

Second Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 14-0739.01 Kate Meyer x4348

HOUSE BILL 14-1200

HOUSE SPONSORSHIP

Dore,

SENATE SPONSORSHIP

(None),

House Committees

State, Veterans, & Military Affairs
Appropriations

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE CREATION OF THE SMALL BUSINESS REGULATORY
102 REVIEW COMMISSION TO ASSESS ADMINISTRATIVE REGULATION
103 IMPACTS ON SMALL BUSINESSES.

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 creates the small business regulatory review commission (commission) in the department of regulatory agencies, which is comprised of 7 members appointed by the governor as follows:

! 2 members who represent chambers of commerce; and

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.

! 5 members who are small business owners, of businesses of varying size, representing various industries in the state.

The commission is tasked with reviewing rules adopted by administrative agencies in the state. Any rules that the commission determines are unduly burdensome on small business are to be included in an annual report submitted to the committee on legal services (COLS). The COLS may, by majority vote, discontinue all or any of those rules by including them in the annual rule review bill.

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. Small business regulatory review commission -**
5 **creation - composition - duties - recommendations - how implemented**
6 **- definition - repeal.** (1) THERE IS HEREBY CREATED WITHIN THE
7 DEPARTMENT OF REGULATORY AGENCIES THE SMALL BUSINESS
8 REGULATORY REVIEW COMMISSION, ALSO REFERRED TO IN THIS SECTION
9 AS THE "COMMISSION".

10 (2) (a) THE COMMISSION CONSISTS OF SEVEN MEMBERS, APPOINTED
11 BY THE GOVERNOR AS FOLLOWS:

12 (I) TWO MEMBERS, EACH REPRESENTING A CHAMBER OF
13 COMMERCE IN THE STATE; AND

14 (II) FIVE MEMBERS, EACH OF WHOM IS A SMALL BUSINESS OWNER,
15 CONSISTING OF THE FOLLOWING:

16 (A) ONE OF WHOM OWNS A BUSINESS WITH BETWEEN FIVE
17 HUNDRED AND TWO HUNDRED FIFTY-ONE EMPLOYEES;

18 (B) ONE OF WHOM OWNS A BUSINESS WITH BETWEEN TWO
19 HUNDRED FIFTY AND ONE HUNDRED ONE EMPLOYEES;

20 (C) ONE OF WHOM OWNS A BUSINESS WITH BETWEEN ONE
21 HUNDRED AND FIFTY-ONE EMPLOYEES;

1 (D) ONE OF WHOM OWNS A BUSINESS WITH BETWEEN FIFTY AND
2 TWENTY-SIX EMPLOYEES; AND

3 (E) ONE OF WHOM OWNS A BUSINESS WITH TWENTY-FIVE OR
4 FEWER EMPLOYEES.

5 (b) (I) IN MAKING THE APPOINTMENTS REQUIRED BY PARAGRAPH
6 (a) OF THIS SUBSECTION (2), THE GOVERNOR MAY CONSULT WITH THE
7 COLORADO OFFICE OF ECONOMIC DEVELOPMENT CREATED IN SECTION
8 24-48.5-101 REGARDING THE TYPES OF INDUSTRIES THAT SHOULD BE
9 REPRESENTED ON THE COMMISSION.

10 (II) NO MORE THAN THREE OF THE COMMISSION MEMBERS MAY BE
11 AFFILIATED WITH THE SAME POLITICAL PARTY.

12 (III) AT LEAST THREE OF THE COMMISSION MEMBERS MUST RESIDE
13 WEST OF THE CONTINENTAL DIVIDE AND THE GOVERNOR SHALL OTHERWISE
14 ENDEAVOR TO MAKE APPOINTMENTS SO THAT THE VARIOUS GEOGRAPHIC
15 REGIONS OF THE STATE ARE REPRESENTED.

16 (3) (a) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
17 PARAGRAPH (a), TERMS ARE FOR TWO YEARS.

18 (II) THE INITIAL TERM OF ONE OF THE MEMBERS APPOINTED
19 PURSUANT TO SUBPARAGRAPH (I) OF PARAGRAPH (a) OF SUBSECTION (2)
20 OF THIS SECTION AND OF TWO OF THE MEMBERS APPOINTED PURSUANT TO
21 SUBPARAGRAPH (II) OF PARAGRAPH (a) OF SUBSECTION (2) OF THIS
22 SECTION IS FOR THREE YEARS. ALL SUBSEQUENT APPOINTMENTS ARE FOR
23 TERMS OF TWO YEARS.

24 (b) (I) UPON THE EXPIRATION OF ANY TERM OR THE CREATION OF
25 ANY VACANCY, THE GOVERNOR SHALL APPOINT A MEMBER PROMPTLY AND
26 IN SUCH MANNER THAT PRESERVES THE POLITICAL PARTY AFFILIATION
27 REQUIREMENTS AND BUSINESS AND GEOGRAPHICAL DIVERSITY GOALS OF

1 PARAGRAPH (b) OF SUBSECTION (2) OF THIS SECTION.

2 (II) ANY VACANCY APPOINTMENT IS FOR THE REMAINDER OF THE
3 UNEXPIRED TERM OF THE VACATING MEMBER.

4 (c) COMMISSION MEMBERS ARE ELIGIBLE FOR UNLIMITED
5 REAPPOINTMENTS.

6 (4) (a) (I) THE GOVERNOR SHALL CONVENE THE FIRST MEETING OF
7 THE COMMISSION BEFORE OCTOBER 1, 2014. AT THAT MEETING, THE
8 COMMISSION SHALL ELECT THE FIRST OFFICERS PURSUANT TO PARAGRAPH
9 (c) OF THIS SUBSECTION (4).

10 (II) THE COMMISSION SHALL MEET AS OFTEN AS IT DEEMS
11 NECESSARY TO CONDUCT ITS WORK. THE COMMISSION SHALL MEET AT THE
12 PRINCIPAL OFFICES OF THE DEPARTMENT OF REGULATORY AGENCIES;
13 EXCEPT THAT, TO THE EXTENT POSSIBLE AND WITHIN AVAILABLE
14 APPROPRIATIONS, THE COMMISSION SHOULD ENDEAVOR TO OCCASIONALLY
15 CONDUCT MEETINGS AT VARIOUS LOCATIONS AROUND THE STATE.

16 (III) MEETINGS OF THE COMMISSION ARE OPEN TO THE PUBLIC. THE
17 COMMISSION SHALL SOLICIT AND TAKE PUBLIC TESTIMONY.

18 (b) THE COMMISSION SHALL ELECT FROM ITS MEMBERSHIP A CHAIR.
19 THE COMMISSION MAY ALSO ELECT A VICE-CHAIR, A SECRETARY, OR
20 OTHER APPROPRIATE OFFICERS. OFFICERS ARE ELECTED FOR TERMS OF ONE
21 YEAR.

22 (c) MEMBERS OF THE COMMISSION DO NOT RECEIVE
23 COMPENSATION FOR SERVING ON THE COMMISSION; EXCEPT THAT
24 COMMISSION MEMBERS ARE ENTITLED TO REIMBURSEMENT FOR THEIR
25 ACTUAL AND NECESSARY EXPENSES INCURRED IN THE PERFORMANCE OF
26 THEIR OFFICIAL DUTIES, INCLUDING MILEAGE.

27 (d) THE DEPARTMENT OF REGULATORY AGENCIES SHALL PROVIDE

1 ANY NECESSARY STAFF TO SUPPORT THE COMMISSION.

2 (5) (a) (I) THE COMMISSION SHALL REVIEW ADOPTED
3 ADMINISTRATIVE RULES IN THE COLORADO CODE OF REGULATIONS TO
4 DETERMINE WHETHER ANY RULES ARE UNDULY BURDENSOME TO SMALL
5 BUSINESS. THE COMMISSION MAY REVIEW RULES ON ITS OWN MOTION OR
6 AT THE REQUEST OF ANY MEMBER OF THE PUBLIC.

7 (II) THE COMMISSION MAY CONSULT, NOTIFY, OR OTHERWISE
8 CORRESPOND WITH ANY AGENCY THAT THE COMMISSION DETERMINES HAS
9 PROMULGATED A RULE THAT IS UNDULY BURDENSOME TO SMALL
10 BUSINESS.

11 (b) ON OR BEFORE AUGUST 1, 2015, AND ON OR BEFORE AUGUST
12 1 OF EACH YEAR THEREAFTER, THE COMMISSION SHALL SUBMIT A REPORT
13 TO THE COMMITTEE ON LEGAL SERVICES AND THE OFFICE OF LEGISLATIVE
14 LEGAL SERVICES. THE REPORT MUST SPECIFICALLY IDENTIFY THOSE RULES
15 OR PORTIONS OF RULES, IF ANY, THAT A MAJORITY OF THE COMMISSION
16 HAS DETERMINED TO BE UNDULY BURDENSOME TO SMALL BUSINESS. THE
17 REPORT IS EXEMPT FROM EXPIRATION UNDER SECTION 24-1-136 (11).

18 (c) THE COMMITTEE ON LEGAL SERVICES SHALL CONSIDER THE
19 REPORT AT A HEARING HELD PRIOR TO DECEMBER 31 OF EACH YEAR, AND
20 SHALL, BY MAJORITY VOTE, INCLUDE ANY OF THE RULES OR PORTIONS
21 THEREOF IDENTIFIED IN THE REPORT IN A BILL INTRODUCED IN THE
22 LEGISLATIVE SESSION IMMEDIATELY FOLLOWING THE HEARING PURSUANT
23 TO SECTION 24-4-103 (8) (d). ANY SUCH LEGISLATION IS EXEMPT FROM
24 THE FIVE-BILL LIMITATION SPECIFIED IN RULE 24 OF THE JOINT RULES OF
25 THE SENATE AND THE HOUSE OF REPRESENTATIVES.

26 (6) FOR THE PURPOSES OF THIS SECTION, "SMALL BUSINESS" MEANS
27 A COMMERCIAL CONCERN, INCLUDING ITS AFFILIATES, THAT IS

1 INDEPENDENTLY OWNED AND OPERATED AND THAT HAS GROSS ANNUAL
2 SALES OF LESS THAN TWO MILLION DOLLARS.

3 (7) THIS SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1, 2028.
4 PRIOR TO REPEAL, THE FUNCTIONS OF THE COMMISSION SHALL BE
5 REVIEWED AS PROVIDED IN SECTION 24-34-104.

6 **SECTION 2.** In Colorado Revised Statutes, 24-34-104, **add** (59)
7 as follows:

8 **24-34-104. General assembly review of regulatory agencies**
9 **and functions for termination, continuation, or reestablishment.**

10 (59) THE FOLLOWING AGENCIES, FUNCTIONS, OR BOTH, TERMINATE ON
11 SEPTEMBER 1, 2028:

12 (a) THE SMALL BUSINESS REGULATORY REVIEW COMMISSION,
13 CREATED IN SECTION 24-4-103.3.

14 **SECTION 3. Act subject to petition - effective date.** This act
15 takes effect at 12:01 a.m. on the day following the expiration of the
16 ninety-day period after final adjournment of the general assembly (August
17 6, 2014, if adjournment sine die is on May 7, 2014); except that, if a
18 referendum petition is filed pursuant to section 1 (3) of article V of the
19 state constitution against this act or an item, section, or part of this act
20 within such period, then the act, item, section, or part will not take effect
21 unless approved by the people at the general election to be held in
22 November 2014 and, in such case, will take effect on the date of the
23 official declaration of the vote thereon by the governor.