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Gov. Gregoire announces plan to transform Washington's budget

OLYMPIA – Gov. Chris Gregoire today unveiled a new budget-building process that features a series of critical questions state agencies must answer to ensure spending is related to an essential function of state government.

“We have been navigating our way through some very tough times while the economy slowly improves,” Gregoire said. “I am now looking ahead to the state’s next budget cycle and another sizable shortfall we must address in the 2011–13 budget. We are going to challenge every program in state government with a series of tough questions to ensure we are getting the best value for the most essential functions of state government.”

The state Office of Financial Management released a report today showing a projected \$3 billion shortfall for the next budget period in 2011–13.

“We will continue to use the Priorities of Government — or POG — budget process as the framework for a zero-base new budget,” said OFM Director Marty Brown. “No state activity gets a free pass. However, we are strengthening POG to reflect the values that we hold as a state and asking a series of tough questions to help us decide how to invest scarce dollars among so many competing demands.”

The questions the Governor is asking state agencies to answer about their spending requests are divided among three categories:

Fiscal responsibility

1. Is the activity an essential service?
2. Does state government have to perform the activity, or can it be provided by others?
3. Can the activity be eliminated or delayed in recessionary times?
4. Does the activity need to be paid for with state general funds? Should users pay a portion of the costs?
5. Are there federal funds or other fund sources available to support this activity?

Efficiency

6. Are there more cost-effective, efficient ways to do the activity?

Performance

7. Can the activity be the subject of a performance contract?
8. Can the activity be the subject of a performance incentive?

Gregoire also announced the appointment of a panel of leaders from outside government to provide input on state spending. That panel will help conduct executive budget hearings to involve the public in the budget process.

Nearly three dozen leaders drawn from across the state in a host of fields have been invited to serve on the Governor's Committee on Transforming Washington's Budget. The committee will serve in an advisory capacity to the governor. The committee's specific charge is to question budget assumptions, serve as a sounding board and lend guidance.

Members who have been confirmed their participation on committee are:

- Patricia Akiyama, Director of External Affairs, Port of Seattle
- Representative Gary Alexander, House Republican Caucus
- Sandra O. Archibald, Dean, UW Daniel J. Evans School of Public Affairs
- Rick S. Bender, President, Washington State Labor Council
- Rodney L. Brown, Jr., President, Washington Environmental Council
- Don C. Brunell, President, Association of Washington Business
- Larry Cassidy, retired business owner and former member of NW Power and Conservation Council
- Richard Davis, Coordinator, Washington Alliance for a Competitive Economy
- Commissioner Mike Doherty, Chairman, Board of Clallam County Commissioners
- Senator Karen Fraser, Senate Democratic Caucus
- Carver Gayton, Emeritus and founding Executive Director of Northwest African American Museum and former Commissioner of Washington State Employment Security Department
- Dr. Deborah J. Harper, President, Washington State Medical Association
- Dr. Thelma A. Jackson, Owner/President of Foresight Consultants and former school board member
- Eric Johnson, Executive Director, Washington State Association of Counties
- Eric D. Johnson, Executive Director, Washington Public Ports Association
- Mary Lindquist, President, Washington Education Association
- Representative Kelli Linville, House Democratic Caucus
- Mike McCarty, Chief Executive Officer, Association of Washington Cities
- Jason Mercier, Director, Center for Government Reform, Washington Policy Center
- Stephen F. Mullin, President, Washington Roundtable
- Fred A. Olson, former Deputy Chief of Staff to the Governor
- Suzanne Petersen, Vice President of External Affairs, Children's Hospital
- Chief Don Pierce, Executive Director, Washington Association of Sheriffs and Police Chiefs
- Stephen Reynolds, Chairman, President, and CEO, Puget Sound Energy
- David Rolf, President, SEIU Healthcare 775NW
- Orin Smith, former Chief Financial Officer of Starbucks and former director of Office of Financial Management
- Lyn Tangen, Director of Government and Community Relations, Vulcan
- Melinda Travis, Spokane community leader
- Remy Trupin, Executive Director, Washington State Budget and Policy Center
- Marilyn Watkins, Policy Director, Economic Opportunity Institute
- Senator Joe Zarelli, Senate Republican Caucus
- David A. Zeeck, President and Publisher, The News Tribune

OFM will hold a series of executive budget hearings across the state to inform residents about the challenges faced in developing the budget and to receive citizen input on the difficult choices facing the state. Hearings will be scheduled in late July, with the first taking place in Tacoma July 19. Additional dates and locations will be announced soon.

For more information on the Governor's new budget process, please visit <http://governor.wa.gov/priorities/budget/default.asp>.

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