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**FACT SHEET ON HB 15-1139, REDUCING REGULATORY BURDENS ON  
 SMALL BUSINESSES**

HB 15-1139 reduces regulatory burdens on Colorado small businesses and expands legislative oversight of existing state regulations

**1. Reduce regulatory burdens on small businesses – New Regulations**

- a. Require state agencies to actively seek input/participation from small businesses on the impact of proposed rules likely to impact small businesses.
- b. Each state agency (executive director) shall designate an existing staff person to serve as a small business ombudsman.
- c. A state agency must prepare an economic impact statement on proposed rules that may adversely impact a small business. The economic impact statement must include:
  - An identification and estimate of the number of small businesses subject to the proposed rule;
  - The projected reporting, record-keeping, and other administrative costs required for compliance with the proposed rule, including the type of professional skills necessary for preparation of the report or record;
  - Probable effect on the impacted small businesses; and
  - A description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule.
- d. A state agency must prepare a regulatory flexibility analysis on proposed rules. This bill requires the agency to analyze adverse impacts on small businesses, including:
  - Establishing less stringent compliance or reporting requirements;
  - Establishing less stringent schedules or deadlines for compliance or reporting;
  - Consolidating or simplifying compliance or reporting requirements;
  - Establishing different performance standards; and

- Exemptions for small businesses.

## 2. Reduce Regulatory Burdens on Small Businesses – Existing Regulations

The bill amends the existing statute on the mandatory review conducted by state agencies of their existing rules. The bill requires the agency to evaluate:

- Whether the rule has an economic impact on small businesses;
- Whether the rule minimizes economic impact on small businesses;
- Whether less intrusive or less costly alternative methods could be used to achieve regulatory objectives; and
- Whether regulatory flexibility methods could be used to reduce the impact of the rule on small businesses, including consideration of the criteria that the agency uses in preparing a regulatory flexibility analysis of proposed rules.

DORA is required to provide oversight of state agencies in implementing these new APA requirements. A small business may bring suit in court if an agency fails to comply with the regulatory flexibility analysis requirements.

## 3. Expand Legislative Oversight of Existing State Regulations.

Legislative Legal Services and Committee on Legal Services will conduct a review of existing regulations to determine if the rules conflict with statute or are no longer authorized by statute or whether the agency lacks statutory authority for those rules. Under current law, this legislative review is only done for new or amended regulations.

I would welcome your support for my bill, HB 15-1139, and would be glad to discuss issues related to this bill. You can reach me at 719.425.7590.

Sincerely,

Terri Carver  
State Representative  
House District 20