

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 691 Session of 2013

INTRODUCED BY MARKOSEK, O'BRIEN, LONGIETTI, DAVIS, COHEN,
FRANKEL, PASHINSKI, BROWNLEE, BIZZARRO, CALTAGIRONE,
READSHAW, MUNDY, KORTZ, MURT, MAHONEY, P. DALEY AND KINSEY,
FEBRUARY 13, 2013

REFERRED TO COMMITTEE ON COMMERCE, FEBRUARY 13, 2013

AN ACT

1 Amending the act of November 24, 1992 (P.L.732, No.111),
2 entitled "An act establishing the Pennsylvania Quality
3 Leadership Awards, the Pennsylvania Quality Leadership Awards
4 Council, the Pennsylvania Quality Leadership Foundation and
5 criteria and a selection process for the awards; and
6 providing for presentation of the awards," further providing
7 for legislative findings and intent, for establishment of the
8 Keystone Alliance for Performance Excellence Awards and for
9 the Keystone Alliance for Performance Excellence Advisory
10 Council; repealing provisions relating to board of examiners
11 and panel of judges; and further providing for establishment
12 of the foundation, for awards and for restriction on funds
13 from Commonwealth.

14 The General Assembly of the Commonwealth of Pennsylvania
15 hereby enacts as follows:

16 Section 1. Sections 2(a), 4 and 5 of the act of November 24,
17 1992 (P.L.732, No.111), known as the Pennsylvania Quality
18 Improvement Act, are amended to read:

19 Section 2. Legislative findings and intent.

20 (a) Findings.--

21 (1) Strategic planning for quality and quality
22 improvement programs, through a commitment to excellence in

1 manufacturing and services, are becoming more and more
2 essential to the well-being of this Commonwealth's economy
3 and its ability to compete effectively in the national and
4 international marketplace.

5 (2) The concept of quality improvement is directly
6 applicable to large [and small companies, to manufacturing
7 and service industries and to the private and public
8 sectors.], medium and small businesses in manufacturing,
9 service, education, health care, nonprofit and governmental
10 industries, both public and private.

11 (3) American business and industry are beginning to
12 understand that poor quality costs companies as much as 20%
13 of sales revenues and that improved quality of goods and
14 services goes hand-in-hand with improved productivity, lower
15 costs and increased profitability.

16 (4) The public sector has been criticized for
17 inefficiency in the administration of its services. Applying
18 for these quality awards may prompt a reduction in these
19 inefficiencies.

20 (5) The Federal Government[, as well as several] and 40
21 state governments[, has] have developed quality award
22 programs to give special recognition to those enterprises
23 which have demonstrated excellence in quality and to
24 encourage quality improvement.

25 (6) A quality award program of this kind in this
26 Commonwealth would help improve quality and productivity by:

27 (i) helping to stimulate the public and private
28 sectors in this Commonwealth to improve quality and
29 productivity;

30 (ii) recognizing the achievements of those in the

1 public and private sectors who improve the quality of
2 their goods and services and provide an example to
3 others;

4 (iii) establishing guidelines and criteria that can
5 be used by business, industrial, government and other
6 organizations in evaluating their own quality improvement
7 efforts; and

8 (iv) providing specific guidance for other
9 organizations in this Commonwealth that wish to learn how
10 to manage for high quality by making available detailed
11 information on how successful organizations were able to
12 achieve eminence.

13 * * *

14 [Section 4. Establishment of the Pennsylvania Quality
15 Leadership Awards.

16 There are hereby established:

17 (1) the Governor's Quality Leadership Award, which
18 recognizes the highest level of achievement in quality;

19 (2) the Keystone Quality Leadership Award, which
20 recognizes the next highest level of achievement in quality;
21 and

22 (3) the Kornerstone Quality Leadership Award, which
23 recognizes a significant level of achievement in quality.]

24 Section 4. Keystone Alliance for Performance Excellence Awards.

25 The Keystone Alliance for Performance Excellence Awards,
26 which recognize the highest level of achievement in their
27 categories, are established.

28 Section 5. [Pennsylvania Quality Leadership Awards] Keystone
29 Alliance for Performance Excellence Advisory Council.

30 (a) Establishment.--There is hereby established the

1 [Pennsylvania Quality Leadership Awards] Keystone Alliance for
2 Performance Excellence Advisory Council. The council shall be a
3 board of [overseers] advisors that provide guidance and
4 recommendations for maintaining and improving Keystone Alliance
5 for Performance Excellence Awards and shall consist of the
6 following members:

7 (1) The Lieutenant Governor.

8 (2) The Secretary of Commerce.

9 (3) The Secretary of Labor and Industry.

10 (4) A member appointed by the President pro tempore of
11 the Senate.

12 (5) A member appointed by the Speaker of the House of
13 Representatives.

14 (6) A representative from the Pennsylvania AFL-CIO.

15 (7) A representative from the Pennsylvania Chamber of
16 Business and Industry.

17 (8) A representative from the Pennsylvania Association
18 of Colleges and Universities.

19 (9) The Chairman of the Board of the Pennsylvania
20 Quality Leadership Foundation.

21 (10) Not more than 11 chief executive officers or the
22 highest ranking official of a Governor's Quality Award
23 winning organization.]

24 (1) A representative from the Governor's Office.

25 (2) The Secretary of Community and Economic Development.

26 (3) The Secretary of Labor and Industry.

27 (4) A member appointed by the President pro tempore of
28 the Senate.

29 (5) A member appointed by the Minority Leader of the
30 Senate.

1 (6) A member appointed by the Speaker of the House of
2 Representatives.

3 (7) A member appointed by the Minority Leader of the
4 House of Representatives.

5 (8) A representative from the National Institute of
6 Standards and Technology.

7 (9) A chief executive officer or highest ranking officer
8 from a Pennsylvania Malcolm Baldrige award-winning
9 organization.

10 (10) The President of the Pennsylvania Chamber of
11 Business and Industry.

12 (11) The Chairperson of the Board of the Keystone
13 Alliance for Performance Excellence Foundation.

14 (12) A representative from a labor union organization.

15 (13) A president of a university, college or community
16 college in this Commonwealth.

17 (14) A representative of the Pennsylvania Association of
18 Nonprofit Organizations.

19 (15) A representative of the Keystone Alliance for
20 Performance Excellence.

21 (b) Appointment.--The members provided for in subsection
22 [(a) (6), (7), (8) and (10)] (a) (8), (9), (12) and (13) shall be
23 appointed by the Governor.

24 (c) Organization.--The council shall elect from its own
25 members a chairperson. The Chairperson of the Board of the
26 [Pennsylvania Quality Leadership Foundation] Keystone Alliance
27 for Performance Excellence shall not be eligible for this
28 office.

29 (d) Terms.--Appointed members of the council shall serve at
30 the pleasure of the Governor or other appointing authority

1 except for the chief executive officers and [highest ranking
2 officials] members appointed under subsection (a) (9) and (13)
3 who shall be selected by their own members and serve a single
4 term of three years.

5 (e) Powers and duties.--The council shall have the following
6 powers and its duty shall be to:

7 [(1) approve guidelines and criteria for the awards;

8 (2) approve and announce award recipients;

9 (3) select a board of examiners;

10 (4) appoint a panel of judges; and

11 (5) suggest improvements in the form or coverage of the
12 awards.]

13 (1) review guidelines for awards and recommend
14 improvements to the awards process;

15 (2) recommend strategies for advancing the mission of
16 the Keystone Alliance for Performance Excellence Awards;

17 (3) promote awareness and benefits of participation in
18 the process;

19 (4) maintain integrity of the award process; and

20 (5) recommend areas of improvement to the board of
21 directors and to the foundation.

22 Section 2. Section 6 of the act is repealed:

23 [Section 6. Board of examiners; panel of judges.

24 (a) Board of examiners.--A board of examiners shall be

25 selected annually by the council after submission and receipt of
26 the requisite applications. The board of examiners shall consist
27 of quality experts selected on the basis of expertise,

28 experience and peer recognition. The board of examiners shall

29 review the applications received from the submitting

30 organizations. A site visit may be required to verify the level

1 of quality claimed. The examination shall encompass all of the
2 organization's current practice of quality management, as well
3 as the organization's provision for quality management in its
4 future goals.

5 (b) Panel of judges.--A panel of judges shall be appointed
6 annually by the council from members of the board of examiners.
7 The panel of judges shall review the findings and
8 recommendations of the board of examiners at each stage of the
9 evaluation process and recommend award recipients to the council
10 for its approval.]

11 Section 3. Sections 7, 8(c) and 11 of the act are amended to
12 read:

13 Section 7. Establishment of the foundation.

14 (a) Establishment.--There is hereby established the
15 [Pennsylvania Quality Leadership] Keystone Alliance for
16 Performance Excellence Foundation, which shall be organized as a
17 nonprofit organization pursuant to the provisions of section
18 501(c) (3) of the Internal Revenue Code of 1986 (Public Law 99-
19 514, 26 U.S.C. § 1 et seq.).

20 (b) Board of directors.--The foundation shall be managed by
21 a board of directors consisting of the following members:

22 (1) the [President] Executive Director of the
23 [Pennsylvania Quality Leadership Foundation] Keystone
24 Alliance for Performance Excellence;

25 (2) [fifteen representatives from businesses;]
26 representatives from both the public and private sectors in
27 government, manufacturing, service, education, health care,
28 technology and community development organizations recognized
29 Statewide or nationally for their work in continuous quality
30 improvement;

- 1 (3) three representatives from educational institutions;
2 [and]
3 (4) two representatives from economic development
4 organizations[.]; and
5 (5) two representatives of the Pennsylvania Association
6 of Nonprofit Organizations.

7 (c) Organization.--The board of directors shall [elect from
8 its own membership a chairperson. The board of directors shall
9 appoint the President of the Pennsylvania Quality Leadership
10 Foundation. The President] be appointed by the advisory council
11 and shall elect from its own membership a chairperson. Upon the
12 term limitation of each member of the board, the council shall
13 appoint new members to the foundation. The Executive Director of
14 the [Pennsylvania Quality Leadership Foundation] Keystone
15 Alliance for Performance Excellence shall not be eligible for
16 this office.

17 (d) Terms.--Except for the president of the foundation,
18 members may serve a maximum of two three-year terms.

19 (e) Powers and duties.--The foundation shall have the
20 following powers and its duty shall be to:

21 [(1) develop and recommend for approval by the council
22 guidelines and criteria for the awards;

23 (2) solicit and receive funds from public and private
24 sources for the purpose of financing the awards program;

25 (3) impose fees upon organizations applying for the
26 awards;

27 (4) organize a marketing and publicity campaign for the
28 awards program;

29 (5) provide information about the awards and the
30 successful quality improvement strategies and programs of

1 award-winning participants to all interested persons and
2 organizations;

3 (6) support and promote training and education programs
4 to enhance management and workforce attitudes toward and
5 commitment to quality;

6 (7) promote and support any research program or other
7 activity which will encourage and enhance quality achievement
8 in this Commonwealth;

9 (8) ensure that all award applicants receive the
10 complete results of their evaluations, as well as detailed
11 explanations of all suggestions for improvements;

12 (9) recommend other appropriate changes to the council;
13 and

14 (10) provide administrative evaluation support for the
15 council.]

16 (1) Solicit and receive funds from private and public
17 sources for the purpose of financing the Keystone Alliance
18 for Performance Excellence Awards program.

19 (2) Approve fees for organizations that apply for
20 awards.

21 (3) Approve marketing and publicity strategies.

22 (4) Approve other funding sources.

23 (5) Promote participation in the awards program.

24 (6) Require members to contribute to the foundation and
25 be role models for other donors.

26 (7) Participate in fundraising and public relations
27 events.

28 (8) Attend annual awards programs.

29 (9) Appoint an executive director and fix the term of
30 employment.

1 (10) Approve the foundation's budget.

2 (11) Recommend areas of program improvement and
3 development.

4 (f) Confidentiality of applications.--Under no circumstances
5 shall any person assigned to provide evaluation support for the
6 council discuss and/or divulge any application receipt or
7 processing prior to the announcement of award recipients by the
8 council.

9 Section 8. Awards.

10 * * *

11 (c) Limitation.--No organization shall be eligible to
12 receive more than one Governor's Quality Leadership Award in a
13 [five-year] four-year period.

14 Section 11. Restriction on funds from Commonwealth.

15 Neither the council nor the [foundation] Keystone Alliance
16 for Performance Excellence shall be eligible to apply for or
17 receive funds from the Commonwealth [whether] by appropriation
18 [or grant after September 30, 1992].

19 Section 4. This act shall take effect in 60 days.