2 the senate appropriations committee and the commissioner of administration shall develop  
3 [budget] **the initial performance-based** review procedures to provide for a [detailed base]  
4 **performance-based** review of state agency budgets **and performance standards that are**  
5 **based on outcomes, performance, and cost. Information shall be provided by each**  
6 **department, division, or agency regarding each of its services and programs to the chair**  
7 **of the house budget committee, the chair of the senate appropriations committee, and the**  
8 **division of budget and planning for use in establishing such review procedures and**  
9 **standards. Such procedures [shall be jointly] and standards shall become effective when**  
10 adopted by the budget committee of the house, the appropriations committee of the senate and  
11 the office of administration. **All performance standards for each agency subject to review**  
12 **in a particular fiscal year, including any recommended revisions to such standards, shall**

**EXPLANATION — Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

13 **be submitted to the house budget committee and the senate appropriations committee for**  
14 **any necessary modification and approval, along with a report by the agency showing**  
15 **measurements of the progress the agency toward meeting performance standards already**  
16 **established for that agency, prior to January first of each year.**

33.803. 1. [Detail base] **Performance-based** review procedures [may] **shall** be designed  
2 to:

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

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

7 2. [Detail base] **Performance-based** review shall be required by the budget and  
8 appropriations committees and the selection of the department or agency or program shall be  
9 made **on a rotating basis**, with a majority concurrence of the [chairman] **chair** of the house  
10 budget committee, the [chairman] **chair** of the senate appropriations committee and the director  
11 of the division of budget and planning[. The review, whether on a defined rotating basis or on  
12 a random basis, may be applied to the]; **provided, however, that every department, division,**  
13 **or agency shall be reviewed at least once every five years after January 1, 2003. The chair**  
14 **of the house budget committee, the chair of the senate appropriations committee, and the**  
15 **director of the division of budget and planning shall decide what the review will cover,**  
16 **which may include the:**

17 (1) Entire budget of the department or agency;

18 (2) Budget subclasses as detailed by the office of administration; or

19 (3) Selected programs.

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

24 **4. Each agency director may decide whether moneys appropriated for equipment**  
25 **and expenses would be better utilized for personal services and whether moneys**  
26 **appropriated for personal services would be better utilized for equipment and expenses to**  
27 **accomplish performance standards for the agency as determined by the process in section**  
28 **33.800. In no event shall any agency spend more than the total amount appropriated to**  
29 **that agency for the fiscal year, and in no event shall the funding source for any such**  
30 **appropriation be changed or altered in any way by any member or agency of the executive**  
31 **branch. Any such adjustment in the amounts appropriated by the general assembly shall**  
32 **be reported to the house budget committee, the senate appropriations committee, and the**

33 **division of budget and planning by the last day of the fiscal year in which the adjustment**  
34 **was made.**

33.805. 1. Any department or agency selected for a [detail base] **performance-based**  
2 review under procedures adopted pursuant to the provisions of sections 33.800 to 33.810 shall  
3 present its appropriation request in a manner prescribed by the budget and appropriation  
4 committees so that all programs or services can be reviewed[, to the extent practicable, on the  
5 basis of a cost/benefit evaluation, and shall contain, to the extent requested,] **in accordance with**  
6 **the performance-based procedures and performance standards established in section**  
7 **33.803 and** a detailed itemization of all existing and anticipated expenditures which are to be  
8 allocated to each program, service or function for the year of the appropriation request.

9 2. All departments and agencies shall submit their respective appropriations requests in  
10 a uniform manner as prescribed by procedures prescribed pursuant to section 33.800.

33.807. All officers and employees of the state, all departments, boards, commissions,  
2 bureaus and other agencies and institutions of the state which are supported, in whole or in part,  
3 by appropriations from the state shall furnish the budget committee of the house of  
4 representatives and the appropriations committee of the senate with complete access to their  
5 records and full information and assistance in any matter of research or investigation in  
6 connection with a [detail base] **performance-based** review. This section shall not be construed  
7 to compel the disclosure of any records or information which is declared to be privileged or  
8 confidential under any law of this state or the United States or by an order of a court of  
9 competent jurisdiction.

33.810. When any department or agency is selected for a [detail base] **performance-**  
2 **based** review pursuant to the provisions of sections 33.800 to 33.810, an analysis team shall be  
3 formed to consist of a budget analyst of the senate appropriations committee selected by the  
4 [chairman] **chair** of the senate appropriations committee, a budget analyst of the house budget  
5 committee selected by the [chairman] **chair** of the house budget committee, a budget analyst who  
6 is employed by the office of administration designated by the commissioner of administration,  
7 and an employee of the department or agency subject to the [detail base] **performance-based**  
8 **budget** review selected by the chief administrative officer of that department or agency. Upon  
9 request of the [chairmen] **chairs** of the legislative committees, the oversight division of the joint  
10 committee on legislative research shall assist the analysis team and provide such services as may  
11 be required. Members of the team shall receive no additional compensation for their services,  
12 but may be reimbursed for their actual and necessary expenses connected with the performance  
13 of their duties out of the joint legislative contingent fund. The team shall perform such  
14 functions, analysis and other duties as are specified in the [detail base] **performance-based**  
15 **budget** review procedures established pursuant to the provisions of section 33.800. [The team

16 shall begin the detail base review no sooner than the final approval of the appropriations bills by  
17 the governor and complete the review no later than October first of the same year.]