

CONFIDENTIAL
LEGISLATIVE BILL REVIEW FORM: 2014

Bill Number: S.293 Name of Bill: General Assembly and Executive; population-level outcomes and 6 indicators; Performance Measure Pilot Program; report

Agency/Dept.: ANR/DEC
Hengstenberg

Author of Bill Review: Joanna Pallito & Carey

Date of Bill Review: 1/6/2014

Status of Bill (check one):

Upon Introduction As passed by 1st body As passed by both bodies Fiscal

Recommended Position:

Support Oppose Remain Neutral Support with modifications identified in #8 below

Analysis of Bill

1. Summary of bill and issue it addresses. *Describe what the bill is intended to accomplish and why.*

This bill proposes to require the Executive Branch to report on population-level outcomes and indicators for different areas of State government and on the Performance Measure Pilot Program in order for the General Assembly to consider data-based results in decision making (both programmatic and fiscal). Over the last few fiscal years both of the House and Senate Appropriations Committees have already been requesting "program results" and "performance based budget reporting" which seems to be somewhat mirroring and potentially even duplicating the intent of this draft bill.

We understand that the ultimate goal is for state leaders, managers, staff, and the general public to understand both what and how funds are spent and whether these expenditures are leading to the intended result. The concern however, is if this is already being accomplished through this current model of performance based budgeting. Because the details and requirements are Performance Based Budgeting are still in development for DEC, this bill could be not only create duplicative work, but also not an effective or efficient use of limited staff resources. Currently a select group of 13 pilot programs across several departments are going to be presenting their FY15 budgets in the results-based program format that is part of the State's new VANTAGE Budget System. The understanding (and hope) is that these departments will help with the transition of the entire budget to the new format. The plan is expand the number of programs in FY2016, moving towards the goal of having all programs in this format as soon as possible in subsequent years.

2. Is there a need for this bill? *Please explain why or why not.* In these tight economic times, there is clearly an ever growing need for this to help not only the legislature, but the greater public understand what value they are receiving (ROI - return on investment) they are getting for the various services and programs delivered by state government entities which use state fiscal resources. The legislature is charged with deciding and implementing policies across many different medias as well as determining where and how to best allocate resources (funding and staff) to accomplish those efforts. Currently there isn't a uniform/standard reporting process that demonstrates the performance and related outcomes in relation to funding and staffing. This makes it difficult for internal and external interested parties to understand if placing resources in a particular area is worth the outcomes, In addition, if a particular outcome is desired

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without proper metrics and key indicators we will not be able to ascertain if we are truly accomplishing the goals and desired results. This type of reporting as defined in this draft language is aimed at getting at linking specific population-based outcomes to the work of various state agencies in an effort to make more informed decisions across state government. The concern, as noted above, is that this may in fact be a duplicative reporting effort given the current pilot project that is underway for performance/results based budgeting ordered by the respective Appropriation Committees .

3. What are likely to be the fiscal and programmatic implications of this bill for this Department?

It appears as though DEC's fiscal and programmatic reporting requirements under this legislation will fall mainly under the performance metrics outlined in the designated "regulatory" category on both page 5 of 10 and additional "regulatory" category listed on page 8 of 10. The 2 metrics required under the regulatory category are: (1) the number of permits issued and processing time; and (2) CO2 emissions per capita. We are already doing the PEP report which should provide all the permitting information requested as part of this bill. We also complete an annual CO2 inventory which and can easily make a calculation to determine annual per capita emissions. DEC would also fall under at least one of the identified metrics within the "economic development" category found on page 9 of 10. It is letter (F) "percent of water, sewer, and stormwater systems that meet federal and State standards". Currently, we don't have a method to track this particularly for sewer and stormwater infrastructure.

4. What might be the fiscal and programmatic implications of this bill for other departments in state government, and what is likely to be their perspective on it? The implications (both fiscal and programmatic) for other departments in the state government would be difficult for DEC to ascertain as the services we provide and to "whom" vary greatly. However, the language and proposed metrics in this bill appear to be consistent with strategic planning and reporting work for the Agency of Human Services. Some agencies may be more supportive of this bill because they have already been using population based outcomes in their planning processes where applicable by applying Results Based Accountability. DEC is further behind on getting up to speed with Results Based Accountability, Performance Based Budgeting, and Strategic Planning specifically to make our final determination on what performance measures, indicators and population based outcomes we plan to chose as representative of our work. It appears that the state of CT has been applying Results Based Accountability for the past few years, there is information on the General Assembly's website: <http://www.cga.ct.gov/app/rba/>.

5. What might be the fiscal and programmatic implications of this bill for others, and what is likely to be their perspective on it? *(for example: public, municipalities, organizations, business, regulated entities, etc.)*

Other entities should have an interest in this legislation because it proposes to address "population -based outcomes". According to the Results Based Accountability framework, population-based outcomes are big picture outcomes that should be related to the general health, well-being, etc.. of the population. Responsibility for these outcomes is shared between all entities and partners and everyone shares responsibility. Environmental organizations, municipalities and businesses would likely have an interest in this legislation.

6. Other Stakeholders:

6.1 Who else is likely to support the proposal and why? The VT taxpayers, special interest groups, fee payers, municipalities. The spirit of the bill is to build in a sense of transparency, accountability and basis for decision making and allocation of resources. The annual "Report Card" mentioned in the bill would could be a useful tool as a means to communicate with the legislature and public.

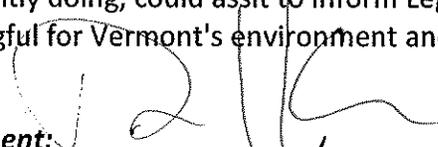
6.2 Who else is likely to oppose the proposal and why?

7. **Rationale for recommendation:** *Justify recommendation stated above.* This bill does not require a great deal of additional work for DEC, however, as written it adds another layer of reporting and not much added value in terms of improving our overall performance. Again, our concern is that this is potentially a somewhat redundant effort given the current performance based budget reporting requirement and "pilot" underway.

8. **Specific modifications that would be needed to recommend support of this bill:** *Not meant to rewrite bill, but rather, an opportunity to identify simple modifications that would change recommended position.*

We may want to suggest that they review the current performance based budget reporting requirements and how they align with the intentions of this draft bill. Once that piece is accomplished then the language in the bill should be consistent with the current reporting requirements as well as the Results Based Accountability framework. For example, it should define population based outcomes, key indicators and performance measures. In addition, more discussion should occur on which metrics are appropriate for DEC. Over the past several months, DEC has been putting an increased amount of effort into developing performance measures and key indicators that more accurately reflect the work of our Department. The work we are currently doing, could assist to inform Legislators on metrics that we can track and outcomes that are meaningful for Vermont's environment and citizens.

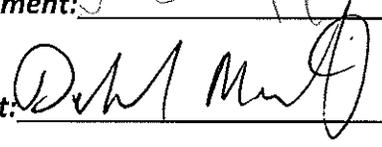
Commissioner has reviewed this document:



Date:

7/9/14

Secretary has reviewed this document:



Date:

1-13-14