

First Regular Session  
Seventieth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 15-0489.01 Nicole Myers x4326

HOUSE BILL 15-1110

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HOUSE SPONSORSHIP

Szabo,

SENATE SPONSORSHIP

(None),

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House Committees

State, Veterans, & Military Affairs  
Appropriations

Senate Committees

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A BILL FOR AN ACT

101 CONCERNING THE GENERAL ASSEMBLY'S REVIEW OF THE PRINCIPAL  
102 DEPARTMENTS OF THE EXECUTIVE BRANCH OF STATE  
103 GOVERNMENT.

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Bill Summary

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)*

The bill requires the office of policy and research in the department of regulatory agencies (office) to conduct an analysis and evaluation of the performance of each principal department of the executive branch of state government (principal department), including the Colorado commission on higher education and the department of

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

regulatory agencies, and to recommend the termination, continuation, or reestablishment of each principal department. The bill directs the office to consider specified criteria in the review process.

The office is required to conduct an analysis of 2 principal departments in the 2015-16 state fiscal year and 2 additional principal departments in each fiscal year thereafter until the office has reviewed each principal department. After the office has completed the analysis and evaluation of each principal department, the office will determine the schedule for subsequent reviews of each principal department. The office is required to promulgate rules to determine the schedule of the initial and subsequent reviews of each principal department.

The office is required to submit a report that includes specific recommendations for draft legislation to the office of legislative legal services (OLLS) for the first 2 principal departments on or before October 15, 2016. The office is required to submit a report for 2 additional principal departments each October 15 thereafter. Upon receipt of the report from the office, OLLS will prepare draft legislation based on the specific recommendations for legislation contained in the report and submit the legislation to an appropriate legislative committee for review.

Prior to the termination, continuation, or reestablishment of a principal department, a legislative committee of reference is required to hold public hearings to receive testimony from the public, the executive director of the department of regulatory agencies, and the principal department involved. In such hearing, each principal department assumes the burden of demonstrating a public need for continued existence of the principal department and its functions and that its functions are the least restrictive functions consistent with the public interest. The legislative committee is required to consider certain criteria during the hearing and to determine whether each principal department and the function of the department should be terminated, continued, or reestablished.

The life of each principal department scheduled for review may be continued or reestablished by the general assembly for periods not to exceed 15 years. The life of any newly created principal department also must not exceed 15 years.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2           **SECTION 1.** In Colorado Revised Statutes, **add** 24-34-104.2 as  
3 follows:

4           **24-34-104.2.    General assembly review of principal**  
5 **departments for termination, continuation, or reestablishment -**

1 **definitions.** (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT  
2 OTHERWISE REQUIRES:

3 (a) "OFFICE" MEANS THE OFFICE OF POLICY AND RESEARCH IN THE  
4 DEPARTMENT OF REGULATORY AGENCIES.

5 (b) "PRINCIPAL DEPARTMENT" MEANS EACH PRINCIPAL  
6 DEPARTMENT OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT AS  
7 SPECIFIED IN SECTION 24-1-110, INCLUDING ANY DIVISION, OFFICE, BOARD,  
8 AGENCY, OR OTHER DIVISION CREATED WITHIN A PRINCIPAL DEPARTMENT  
9 AND INCLUDING THE COLORADO COMMISSION ON HIGHER EDUCATION AND  
10 THE DEPARTMENT OF REGULATORY AGENCIES.

11 (c) "REPORT" MEANS THE REPORT CREATED BY THE OFFICE AS  
12 DESCRIBED IN SUBSECTION (3) OF THIS SECTION, AFTER COMPLETING AN  
13 ANALYSIS AND EVALUATION OF EACH PRINCIPAL DEPARTMENT.

14 (2) (a) THE OFFICE SHALL CONDUCT AN ANALYSIS AND  
15 EVALUATION OF THE PERFORMANCE OF EACH PRINCIPAL DEPARTMENT.  
16 AFTER THE ANALYSIS AND REVIEW OF EACH PRINCIPAL DEPARTMENT, THE  
17 OFFICE SHALL RECOMMEND THE TERMINATION, CONTINUATION, OR  
18 REESTABLISHMENT OF THE PRINCIPAL DEPARTMENT. BEGINNING IN THE  
19 2015-16 STATE FISCAL YEAR, THE OFFICE SHALL CONDUCT AN ANALYSIS  
20 AN EVALUATION OF TWO PRINCIPAL DEPARTMENTS, AND SHALL CONDUCT  
21 AN ANALYSIS AND EVALUATION OF TWO ADDITIONAL PRINCIPAL  
22 DEPARTMENTS IN EACH FISCAL YEAR THEREAFTER, UNTIL THE OFFICE HAS  
23 REVIEWED EACH PRINCIPAL DEPARTMENT OF THE EXECUTIVE BRANCH OF  
24 STATE GOVERNMENT. THE OFFICE SHALL DETERMINE THE ORDER IN WHICH  
25 THE PRINCIPAL DEPARTMENTS WILL BE REVIEWED.

26 (b) AFTER THE OFFICE HAS COMPLETED THE ANALYSIS AND  
27 EVALUATION OF EACH PRINCIPAL DEPARTMENT PURSUANT TO THIS

1 SECTION, THE OFFICE SHALL DETERMINE THE SCHEDULE FOR SUBSEQUENT  
2 REVIEWS OF EACH PRINCIPAL DEPARTMENT.

3 (c) IN CONDUCTING THE ANALYSIS AND EVALUATION PURSUANT TO  
4 THIS SECTION, THE OFFICE SHALL TAKE INTO CONSIDERATION, BUT NEED  
5 NOT BE LIMITED TO CONSIDERING, THE FACTORS LISTED IN PARAGRAPH (b)  
6 OF SUBSECTION (4) OF THIS SECTION.

7 (d) THE OFFICE SHALL PROMULGATE RULES TO DETERMINE A  
8 SCHEDULE FOR THE INITIAL AND SUBSEQUENT ANALYSIS AND EVALUATION  
9 OF EACH PRINCIPAL DEPARTMENT PURSUANT TO THIS SECTION, INCLUDING  
10 THE ORDER IN WHICH THE OFFICE WILL CONDUCT THE ANALYSIS AND  
11 REVIEW OF EACH PRINCIPAL DEPARTMENT AND WHICH TWO PRINCIPAL  
12 DEPARTMENTS WILL BE REVIEWED EACH YEAR. THE OFFICE SHALL  
13 PROMULGATE THE RULES IN ACCORDANCE WITH THE "STATE  
14 ADMINISTRATIVE PROCEDURE ACT", ARTICLE 4 OF THIS TITLE.

15 (3) (a) THE OFFICE SHALL SUBMIT A REPORT THAT INCLUDES  
16 SPECIFIC RECOMMENDATIONS FOR DRAFT LEGISLATION AND SUPPORTING  
17 MATERIALS TO THE OFFICE OF LEGISLATIVE LEGAL SERVICES. THE OFFICE  
18 SHALL SUBMIT THE REPORT FOR THE FIRST TWO PRINCIPAL DEPARTMENTS  
19 REVIEWED NO LATER THAN OCTOBER 15, 2016, AND SHALL SUBMIT A  
20 REPORT FOR TWO ADDITIONAL PRINCIPAL DEPARTMENTS EACH OCTOBER  
21 15 THEREAFTER. THE OFFICE SHALL PROVIDE A COPY OF THE REPORT TO  
22 EACH MEMBER OF THE GENERAL ASSEMBLY.

23 (b) UPON RECEIPT OF THE REPORT FROM THE OFFICE, THE OFFICE  
24 OF LEGISLATIVE LEGAL SERVICES SHALL:

25 (I) PREPARE DRAFT LEGISLATION FOR THE COMMITTEE OF  
26 REFERENCE DESIGNATED PURSUANT TO SECTION 2-3-1201, C.R.S., BASED  
27 SOLELY ON THE SPECIFIC RECOMMENDATIONS FOR LEGISLATION

1 CONTAINED IN THE REPORT SPECIFIED IN PARAGRAPH (a) OF THIS  
2 SUBSECTION (3);

3 (II) PREPARE THE DRAFT LEGISLATION FOR THE REGULAR SESSION  
4 OF THE GENERAL ASSEMBLY THAT IMMEDIATELY FOLLOWS THE OCTOBER  
5 15 ON WHICH THE OFFICE SUBMITTED THE REPORT TO THE OFFICE OF  
6 LEGISLATIVE LEGAL SERVICES; AND

7 (III) SUBMIT THE DRAFT LEGISLATION WITH THE REPORT OF THE  
8 OFFICE TO THE COMMITTEE OF REFERENCE DESIGNATED PURSUANT TO  
9 SECTION 2-3-1201, C.R.S. THE APPLICABLE COMMITTEE OF REFERENCE  
10 SHALL DETERMINE THE TITLE OF ANY LEGISLATION DRAFTED PURSUANT TO  
11 THIS PARAGRAPH (b).

12 (c) THIS SUBSECTION (3) IS EXEMPT FROM THE PROVISIONS OF  
13 SECTION 24-1-136 (11), AND THE PERIODIC REPORTING REQUIREMENT OF  
14 THIS SUBSECTION (3) SHALL REMAIN IN EFFECT UNTIL CHANGED BY THE  
15 GENERAL ASSEMBLY ACTING BY BILL.

16 (4) (a) PRIOR TO THE TERMINATION, CONTINUATION, OR  
17 REESTABLISHMENT OF A PRINCIPAL DEPARTMENT OF THE EXECUTIVE  
18 BRANCH OF STATE GOVERNMENT, A LEGISLATIVE COMMITTEE OF  
19 REFERENCE DESIGNATED PURSUANT TO SECTION 2-3-1201, C.R.S., SHALL  
20 HOLD PUBLIC HEARINGS TO RECEIVE TESTIMONY FROM THE PUBLIC, THE  
21 EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REGULATORY AGENCIES,  
22 AND THE PRINCIPAL DEPARTMENT INVOLVED. IF THE OFFICE RECOMMENDS  
23 IN ITS REPORT THE TERMINATION OF THE PRINCIPAL DEPARTMENT, IN SUCH  
24 HEARINGS, EACH PRINCIPAL DEPARTMENT SHALL HAVE THE BURDEN OF  
25 DEMONSTRATING A PUBLIC NEED FOR CONTINUED EXISTENCE OF THE  
26 DEPARTMENT AND ITS FUNCTIONS AND THAT THE ADMINISTRATION OF ITS  
27 FUNCTIONS IS THE LEAST RESTRICTIVE ADMINISTRATION CONSISTENT WITH

1 THE PUBLIC INTEREST.

2 (b) IN SUCH HEARINGS, THE DETERMINATION AS TO WHETHER A  
3 PRINCIPAL DEPARTMENT HAS DEMONSTRATED A PUBLIC NEED FOR  
4 CONTINUED EXISTENCE OF THE DEPARTMENT SHALL BE BASED ON THE  
5 FOLLOWING FACTORS, AMONG OTHERS:

6 (I) WHETHER THE FUNCTIONS OF THE PRINCIPAL DEPARTMENT ARE  
7 NECESSARY TO PROTECT THE PUBLIC HEALTH, SAFETY, AND WELFARE;  
8 WHETHER THE CONDITIONS THAT LED TO THE INITIAL CREATION OF THE  
9 PRINCIPAL DEPARTMENT HAVE CHANGED; AND WHETHER OTHER  
10 CONDITIONS HAVE ARISEN WHICH WOULD WARRANT MORE, LESS, OR THE  
11 SAME FUNCTIONS OF THE PRINCIPAL DEPARTMENT;

12 (II) IF THE FUNCTIONS OF THE PRINCIPAL DEPARTMENT ARE  
13 NECESSARY, WHETHER THE EXISTING STATUTES AND RULES ESTABLISH THE  
14 LEAST RESTRICTIVE ADMINISTRATION OF THE PRINCIPAL DEPARTMENT'S  
15 DUTIES CONSISTENT WITH THE PUBLIC INTEREST, CONSIDERING OTHER  
16 AVAILABLE MECHANISMS, AND WHETHER PRINCIPAL DEPARTMENT RULES  
17 ENHANCE THE PUBLIC INTEREST AND ARE WITHIN THE SCOPE OF  
18 LEGISLATIVE INTENT;

19 (III) WHETHER THE PRINCIPAL DEPARTMENT OPERATES IN THE  
20 PUBLIC INTEREST AND WHETHER ITS OPERATION IS IMPEDED OR ENHANCED  
21 BY EXISTING STATUTES, RULES, PROCEDURES, AND PRACTICES AND ANY  
22 OTHER CIRCUMSTANCES, INCLUDING BUDGETARY, RESOURCE, AND  
23 PERSONNEL MATTERS;

24 (IV) WHETHER AN ANALYSIS OF PRINCIPAL DEPARTMENT  
25 OPERATIONS INDICATES THAT THE DEPARTMENT PERFORMS ITS STATUTORY  
26 DUTIES EFFICIENTLY AND EFFECTIVELY;

27 (V) WHETHER THE COMPOSITION OF ANY BOARD OR COMMISSION

1        WITHIN THE PRINCIPAL DEPARTMENT ADEQUATELY REPRESENTS THE  
2        PUBLIC INTEREST AND WHETHER THE PRINCIPAL DEPARTMENT  
3        ENCOURAGES PUBLIC PARTICIPATION IN ITS DECISIONS RATHER THAN  
4        PARTICIPATION ONLY BY THE PEOPLE IT REGULATES;

5                (VI) WHETHER COMPLAINT, INVESTIGATION, AND DISCIPLINARY  
6        PROCEDURES ADEQUATELY PROTECT THE PUBLIC WHERE APPLICABLE AND  
7        WHETHER FINAL DISPOSITIONS OF COMPLAINTS ARE IN THE PUBLIC  
8        INTEREST; AND

9                (VII) WHETHER ADMINISTRATIVE AND STATUTORY CHANGES ARE  
10        NECESSARY TO IMPROVE THE OPERATIONS OF THE PRINCIPAL DEPARTMENT  
11        TO ENHANCE THE PUBLIC INTEREST.

12                (c) A LEGISLATIVE COMMITTEE OF REFERENCE THAT CONDUCTS A  
13        REVIEW PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (4) SHALL  
14        DETERMINE WHETHER EACH PRINCIPAL DEPARTMENT AND THE FUNCTION  
15        OF THE DEPARTMENT SHOULD BE TERMINATED, CONTINUED, OR  
16        REESTABLISHED AND WHETHER ITS FUNCTIONS SHOULD BE REVISED AND,  
17        IF DEEMED ADVISABLE, MAY RECOMMEND THE CONSIDERATION OF A  
18        PROPOSED BILL TO CARRY OUT ITS RECOMMENDATIONS.

19                (d) BILLS RECOMMENDED FOR CONSIDERATION PURSUANT TO  
20        PARAGRAPH (c) OF THIS SUBSECTION (4) SHALL BE INTRODUCED IN THE  
21        HOUSE OF REPRESENTATIVES IN EVEN-NUMBERED YEARS AND IN THE  
22        SENATE IN ODD-NUMBERED YEARS. THE CHAIR OF EACH LEGISLATIVE  
23        COMMITTEE OF REFERENCE THAT RECOMMENDS A BILL FOR  
24        CONSIDERATION SHALL ASSIGN THE PROPOSED BILL TO THE FOLLOWING  
25        FOR SPONSORSHIP; EXCEPT THAT NO MORE THAN TWO SUCH BILLS SHALL  
26        BE ASSIGNED TO ANY ONE MEMBER OF THE GENERAL ASSEMBLY:

27                (I) MEMBERS OF THE COMMITTEE OF REFERENCE; OR

1 (II) MEMBERS OF THE GENERAL ASSEMBLY WHO ARE NOT  
2 MEMBERS OF THE COMMITTEE IF APPROVED BY A MAJORITY VOTE OF THE  
3 COMMITTEE'S MEMBERS.

4 (e) A BILL RECOMMENDED FOR CONSIDERATION BY ANY SUCH  
5 COMMITTEE PURSUANT TO PARAGRAPH (c) OF THIS SUBSECTION (4) DOES  
6 NOT COUNT AGAINST THE NUMBER OF BILLS TO WHICH MEMBERS OF THE  
7 GENERAL ASSEMBLY ARE LIMITED BY ANY LAW OR JOINT RULE OF THE  
8 SENATE AND THE HOUSE OF REPRESENTATIVES.

9 (f) NO MORE THAN ONE PRINCIPAL DEPARTMENT SHALL BE  
10 CONTINUED OR REESTABLISHED OR ITS FUNCTIONS AMENDED IN ANY BILL  
11 DRAFTED PURSUANT TO THIS SECTION, AND SUCH PRINCIPAL DEPARTMENT  
12 SHALL BE MENTIONED IN THE BILL'S TITLE.

13 (5) THE LIFE OF EACH PRINCIPAL DEPARTMENT SCHEDULED FOR  
14 REVIEW UNDER THIS SECTION MAY BE CONTINUED OR REESTABLISHED BY  
15 THE GENERAL ASSEMBLY FOR PERIODS NOT TO EXCEED FIFTEEN YEARS.  
16 ANY NEWLY CREATED PRINCIPAL DEPARTMENT SHALL HAVE A LIFE NOT TO  
17 EXCEED FIFTEEN YEARS, AND SHALL BE SUBJECT TO THE PROVISIONS OF  
18 THIS SECTION.

19 **SECTION 2. Act subject to petition - effective date.** This act  
20 takes effect at 12:01 a.m. on the day following the expiration of the  
21 ninety-day period after final adjournment of the general assembly (August  
22 5, 2015, if adjournment sine die is on May 6, 2015); except that, if a  
23 referendum petition is filed pursuant to section 1 (3) of article V of the  
24 state constitution against this act or an item, section, or part of this act  
25 within such period, then the act, item, section, or part will not take effect  
26 unless approved by the people at the general election to be held in



- 1 November 2016 and, in such case, will take effect on the date of the
- 2 official declaration of the vote thereon by the governor.