

Testimony for SB 1341 – Performance Based Budget Legislation  
Pennsylvania State Senate  
Senate Appropriations Committee  
September 20, 2016

Mr. Chairman, Mr. Minority Chair, and esteemed members of the Senate Appropriations Committee, I am Beth Blauer and I am the Executive Director of the Center for Government Excellence at Johns Hopkins University. The Center for Government Excellence works with local governments on finding strategic ways to harness the data that they already collect as well as finding ways to tie performance management benchmarks to the data that municipalities have in the hopes of finding practical and pragmatic solutions to problems.

Prior to my work at Johns Hopkins, I worked for the State of Maryland where I led the StateStat office during the administration of former Governor Martin O'Malley. StateStat was a new concept not only for the State of Maryland but was revolutionary in state governments across the Union. It was based off a concept that Governor O'Malley instituted when he was the Mayor of Baltimore, CitiStat which came from the New York Police Department's COMPSTAT program.

StateStat afforded the Governor and the Cabinet the capacity to set performance benchmarks on the key issues that the State was responsible for including higher education, public safety, mass transit and pollution in the Chesapeake Bay. Data was collected by agencies with the assistance of a team of StateStat analysts who worked from the Governor's office. The analysts worked with agencies to reduce the friction of extracting data from IT systems, aligned data to key objectives the agencies set for themselves, and connected data to outcomes that were important to the public. The analysts also drafted briefing materials and assembled data analytics that shaped incredibly constructive dialog around what was working and what wasn't, this allowed the executive team to make quick and deeply informed decisions around policy, budget, and legislation. At the end of the meetings all the data was released to the public paired with a summary of findings and action items. This allowed the governor's office and the agencies to create a public call to actions related to the most intractable public issues. Public trust in state government was improved and StateStat helped to create a much more comprehensive culture of transparency.

StateStat served as a clearinghouse for all major decisions in the state. This included budget priorities, the Governor's legislative package, and major policy focus areas. Participating in the meetings was the Governor, his senior team, always the agency's budget analyst, the state CIO and any other invested stakeholder in the specific agency or outcome that was at the center of the meeting. This allowed focus and afforded less gaming between the agencies, the governor's office and the outcomes we were focused on for delivery.

In our time together, StateStat was credited with major progress in reducing pollution in the Chesapeake Bay, dramatic reductions in childhood hunger, better outcomes in our public schools, smarter growth decisions, and crime reductions to just name a few. The use of data and evidence was at the center of these accomplishments.

## SB1341

Senate Bill 1341 recommends that the state implement a performance based budgeting approach. At the core of the proposal is a requirement for statewide priorities to be identified in order to align the budget to desired outcomes. Not unlike Stat, this approach will be a forcing function for agencies to work together to determine what's most important for the people of the State. Once the framework is determined performance based budgeting would allow the Governor and team the ability to construct a budget that reflective of those priorities. This also allows the Governor's team to think about investment's the state is making in outcomes by reviewing programs and their efficacy.

The difference between StateStat and Performance Based Budgeting is the holistic approach Stat provided. Budget was one lens in which we viewed our progress but it was not the only one. We used a data and evidence rich approach to measure our impact. That often meant that more expensive interventions were deployed because the outcomes were too important or unattainable without more intense investment.

Thank you for your time and I hope that my experience in Maryland will help guide Pennsylvania towards a performance management system that best serves the residents of the Commonwealth.