



Testimony to Senate Ways & Means Committee
HB 2739 Performance-Based Budgeting
April 27, 2016
Dave Trabert, President

Chairman Masterson and members of the Committee,

We appreciate this opportunity to testify in support of HB 2739, which would create a new budget process focused on program effectiveness and outcomes.

Performance-based budgeting (sometimes called priority-based budgeting) allows legislators to pair resources with effective programs, which cannot be done presently because the information doesn't exist. The process can also be designed to provide cost-per-unit-of-output comparisons that can be used to make programs more efficient.

Agreeing upon the prioritization of programs within each agency also protects unnecessary budget cuts to effective and high-priority programs. Whether spending needs to be reduced or just not increased as much as the agency desires, legislators can direct agencies to reduce funding for the lowest priority / least effective programs.

Finally, performance-based budgeting should improve the effectiveness of necessary programs, especially if agency prioritization and effectiveness measures are readily available to the public.

We believe HB 2739 would result in a significantly better budgeting process and encourage you to recommend it favorably.