

**Second Regular Session
Seventy-first General Assembly
STATE OF COLORADO**

REREVISED

*This Version Includes All Amendments
Adopted in the Second House*

LLS NO. 18-0773.01 Esther van Mourik x4215

HOUSE BILL 18-1250

HOUSE SPONSORSHIP

Kraft-Tharp and Sias,

SENATE SPONSORSHIP

Priola,

House Committees
Business Affairs and Labor

Senate Committees
Business, Labor, & Technology

A BILL FOR AN ACT

101 **CONCERNING AN ANALYSIS TO IMPROVE COMPLIANCE WITH**
102 **DEPARTMENTAL RULES BY REGULATED 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://leg.colorado.gov>.)

The bill requires each state agency to conduct an analysis of noncompliance with its rules to identify rules with the greatest frequency of noncompliance, rules that generate the greatest amount of fines, how many first-time offenders were given the opportunity to cure a minor violation, and what factors contribute to noncompliance by regulated businesses. The analysis will guide each department on how to improve

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

SENATE
3rd Reading Unamended
April 17, 2018

SENATE
2nd Reading Unamended
April 16, 2018

HOUSE
3rd Reading Unamended
March 26, 2018

HOUSE
Amended 2nd Reading
March 23, 2018

its education and outreach to regulated businesses on compliance with the department's rules. Each state agency is required to forward that analysis to the department of regulatory agencies, which shall compile and summarize those analyses into one combined analysis of noncompliance to be presented at the department of regulatory agencies' "State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act" hearing.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 24-4-104.6 as
3 follows:

4 **24-4-104.6. Analysis of noncompliance with department rules**

5 **- definition - legislative declaration.** (1) (a) THE GENERAL ASSEMBLY
6 HEREBY FINDS AND DECLARES THAT THIS SECTION CODIFIES EXISTING
7 PRACTICE, THAT EACH AGENCY ALREADY KNOWS ABOUT AND TRACKS THE
8 RULE ISSUES DESCRIBED IN SUBSECTION (2)(a) OF THIS SECTION, AND THAT
9 MUCH OF THIS WORK IS CURRENTLY COMPLETED IN THE NORMAL COURSE
10 OF AN AGENCY'S BUSINESS.

11 (b) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT
12 IT IS NOT THE GENERAL ASSEMBLY'S INTENT FOR AN AGENCY TO INCREASE
13 ITS EXISTING RULE COMPLIANCE MONITORING.

14 (2) (a) EACH AGENCY SHALL CONDUCT, WITHIN EXISTING
15 RESOURCES, AN ANALYSIS OF NONCOMPLIANCE WITH ITS RULES TO
16 IDENTIFY RULES WITH THE GREATEST FREQUENCY OF NONCOMPLIANCE,
17 RULES THAT GENERATE THE GREATEST AMOUNT OF FINES, HOW MANY
18 FIRST-TIME OFFENDERS WERE GIVEN THE OPPORTUNITY TO CURE A MINOR
19 VIOLATION, AND THOSE FACTORS THAT CONTRIBUTE TO NONCOMPLIANCE
20 WITH RULES BY REGULATED BUSINESSES. THE ANALYSIS WILL GUIDE EACH
21 DEPARTMENT ON HOW TO IMPROVE ITS EDUCATION AND OUTREACH TO
22 REGULATED BUSINESSES ON COMPLIANCE WITH THE DEPARTMENT'S RULES.

1 THE AGENCY SHALL CONSIDER AND REVIEW:

2 (I) WHETHER THE RULE IS UNCLEAR AND SHOULD BE REWRITTEN;

3

4 (II) WHETHER MORE EDUCATION OR TRAINING OF THE REGULATED
5 BUSINESSES WOULD BE LIKELY TO ACHIEVE BETTER COMPLIANCE WITH THE
6 RULE; AND

7 (III) THE ENFORCEMENT LEVEL AND ANY APPROPRIATE FINES FOR
8 NONCOMPLIANCE WITH THE DEPARTMENT'S RULES.

9 (b) ANY PRINCIPAL DEPARTMENT THAT CONDUCTS AN ANALYSIS
10 OF NONCOMPLIANCE WITH RULES ADOPTED BY AGENCIES WITHIN ITS
11 DEPARTMENT PURSUANT TO SUBSECTION (2)(a) OF THIS SECTION SHALL
12 FORWARD THAT ANALYSIS TO THE DEPARTMENT OF REGULATORY
13 AGENCIES, WHICH SHALL COMPILE AND SUMMARIZE THOSE ANALYSES INTO
14 ONE COMBINED ANALYSIS OF NONCOMPLIANCE WITH RULES. THE
15 DEPARTMENT OF REGULATORY AGENCIES SHALL INCLUDE THE COMPILED
16 ANALYSIS IN ITS DEPARTMENTAL PRESENTATION TO ITS OVERSIGHT
17 LEGISLATIVE COMMITTEE OF REFERENCE MADE PURSUANT TO SECTION
18 2-7-203 OF THE "STATE MEASUREMENT FOR ACCOUNTABLE, RESPONSIVE,
19 AND TRANSPARENT (SMART) GOVERNMENT ACT".

20 **SECTION 2. Act subject to petition - effective date.** This act
21 takes effect at 12:01 a.m. on the day following the expiration of the
22 ninety-day period after final adjournment of the general assembly (August
23 8, 2018, if adjournment sine die is on May 9, 2018); except that, if a
24 referendum petition is filed pursuant to section 1 (3) of article V of the
25 state constitution against this act or an item, section, or part of this act
26 within such period, then the act, item, section, or part will not take effect
27 unless approved by the people at the general election to be held in

- 1 November 2018 and, in such case, will take effect on the date of the
- 2 official declaration of the vote thereon by the governor.