

COLORADO DEPARTMENT OF REVENUE

SUMMARY OF RULES PROCESS

The rule making or rule change process consists of three phases, the Concept Phase, the Formal Rulemaking Phase and the Implementation Phase. The main purpose of the Concept Phase is to obtain the ideas and perspective of persons who may be impacted by the rule or rule change. The Formal Rulemaking Phase begins when the Concept Phase is completed. During the Formal Rulemaking Phase, the draft rule language is finalized and a public hearing is held. The last phase, Implementation ensures that the new rule or rule change is implemented and communicated to the public and more specifically the stakeholders impacted.

Concept Phase

The Concept Phase is initiated one of two ways. A rule review can be initiated because the department has scheduled the rule for review on its regulatory agenda or because a member of the public has submitted a Rules Review Request. The Rule Review Request form (DR2477) is available by [clicking here](#). During this phase the rule or rule change is reviewed by department subject matter experts and when appropriate draft concept or language is drafted. The next step is for a “representative group” to be identified. The representative group collaborates on the proposed rule and participates in public rulemaking hearings. Along with interested members of the public, potentially impacted industry members and associations, both state and local agencies are encouraged to participate in representative group workshops. Rule workshops are conducted by the department to encourage collaborative exchange of information. Input from the workshop participants is taken into consideration and utilized to work toward consensus on the proposed rule language. Once consensus has been reached, or reasonable attempts to do so have been exhausted, final rule draft language is completed.

Formal Rulemaking Phase

The final rule proposal is circulated to the representative group, industry, and local governments to review prior to the formal public hearing. Rules that create a mandate on local government are submitted to the Office of State Planning and Budget (OSPB) for review. Upon receipt of the review from OSPB, a rulemaking hearing is scheduled. The rulemaking hearing is held either by a Department Hearing Officer or the board or commission with oversight of the program proposing the rule or rule change. Rulemaking hearings are public hearings and participation is encouraged. All testimony at rulemaking hearings become part of the rulemaking record. Additionally, written and verbal testimony is carefully considered prior to the rule proposal being amended, rejected, or adopted as proposed. To receive notification of rulemaking hearings, [click here](#).

Implementation Phase

During this phase the state website is updated and the final rule is distributed to the representative group, industry and local government.