

Second Regular Session  
Sixty-ninth General Assembly  
STATE OF COLORADO

**ENGROSSED**

*This Version Includes All Amendments Adopted  
on Second Reading in the House of Introduction*

LLS NO. 14-0118.01 Debbie Haskins x2045

**SENATE BILL 14-063**

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**SENATE SPONSORSHIP**

**Marble,** Balmer, Baumgardner, Cadman, Crowder, Grantham, Harvey, Herpin, King,  
Lambert, Lundberg, Renfroe, Rivera, Scheffel, Steadman, Todd, Ulibarri

**HOUSE SPONSORSHIP**

**Saine and Williams,** Moreno, Everett, Nordberg, Pabon

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**Senate Committees**  
State, Veterans, & Military Affairs

**House Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING THE MANDATORY REVIEW OF EXISTING EXECUTIVE**  
102 **BRANCH AGENCY RULES CONDUCTED BY EACH PRINCIPAL**  
103 **DEPARTMENT.**

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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 codifies an executive order of the governor on the review of executive branch agency rules. No later than January 1, 2015, and periodically thereafter pursuant to a schedule for review established by the department of regulatory agencies, each principal department in state

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.*

SENATE  
Amended 2nd Reading  
February 3, 2014

government is required to review its existing rules to determine whether the rules should be continued in their current form, amended, or repealed. The bill requires the applicable rule-making agency or official to consider the following:

- ! Whether the rule is necessary;
- ! Whether the rule overlaps or duplicates other rules of the agency or with other federal, state, or local government rules;
- ! Whether the rule is written in plain language and is easy to understand;
- ! Whether the rule has achieved the desired intent and whether more or less regulation is necessary;
- ! Whether the rule can be amended to give more flexibility, reduce regulatory burdens, or reduce unnecessary paperwork or steps while maintaining its benefits;
- ! Whether the rule is implemented in an efficient and effective manner, including the requirements for the issuance of permits and licenses; and
- ! Whether the rule has been the subject of a cost-benefit analysis or a regulatory analysis in the past 5 years and, if not, whether there has been a stakeholder request for such analysis during that period, and, if so, the reasons for not doing the analysis in response to a stakeholder request.

Each rule-making agency or official shall provide public notice of its review of the rules and take input from the public and other state agencies.

The department of regulatory agencies shall not schedule mandatory review of a principal department's rules during the year of and during the year following any scheduled sunset review.

The principal department shall include the results of each mandatory review of rules as part of its departmental regulatory agenda that it submits to the general assembly as part of the "State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act" provisions.

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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** 24-4-103.3 as  
3 follows:

4           **24-4-103.3. Mandatory review of rules by agencies - report on**  
5 **results of review in departmental regulatory agendas.** (1) THE

1 DEPARTMENT OF REGULATORY AGENCIES SHALL ESTABLISH A SCHEDULE,  
2 IN CONSULTATION WITH EACH PRINCIPAL DEPARTMENT, FOR THE REVIEW  
3 OF ALL OF THE RULES FOR EACH PRINCIPAL DEPARTMENT. EACH PRINCIPAL  
4 DEPARTMENT SHALL CONDUCT A REVIEW OF ALL OF ITS RULES TO ASSESS  
5 THE CONTINUING NEED FOR AND THE APPROPRIATENESS AND  
6 COST-EFFECTIVENESS OF ITS RULES TO DETERMINE IF THEY SHOULD BE  
7 CONTINUED IN THEIR CURRENT FORM, MODIFIED, OR REPEALED. THE  
8 APPLICABLE RULE-MAKING AGENCY OR OFFICIAL IN THE PRINCIPAL  
9 DEPARTMENT SHALL CONSIDER THE FOLLOWING:

- 10 (a) WHETHER THE RULE IS NECESSARY;
- 11 (b) WHETHER THE RULE OVERLAPS OR DUPLICATES OTHER RULES  
12 OF THE AGENCY OR WITH OTHER FEDERAL, STATE, OR LOCAL GOVERNMENT  
13 RULES;
- 14 (c) WHETHER THE RULE IS WRITTEN IN PLAIN LANGUAGE AND IS  
15 EASY TO UNDERSTAND;
- 16 (d) WHETHER THE RULE HAS ACHIEVED THE DESIRED INTENT AND  
17 WHETHER MORE OR LESS REGULATION IS NECESSARY;
- 18 (e) WHETHER THE RULE CAN BE AMENDED TO GIVE MORE  
19 FLEXIBILITY, REDUCE REGULATORY BURDENS, OR REDUCE UNNECESSARY  
20 PAPERWORK OR STEPS WHILE MAINTAINING ITS BENEFITS;
- 21 (f) WHETHER THE RULE IS IMPLEMENTED IN AN EFFICIENT AND  
22 EFFECTIVE MANNER, INCLUDING THE REQUIREMENTS FOR THE ISSUANCE OF  
23 PERMITS AND LICENSES; ==

24 ==

25 (g) WHETHER A COST-BENEFIT ANALYSIS WAS PERFORMED BY THE  
26 APPLICABLE RULE-MAKING AGENCY OR OFFICIAL IN THE PRINCIPAL  
27 DEPARTMENT PURSUANT TO SECTION 24-4-103 (2.5).

1           (h) WHETHER THE RULE IS ADEQUATE FOR THE PROTECTION OF THE  
2           SAFETY, HEALTH, AND WELFARE OF THE STATE OR ITS RESIDENTS.

3           (2) EACH RULE-MAKING AGENCY OR OFFICIAL SHALL PROVIDE  
4 PUBLIC NOTICE ON THE AGENCY'S OFFICIAL WEB SITE OF ITS REVIEW OF THE  
5 RULES, GIVE THE PUBLIC AN APPROPRIATE OPPORTUNITY TO PROVIDE  
6 INPUT, AND NOTIFY OTHER STATE AGENCIES THAT MAY HAVE JURISDICTION  
7 OVER THE SUBJECT MATTER OF THE RULES TO ALLOW FOR COLLABORATION  
8 AND INPUT. BASED ON THIS REVIEW, THE RULE-MAKING AGENCY OR  
9 OFFICIAL SHALL DETERMINE WHETHER THE EXISTING RULES SHOULD BE  
10 CONTINUED IN THEIR CURRENT FORM, AMENDED, OR REPEALED. IF THE  
11 RULE-MAKING AGENCY OR OFFICIAL DECIDES THAT A RULE SHOULD BE  
12 AMENDED OR REPEALED, THE RULE-MAKING AGENCY OR OFFICIAL SHALL  
13 COMPLY WITH THE NOTICE AND HEARING REQUIREMENTS OF SECTION  
14 24-4-103.

15           (3) THE DEPARTMENT OF REGULATORY AGENCIES SHALL NOT  
16 SCHEDULE MANDATORY REVIEW UNDER THIS SECTION DURING THE YEAR  
17 OF AND DURING THE YEAR FOLLOWING ANY SCHEDULED SUNSET REVIEW  
18 CONDUCTED BY THE DEPARTMENT OF REGULATORY AGENCIES PURSUANT  
19 TO SECTION 24-34-104.

20           (4) EACH PRINCIPAL DEPARTMENT SHALL INCLUDE A REPORT ON  
21 THE RESULTS OF ITS MANDATORY REVIEW OF RULES AS PART OF ITS  
22 DEPARTMENTAL REGULATORY AGENDA THAT IT SUBMITS TO THE STAFF OF  
23 THE LEGISLATIVE COUNCIL FOR DISTRIBUTION TO THE APPLICABLE  
24 COMMITTEE OF REFERENCE OF THE GENERAL ASSEMBLY AS OUTLINED IN  
25 SECTION 2-7-203, C.R.S.

26           **SECTION 2. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, and safety.