

## Department of Planning and Budget 2011 Fiscal Impact Statement

1. **Bill Number:** HB2300

|                 |                                     |              |                          |            |                          |           |
|-----------------|-------------------------------------|--------------|--------------------------|------------|--------------------------|-----------|
| House of Origin | <input checked="" type="checkbox"/> | Introduced   | <input type="checkbox"/> | Substitute | <input type="checkbox"/> | Engrossed |
| Second House    | <input type="checkbox"/>            | In Committee | <input type="checkbox"/> | Substitute | <input type="checkbox"/> | Enrolled  |

2. **Patron:** Englin, D.

3. **Committee:** General Laws

4. **Title:** Planning and Budget, Department of; budget performance data provided by state agencies

5. **Summary:** Department of Planning and Budget (DPB); budget performance data provided by state agencies; establishment of Performance Improvement Officers.

Requires each state agency to conduct an annual review and prioritization of its operations and programs. Under the bill, each agency shall develop a list of its three highest and three lowest priorities and include them in the budget estimates submitted to the Department of Planning and Budget. The bill also provides for the head of each state agency to designate an existing employee to serve as the agency's Performance Improvement Officer to assist in ensuring that the mission and goals of the agency are achieved through strategic and performance planning and measurement pursuant to the performance management system established by the Department.

6. **Budget Amendment Necessary:** No

7. **Fiscal Impact Estimates:** Indeterminate

8. **Fiscal Implications:** This bill would require agencies to submit highest and lowest priorities to DPB along with the agency budget submission. These priorities could be used by the Governor and DPB in the budget development process to help determine which amendments the agency feels are most important. There would be some additional staff time required by DPB to develop the instructions for these priorities and to review the priorities when they are submitted. There may also be some costs associated with making any changes to the new Performance Budgeting System that might be required to capture the information required by this legislation. Under the proposed method for supporting the system, the cost would be built into the internal service fund rates charged to state agencies.

The bill also requires agencies to designate one staff member as the Performance Improvement Officers. Every agency already has one staff person already responsible for strategic planning and that person could assume this new role. In smaller agencies this person is also responsible for many other agency functions.

**9. Specific Agency or Political Subdivisions Affected:** All state agencies.

**10. Technical Amendment Necessary:** No

**11. Other Comments:**

**Date:** 1/19/11

**Document:**

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