LAWS OF DELAWARE
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CHAPTER 53
152nd GENERAL ASSEMBLY
FORMERLY
SENATE BILL NO. 90

AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO THE FIRST STATE QUALITY IMPROVEMENT FUND.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend § 6071, Title 29 of the Delaware Code by making deletions as shown by strike through and insertions shown by underline as follows:

§ 6071. Establishment.

- (a) The First State Quality Improvement Fund is hereby established within the Department of Human Resources.
- (b) Moneys provided to the Fund shall be subject to an annual appropriation by the General Assembly in the Annual Budget Act of the State of Delaware. Appropriations made to the First State Quality Improvement Fund shall not be subject to reversion to the General Fund of the State unless otherwise specified by the General Assembly in the Annual Budget Act.

Section 2. Amend § 6072, Title 29 of the Delaware Code by making deletions as shown by strike through and insertions shown by underline as follows:

§ 6072. Legislative intent.

The General Assembly finds that State agencies and employees can improve their performance and delivery of services to State citizens by implementing a long-term commitment to total quality management continuous improvement, performance budgeting and other quality operational excellence initiatives. A First State Quality Improvement Fund will allow agencies to implement quality supports implementation of operational excellence initiatives and reinvest a percentage of the reinvestment of savings in tools for improving productivity efficiency and effectiveness. Agencies may reduce positions requirements through retraining, reassignment, or other methods, such as automation. The General Assembly intends for this process to involve employees at all levels to improve customer confidence and satisfaction with State government.

Section 3. Amend § 6073, Title 29 of the Delaware Code by making deletions as shown by strike through and insertions shown by underline as follows:

§ 6073. Purposes.

As prescribed by § 6075 of this title, and except as specifically provided in § 6076 of this title, the Fund shall be expended for long-term commitments to total quality management and other quality initiatives. The Fund shall be expended for long-term commitments to continuous quality improvement and other operational excellence initiatives, except as provided in § 6075.

Moneys appropriated to the Fund may be allocated for activities and programs based on commonly accepted industry best practices:

- (1) Create continuous quality improvement plans for agencies.
- (2) Establish performance-based budgeting measures to quantify effectiveness.
- (3) Re-engineer work processes consistent with Lean and other process improvement methodologies.
 - (4) Train employees and leadership to lead continuous improvement organizations.
 - (5) Other operational excellence initiatives.
 - (6) Engage vendors and/or consultants to:
 - a. Set strategic direction and goals.
 - b. Conduct seminars/facilitations for executive branch leadership.
 - c. Help selected agencies adopt operational excellence initiatives.
 - d. Train State employees as trainers to sustain initiatives.

Section 4. Amend § 6074, Title 29 of the Delaware Code by making deletions as shown by strike through and insertions shown by underline as follows:

§ 6074. Distribution of first state quality improvement fund moneys. Distribution and accountability of the first state quality improvement fund.

The Training and Development Advisory Board shall adopt rules and regulations necessary to implement this chapter, including guidelines for the distribution of these funds. The Department of Human Resources Training and HR Solutions Division in partnership with the Government Efficiency and Accountability Review (GEAR) Program Management Team shall adopt rules and regulations necessary to implement this chapter, including guidelines for the distribution of these funds.

Section 5. Amend § 6075, Title 29 of the Delaware Code by making deletions as shown by strike through and insertions shown by underline as follows:

§ 6075. Fund purpose.

Moneys appropriated to the Fund may be allocated to state agencies for the following activities:

- (1) Create total quality management plans for agencies;
- (2) Establish performance-based budgeting measures to quantify effectiveness;
- (3) Re-engineer work processes;
- (4) Team building;
- (5) Other customer satisfaction/quality initiatives;
- (6) Continuous improvement;
- (7) Empowerment of State employees;
- (8) Engage vendors and/or consultants to help;
 - a. Set direction and goals;
 - b. Conduct seminars/facilitations for the Governor, cabinet secretaries and top manager;

- c. Help selected agencies adopt quality initiatives;
- d. Train State employees as trainers to sustain initiatives in other departments.

Section 6. Amend § 6076, Title 29 of the Delaware Code by making deletions as shown by strike through and insertions shown by underline as follows:

- § 60765. Emergency and special appropriations.
- (a) In the event of an emergency involving the health, safety or welfare of the citizens of the State, any portion of the balance remaining in the Fund may be expended pursuant to an act of appropriation passed by $\frac{3}{5}$ of all the members elected to each house of the General Assembly.
- (b) In the event of cutbacks in federal funding of State programs affecting the health, safety or welfare of the citizens of the State, and upon recommendation by the Joint Finance Committee, any portion of the balance remaining in the Fund may be expended pursuant to an act of appropriation.

Section 7. Amend § 6077, Title 29 of the Delaware Code by making deletions as shown by strike through and insertions shown by underline as follows:

§ 60776. Termination.

The First State Quality Improvement Fund may be terminated when, in the opinion of the Joint Finance Committee, the program has not realized improvement in agency performance, monetary savings to the State or any other reason in which agency or employee performance has not demonstrated proof of improvements to the delivery of State services. Additionally, the Fund may be terminated when all moneys from the Fund have been expended and no further appropriation is approved by the General Assembly. The First State Quality Improvement Fund may be terminated by the General Assembly, upon the recommendation of the Joint Finance Committee when, in the opinion of the Joint Finance Committee, the program has not realized improvement in agency performance, monetary savings to the State or any other reason in which agency or employee performance has not demonstrated proof of improvements to the delivery of State services. Additionally, the Fund may be terminated when all moneys from the Fund have been expended and no further appropriation is approved by the General Assembly.

Section 8. Amend § 6078, Title 29 of the Delaware Code by making deletions as shown by strike through and insertions shown by underline as follows:

§ 60787. Liberal construction of chapter.

This chapter, being necessary for the prosperity and welfare of the State and its citizens, shall be construed liberally to effect affect the purposes of this chapter.

Approved June 27, 2023