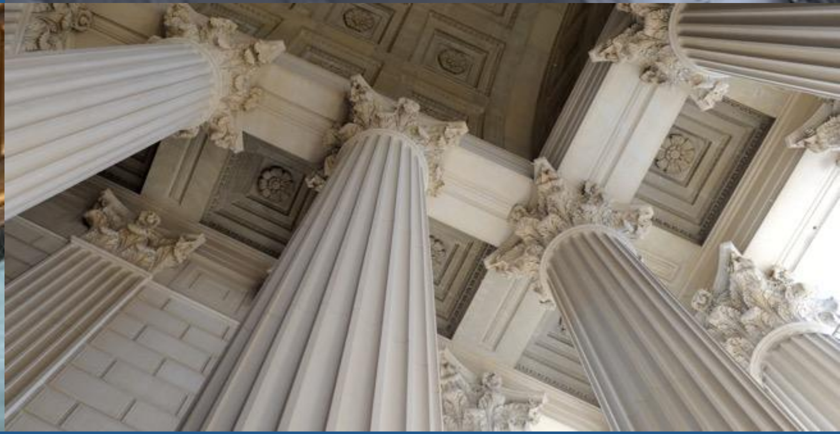
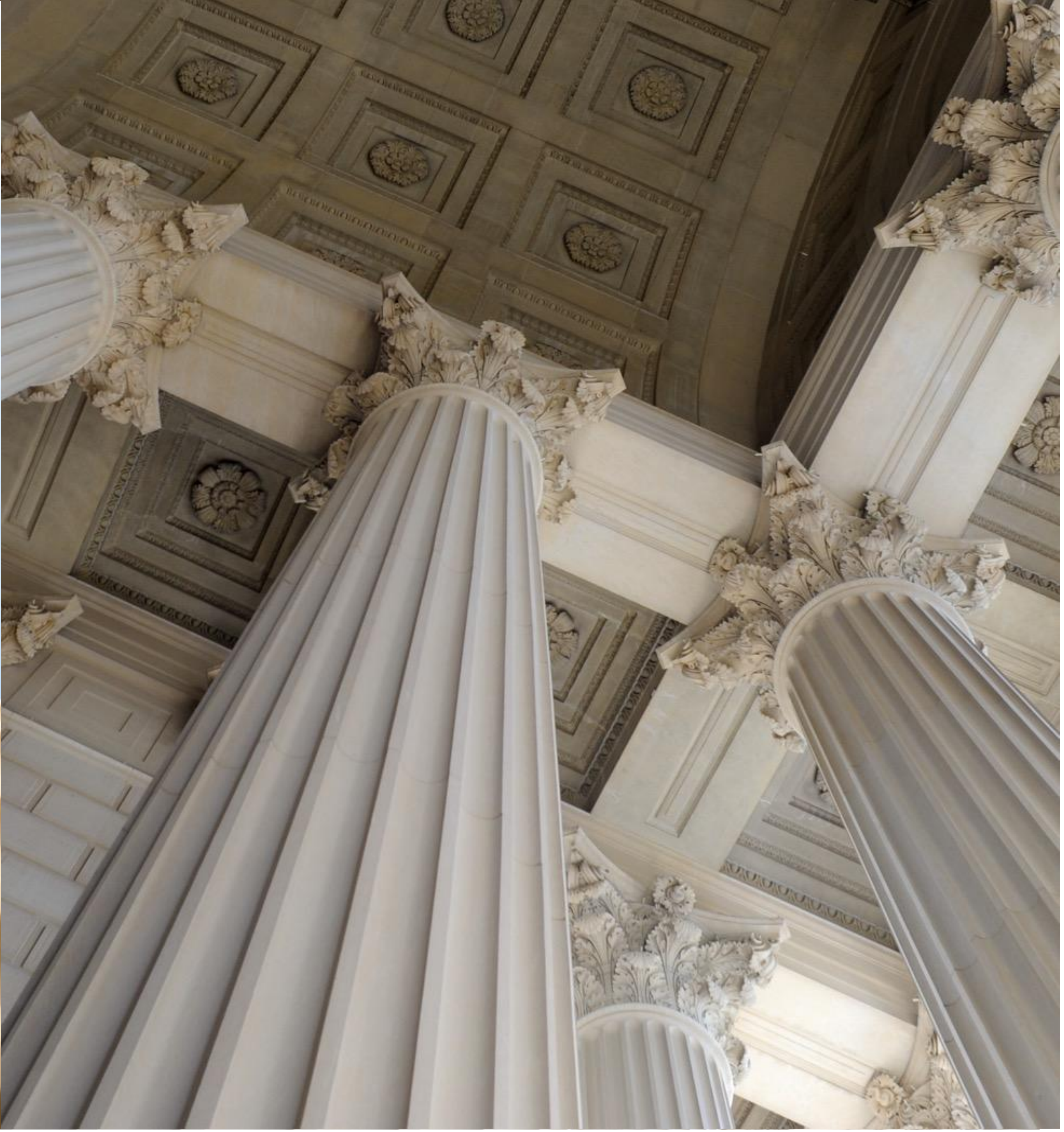
State Legislative Oversight Tools

Will Clark, Program Principal, National Conference of State Legislatures





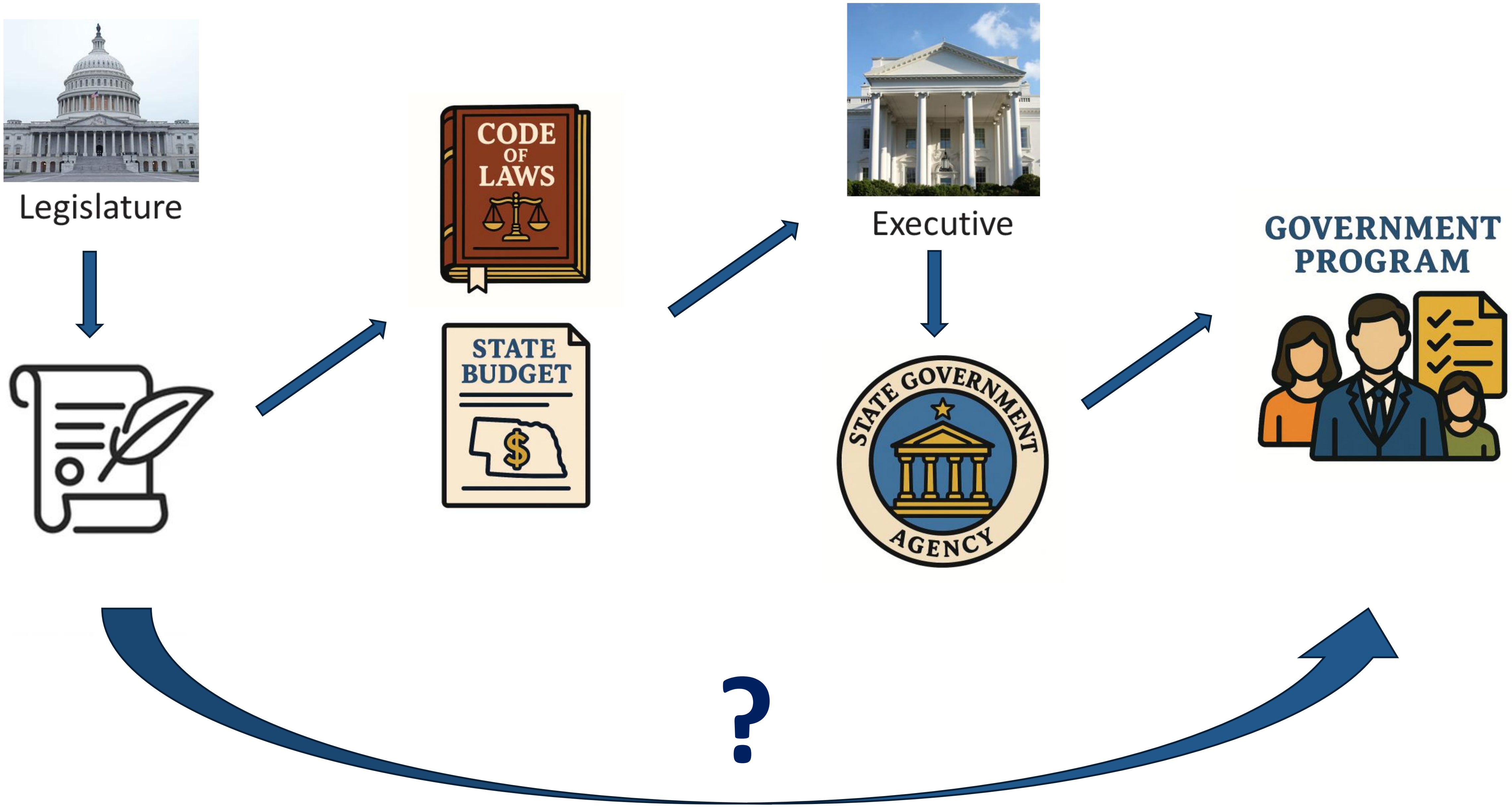
Agenda

- Legislative Oversight Summary
- Sunset Reviews
- Administrative Rules Review
- Performance Audit & Program Evaluation

Legislative Oversight Tools

Is Policy:

- Following legislative intent
- Effective in achieving statutory goals
- Enabling good stewardship of taxpayer dollars
- In need of modification or elimination


Legislature
CODE OF LAWS
STATE BUDGET
Executive
STATE GOVERNMENT AGENCY
GOVERNMENT PROGRAM
?

Legislative Oversight Tools

Committees

Studies & Analysis

Sunset & Sunrise

Rules Review

Evaluation & Audit

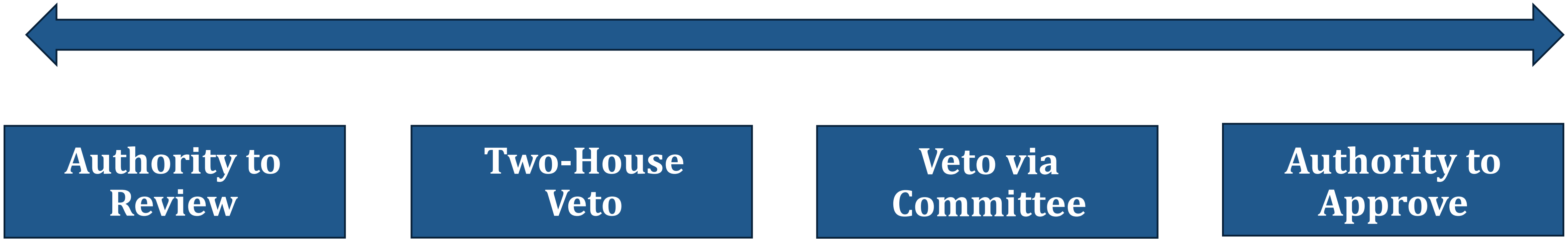
Sunset Reviews

- First office created in Colorado in the 1970’s.
- 44 states used some form of the process over time.
- Automatic termination of a board, commission, agency or other entity unless legislative action is taken to reinstate it.

Administrative Rules Review

- An **administrative rule** is typically a regulation, standard or policy issued by an executive agency to implement statutory provisions administered by the agency.
- Forty-three states have some type of authority to review administrative rules.
- Review often pertains to constitutionality and whether rules adhere with legislative intent

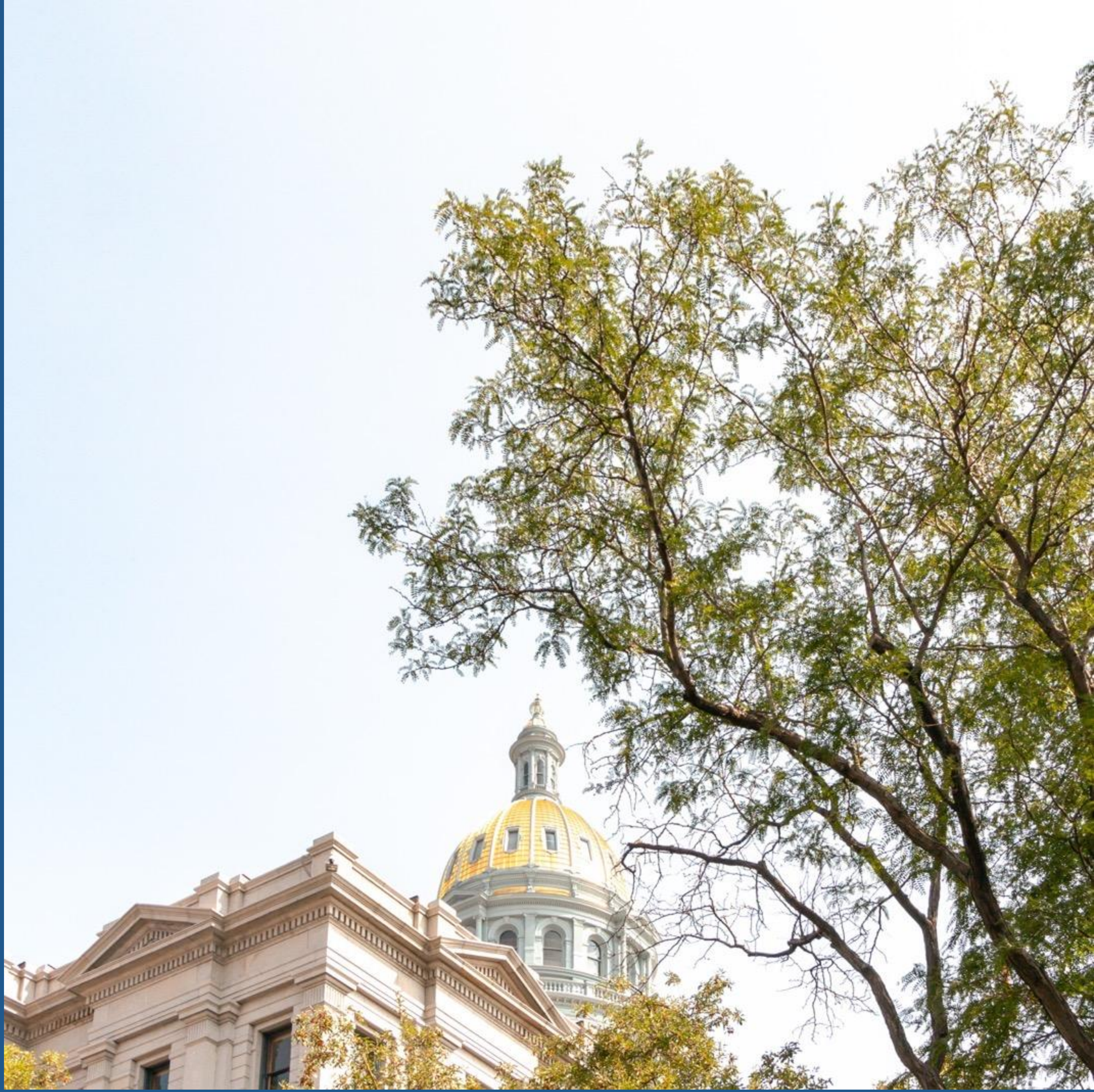
Administrative Rules Review



What is Program Evaluation and Performance Audit?

Ensure that public services are provided:

- Effectively
- Efficiently
- Economically
- Ethically



Audits vs. Evaluations

Audit: a systematic review of financial statements or processes and procedures to ensure statutory compliance using established standards.

Focus

Financial accuracy

Internal controls

Evaluation: a systematic review of a program or project to determine its effectiveness.

Focus

Outcomes

Impact

State Audit and Program Evaluation Office Directors

36	5	25
Legislatively Appointed	**Executive Branch Appointment**	**Independently Elected**

Type of Reporting Entity

76%

Joint Legislative Committee

- Arizona Auditor General
- Montana Legislative Audit
- Washington Joint Legislative Audit and Review Committee

13%

Legislative Leadership

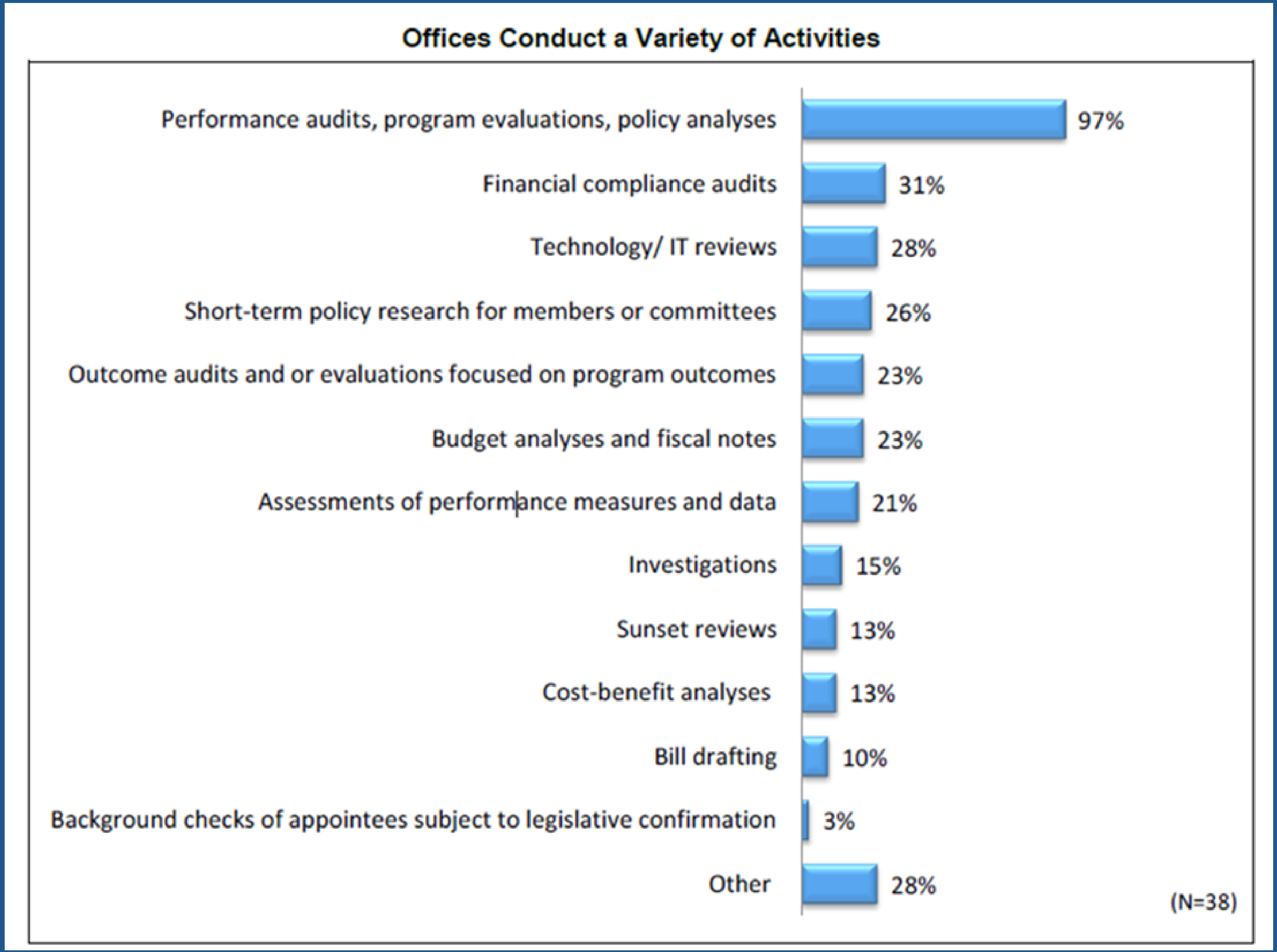
- Florida OPPAGA
- Michigan Auditor General
- Utah Legislative Auditor General

11%

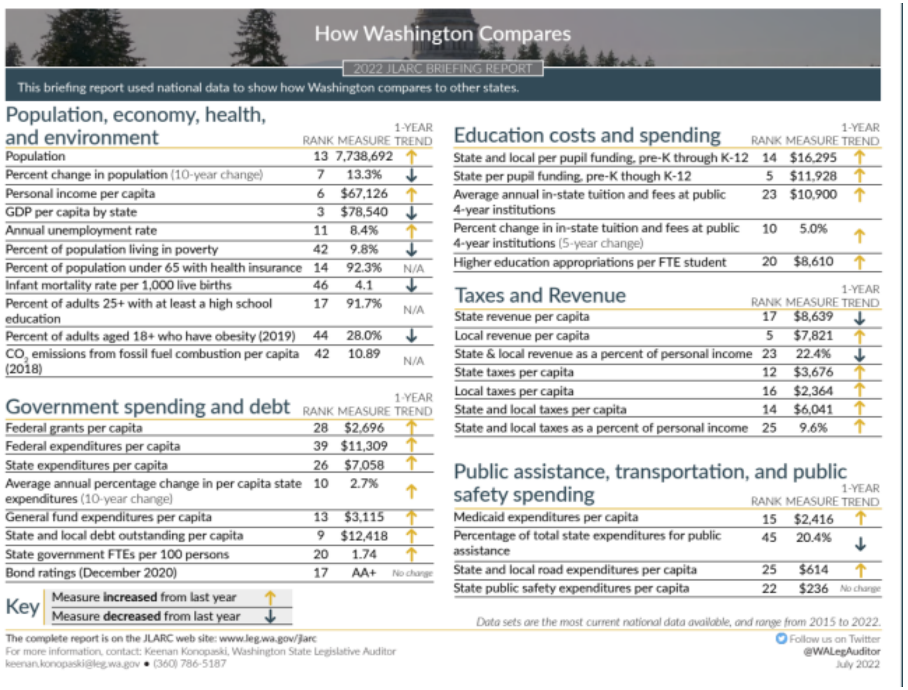
Other

- South Carolina LAC – Combination of legislative and citizen
- Tennessee Comptroller – Reports to full General Assembly Membership
- Georgia DOAA – certain reports to Appropriations Committee otherwise no report requirement

What Products Come from These Offices?



Legislative Performance Audit



How Washington Compares

2022 JLARC BRIEFING REPORT

This briefing report used national data to show how Washington compares to other states.

Population, economy, health, and environment

	RANK	MEASURE	1-YEAR TREND
Population	13	7,738,692	↑
Percent change in population (10-year change)	7	13.3%	↓
Personal income per capita	6	$67,126	↑
GDP per capita by state	3	$78,540	↓
Annual unemployment rate	11	8.4%	↑
Percent of population living in poverty	42	9.8%	↓
Percent of population under 65 with health insurance	14	92.3%	N/A
Infant mortality rate per 1,000 live births	46	4.1	↓
Percent of adults 25+ with at least a high school education	17	91.7%	N/A
Percent of adults aged 18+ who have obesity (2019)	44	28.0%	↓
CO_2 emissions from fossil fuel combustion per capita (2018)	42	10.89	N/A

Government spending and debt

	RANK	MEASURE	1-YEAR TREND
Federal grants per capita	28	$2,696	↑
Federal expenditures per capita	39	$11,309	↑
State expenditures per capita	26	$7,058	↑
Average annual percentage change in per capita state expenditures (10-year change)	10	2.7%	↑
General fund expenditures per capita	13	$3,115	↑
State and local debt outstanding per capita	9	$12,418	↑
State government FTEs per 100 persons	20	1.74	↑
Bond ratings (December 2020)	17	AA+	No change

Education costs and spending

	RANK	MEASURE	1-YEAR TREND
State and local per pupil funding, pre-K through K-12	14	$16,295	↑
State per pupil funding, pre-K though K-12	5	$11,928	↑
Average annual in-state tuition and fees at public 4-year institutions	23	$10,900	↑
Percent change in in-state tuition and fees at public 4-year institutions (5-year change)	10	5.0%	↑
Higher education appropriations per FTE student	20	$8,610	↑

Taxes and Revenue

	RANK	MEASURE	1-YEAR TREND
State revenue per capita	17	$8,639	↓
Local revenue per capita	5	$7,821	↑
State & local revenue as a percent of personal income	23	22.4%	↓
State taxes per capita	12	$3,676	↑
Local taxes per capita	16	$2,364	↑
State and local taxes per capita	14	$6,041	↑
State and local taxes as a percent of personal income	25	9.6%	↑

Public assistance, transportation, and public safety spending

	RANK	MEASURE	1-YEAR TREND
Medicaid expenditures per capita	15	$2,416	↑
Percentage of total state expenditures for public assistance	45	20.4%	↓
State and local road expenditures per capita	25	$614	↑
State public safety expenditures per capita	22	$236	No change

Key
- Measure **increased** from last year ↑
- Measure **decreased** from last year ↓

Data sets are the most current national data available, and range from 2015 to 2022.

The complete report is on the JLARC web site: www.leg.wa.gov/jlarc
For more information, contact: Keenan Konopaski, Washington State Legislative Auditor
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July 2022

Washington State Patrol Pursuit Vehicle Replacement

2020 JLARC STUDY

The 2019 Legislature directed JLARC staff to review the Washington State Patrol's (WSP) pursuit vehicle life cycle cost model (ESHB 1160). WSP used it to determine a replacement target of 110,000 miles.

$13.3M VEHICLE PURCHASES AND EQUIPMENT
$14.4M VEHICLE MAINTENANCE AND OPERATIONS
TOTAL: $27.7M

WSP planned to spend $13.3 million to purchase and equip 240 new pursuit vehicles in the 2019-21 biennium

It expected to spend just under half of its pursuit vehicle budget on new purchases and the rest on operating costs (e.g., fuel and repairs).

WSP is not following best practices for using and communicating life cycle cost analysis

This limits the accuracy of the analysis and its impact on policy and funding decisions. For example, WSP:

- Provides limited oversight of the maintenance data entered by its staff resulting in unreliable information.
- Does not document the assumptions and methodologies used to update the model.
- Uses inconsistent formulas in its model and does not discount costs to their present value.
- Provides inaccurate and, in some cases, out of date information to the Legislature.

Legislative Performance Audit

State of Washington

Joint Legislative Audit and Review Committee (JLARC)

2023-25 JLARC Biennial Work Plan

Work plan is subject to change based on other Committee and/or Legislative priorities

Current Work in 2023-25 Biennia

Study	Planned Report Date	View Study Mandate
Legislative Implementation of SAO Recommendations: Annual Report *View report*	Yearly (July)	*Initiative 900 (2005)*
Lodging Tax Expenditures Reported by Municipalities: Annual Non-Audit Report *View report*	Yearly	*ESHB 1253 (2013)*
Public Records: State and Local Agency Annual Reporting on Metrics *View report*	Yearly (January)	*ESHB 1594 (2017)*
Washington Compares *(Comparison to other states on standard measures such as government spending, taxes, and education)*	Biennial (April)	*JLARC Sponsored (2019)*
Tax Preference Review: International Services B&O Tax Credit *View preliminary report*	July 2023	*EHB 1069 (2006)*
Tax Preference Review: Rural County and CEZ B&O Job Credit *View preliminary report*	July 2023	*EHB 1069 (2006)*

Commercial Office Space	July 2028	*SHB 1746 (2019)*
Sunset Review: Underground Storage Tank	Sept 2028	*SB 6159 (2018)*
Analysis of the Unemployment Insurance Training Benefits Program	Dec 2028, then every five years	*EHB 1091 (2011)*
Impact of Tourism Marketing Program Authority	Dec 2028	*E4SSB 5251 (2018)*
WA Statewide Reentry Council	Jan 2029, then every six years	*2SHB 2791 (2016)*
Sunset Review: Aerospace Innovation	Sept 2029	*2SSB 6139 (2020)*
Sunset Review: Alternative Public Works Contracting Procedures	Sept 2029	*SB 5032 (2021)*
Breakfast After the Bell	Dec 2029	*2ESHB 1508 (2018)*
Review of Attorney General's Enforcement of Consumer Health Data Protections	Sept 2030	*ESHB 1155 (2023)*
Low-Income Housing Development - Religious Organizations	Dec 2030	*SHB 1377 (2019)*
Implementation of Clean Fuel Standards and Cap and Investment Programs	Dec 2030	*E3SHB 1091 (2021)* *E2SSB 5126 (2021)*

Additional NCSL Web Resources

Separation of Powers: Legislative Oversight

https://www.ncsl.org/about-state-legislatures/separation-of-powers-legislative-oversight

Legislative Oversight of Emergency Executive Powers

https://www.ncsl.org/about-state-legislatures/legislative-oversight-of-emergency-executive-powers

NCSL
NATIONAL CONFERENCE OF STATE LEGISLATURES

Thank You

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