

# HOUSE BILL REPORT

## HB 1434

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### As Reported By House Committee On:

Government Administration

**Title:** An act relating to quality awards.

**Brief Description:** Providing for the quality awards council.

**Sponsors:** Representatives McMorris, Hatfield, Boldt, Cole and Conway; by request of Secretary of State.

### Brief History:

#### Committee Activity:

Government Administration: 2/21/97, 2/25/97 [DPS].

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## HOUSE COMMITTEE ON GOVERNMENT ADMINISTRATION

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 12 members: Representatives D. Schmidt, Chairman; D. Sommers, Vice Chairman; Scott, Ranking Minority Member; Gardner, Assistant Ranking Minority Member; Doumit; Dunn; Dunshee; Reams; Smith; L. Thomas; Wensman and Wolfe.

**Staff:** Bronwyn Mauldin (786-7093).

**Background:** The Washington Quality Award Council is part of the private nonprofit Quality for Washington State Foundation. The council oversees the Governor's Washington State Quality Achievement Award Program, which annually recognizes businesses and other organizations that are noteworthy examples of high-performing work organizations. The purpose of the foundation is to raise funds for the award program. The council and foundation were created in 1994 within the Department of Community, Trade and Economic Development (DCTED), and are scheduled to sunset on July 1, 2004.

The Governor and the director of the DCTED serve as chair and vice-chair of the council. The Governor appoints 28 additional board members that have quality improvement experience from a list of certain public and private entities.

The Quality for Washington State Foundation and the secretary of state's office currently provide administrative support and operational expenses for the Washington Quality Award Council.

**Summary of Substitute Bill:** The Washington Quality Award Council is transferred from the DCTED to the Office of the Secretary of State. The Quality for Washington State Foundation is abolished. The sunset date for the council remains July 1, 2004.

The Governor and secretary of state or their designees serve as chair and vice-chair of the council. The director of the DCTED continues to serve as a member of the council. The list of organizations that the Governor must choose board members from is removed, allowing the Governor to choose members from any public or private organization. The council membership of 30 members is codified.

The secretary of state provides administrative assistance and support to the council only to the extent that the Legislature appropriates funds for that purpose. To supplement those funds, the council may develop private sources of funding, and may establish a private foundation. No public funds are permitted to be used to purchase awards, to be distributed as awards, or for any expenses incurred by members of the council's boards. Council staff overtime or travel expenses may not be paid with public funds unless a specific appropriation is made for that purpose.

**Substitute Bill Compared to Original Bill:** The substitute adds provisions keeping the director of Community, Trade and Economic Development on the council, and the 30-person council membership.

**Appropriation:** None.

**Fiscal Note:** Requested February 19, 1997.

**Effective Date of Substitute Bill:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** This program helps bring Washington businesses up to national and international quality standards. Even if they do not win an award, organizations can learn to improve the quality of their products and services just by participating in the award process. The council and foundation have been able to self-fund the awards.

**Testimony Against:** None.

**Testified:** Representative McMorris, prime sponsor; Ralph Munro, Secretary of State; Bob Bowman, Department of Social and Health Services; Kathy Chance, Department of Community, Trade and Economic Development; and Deborah Hopen, Xerox Corporation.