

# GENERAL ASSEMBLY

Fiscal Notes		
<b>SB 12-080</b> (Postponed Indefinitely) <i>Business Comment Fiscal Impact Proposed Laws</i>	<b>SB 12-083</b> (Deemed Lost) <i>Dynamic Modeling for Fiscal Impact of Bills</i>	<b>HB 12-1115</b> (Postponed Indefinitely) <i>Business Fiscal Impact Statements New Laws</i>
<b>HB 12-1138</b> (Postponed Indefinitely) <i>Poverty Impact Statements for Bills</i>		
Interim Committees		
<b>SB 12-083</b> (Deemed Lost) <i>Dynamic Modeling for Fiscal Impact of Bills</i>	<b>SB 12-086</b> (Deemed Lost) <i>Study Cost of Regulatory Compliance</i>	<b>HB 12-1099</b> (Enacted) <i>Phytoremediation Hemp Remediation Pilot Program</i>
<b>HB 12-1152</b> (Postponed Indefinitely) <i>Economic Opportunity Poverty Reduction Task Force</i>	<b>HB 12-1218</b> (Postponed Indefinitely) <i>Early Childhood &amp; School Readiness Commission</i>	<b>HB 12-1284</b> (Postponed Indefinitely) <i>Small Business Financing Interim Committee</i>
<b>HB 12-1352</b> (Enacted) <i>Lower North Fork Wildfire Commission</i>	<b>SJR 12-016</b> (Adopted) <i>Legislative Deadlines for Interim Committee Legislation</i>	
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<b>SB 12-026</b> (Enacted) <i>Agency Rules With State Mandates on a Local Government</i>	<b>SB 12-073</b> (Postponed Indefinitely) <i>Legislative Intent in Review of State Agency Rules</i>	<b>HB 12-1008</b> (Enacted) <i>General Assembly &amp; Public Input Agency Rules &amp; Fees</i>
<b>HB 12-1123</b> (Postponed Indefinitely) <i>PUC Report to General Assembly on Rate Case Hearings</i>	<b>HB 12-1243</b> (Postponed Indefinitely) <i>Appointment Process State Boards &amp; Commissions</i>	<b>HB 12-1336</b> (Enacted) <i>Prison Utilization Study</i>
Legislative Process and Administration		
<b>SB 12-019</b> (Deemed Lost) <i>The Colorado On-time Budget Act 2012</i>	<b>SB 12-152</b> (Enacted) <i>Procedures for Filing Reports with the General Assembly</i>	<b>HB 12-1301</b> (Enacted) <i>FY 2012-13 Legislative Appropriation</i>
<b>HB 12-1348</b> (Enacted) <i>Legislative Department Authority Over Space</i>	<b>HJR 12-1023</b> (Postponed Indefinitely) <i>Authorizing Amicus Curiae Brief in Lobato Case</i>	<b>SR 12-002</b> (Postponed Indefinitely) <i>Modifications to Senate Rules</i>

The General Assembly discussed a number of topics relating to the operations of the state's legislative branch during the 2012 legislative session. These topics included: changes to fiscal note analysis, the creation of interim committees, increased legislative oversight of various processes, and changes to legislative procedure and administration.

## Fiscal Notes

The General Assembly considered several ways to modify the analysis provided in fiscal notes, which currently estimate the fiscal impact on state and local government revenue and spending for every bill considered in the legislature. **Senate Bill 12-083**, which was deemed lost, was amended in the Senate to create a temporary dynamic model advisory committee, comprised of the director of research of Legislative Council Staff, the director of the Office of State Planning

and Budgeting, one economist appointed by the Speaker of the House of Representatives and one economist appointed by the Senate President. To the degree sufficient funds were available, the advisory committee was required to:

- conduct research on the types of dynamic models available to the state;
- analyze the dynamic models used in other states;
- assess the availability of data to be used for a dynamic model;
- identify any issues related to using a dynamic model to analyze the direct and indirect effects of legislation;
- estimate the annual costs of using a dynamic model; and
- make recommendations regarding the purchase and use of a dynamic model.

A final report of the committee was to be completed by January 31, 2013 and submitted to the Executive Committee of the Legislative Council.

**House Bill 12-1138**, which was postponed indefinitely, would have required that a "poverty impact statement" be prepared by Legislative Council Staff for a limited number of legislative measures, when the legislative measure affected various issues such as education, job creation, work-support, and tax policies. **Senate Bill 12-080** and **House Bill 12-1115**, both of which were postponed indefinitely, would have required fiscal notes to include information about bills' fiscal impact on businesses. Senate Bill 12-080 would have allowed businesses to submit comments on proposed legislation and rules. These comments would have been summarized and compiled into a notice of reported business fiscal impacts, which would be included in the bill's fiscal note or forwarded to the agency promulgating the rule. The reengrossed version of House Bill 12-1115 proposed a similar system of allowing businesses to submit comments on legislation. Under this bill, the comments would only have been compiled, not summarized, and made available in conjunction with the fiscal note.

## **Interim Committees**

In addition to the previously authorized and statutory committees meeting during the interim, the General Assembly approved the creation of one new committee to meet in the 2012 interim using legislative resources.

**House Bill 12-1352** creates the Lower North Fork Wildfire Commission, comprised of two members of the Senate, one appointed by the President of the Senate and one appointed by the minority leader; two members of the House of Representatives, one appointed by the Speaker of the House and one appointed by the minority leader; and the executive director of the Colorado Department of Public Safety. The commission is charged with investigating the causes of the Lower North Fork Wildfire and recommending legislative or other action to prevent a similar occurrence. The commission will hold at least one public meeting and may conduct additional public meetings to collect information and deliberate on findings, policy recommendations, and compensatory recommendations. Staff support for the commission will be provided by legislative staff agencies or the Department of Public Safety.

Additionally, **House Bill 12-1099** creates the Industrial Hemp Remediation Pilot Program to study how contaminated soils and water can be cleaned through the growth of industrial hemp. The program is overseen by a seven-member committee appointed jointly by the committee chairs

of the House and Senate Agriculture committees. The committee is responsible for designing the pilot program according to certain specifications; soliciting funding; selecting a secure, indoor growing site; and completing a final report for the executive director of the Department of Public Health and Environment. Staffing for this committee is not specified in the bill.

Four bills that were not adopted also proposed interim committees. **Senate Bill 12-083**, which was deemed lost and is described in the Fiscal Notes section, would have established a committee to study and advise on the use of dynamic modeling in fiscal notes. **Senate Bill 12-086**, which was deemed lost, would have created a task force to review the state's regulatory system and determine the annual cost of compliance by businesses in the state, including the annual cost of regulatory compliance based on the type of regulation, the cost of compliance per employee for all firms, and the cost of compliance per employee based on the size of the firm. **House Bill 12-1218**, which was postponed indefinitely, would have continued the Early Childhood and School Readiness Legislative Commission, created by House Bill 09-1343 with a mission to examine issues related to school readiness and early childhood education, through July 1, 2015. **House Bill 12-1284**, which was postponed indefinitely, would have created a committee charged with meeting with small business lenders and small business owners to determine whether there is an unfilled need for capital and loans that discourages business expansion and to identify changes to better enable the formation of capital.

**House Bill 12-1152**, which was postponed indefinitely, would have made changes to the Economic Opportunity Poverty Reduction Task Force, an interim committee of the General Assembly created in statute by House Bill 10-1064. Among other provisions, the bill would have allowed the task force to meet, even if funding is not provided for the task force as part of the Legislative Branch budget or through gifts, grants, and donations, if the chairperson and vice-chairperson determine that sufficient resources are available for the task force to meet.

**Senate Joint Resolution 12-016** amended the joint rules of the Senate and the House of Representatives to modify deadlines related to the review by the Legislative Council of legislation creating interim committees and studies.

## **Legislative Oversight**

Several bills aimed to modify the oversight role of the General Assembly over other agencies. **House Bill 12-1008** expands the legislature's oversight of executive branch rule-making by requiring state agencies to notify the General Assembly within ten days of proposing a rule or approving an emergency or temporary rule that increases fees or fines. Further, each department must submit a copy of its regulatory agenda to the Legislative Council on or before November 1 of each year for distribution to members of each agency's applicable legislative committee of reference. The bill also adds requirements to increase public input and oversight of the rule-making process.

**Senate Bill 12-026** prohibits any state agency from promulgating a rule that creates a state mandate on a local government unless the agency complies with the requirements of Section 29-1-304.5, C.R.S. This statute states that, with certain exceptions, no new state mandate or increase in the level of service for an existing state mandate beyond the existing level of service required by law shall be mandated by the General Assembly or any state agency on any local government unless the state provides additional moneys to reimburse the local government for the additional costs. Beginning January 1, 2014, for each proposed rule that includes a state mandate,

the state agency proposing the rule must provide information to the director of the Office of State Planning and Budgeting (OSPB) that describes: the proposed rule; the nature of the agency's consultation with affected local governments; the concerns of affected local governments; written communications submitted to the agency by local governments; and the agency's reasoning supporting the need to promulgate the rule containing the state mandate. The bill also requires agencies to provide a copy of the information submitted to OSPB to the Executive Committee of the Legislative Council.

**House Bill 12-1336** directs the OSPB to contract for a system-wide analysis of the Department of Corrections by July 1, 2012, or as soon as possible thereafter. The purpose of the study is to determine the most appropriate and cost-effective uses of available private and state prison beds. The OSPB is encouraged to convene an advisory group of stakeholders and persons with correctional expertise and to consider specific factors such as public safety, operational needs of the DOC, offender classifications and needs, local impacts, and cost and efficiency measures, among others. Quarterly progress reports and final recommendations for the five fiscal years beginning in FY 2013-14 are to be provided to the Joint Budget Committee. Additionally, the OSPB is required to submit a status report on the study to the Senate and House Judiciary Committees by January 31, 2013,

**Senate Bill 12-073**, which was postponed indefinitely, would have prohibited executive branch agencies from adopting rules unless they have found that the rules are consistent with the clear legislative intent of the General Assembly. The Committee on Legal Services and its staff review rules adopted by executive agencies and can recommend the rejection of rules through the annual rule review bill if the rules conflict with statute or exceed the agency's authority. The bill would have added legislative intent as further grounds for review.

**House Bill 12-1123**, which was postponed indefinitely, would have required the Director of the Public Utilities Commission (PUC) to present an annual report to the Joint House and Senate Transportation Committees regarding energy utility rate cases heard before the PUC in the past two years.

**House Bill 12-1243**, which was postponed indefinitely, aimed primarily to review and recommend modifications to the process by which the Governor appoints members to boards and commissions. The bill would also have required the Office of the Governor and the Legislative Council to review the process by which the General Assembly makes such appointments, exploring diversity of representation and determining whether action could be taken to make the process more uniform and consistent.

## **Legislative Process and Administration**

**Senate Bill 12-152** modifies the procedure for entities filing reports with the General Assembly under the "Information Coordination Act." The new procedure is for the reporting entity to file one electronic copy with the Joint Legislative Library (JLL) along with the internet address of the report if the report is available on the internet. The entity will also file four hard copies with the State Librarian for the State Publications Depository and Distribution Center. If the entity cannot provide an electronic copy of the report, then it must deliver six hard copies to the JLL. The JLL will deliver the electronic or hard-copy reports to the legislators, legislative committees, or legislative staff who are to receive it. A legislator may request delivery of a hard copy of the report

from the JLL. Entities will no longer be required to file reports with each house of the General Assembly or to notify legislators electronically that a report has been submitted.

The annual legislative appropriation, **House Bill 12-1301**, increases the per diem rate for legislators who live outside of the Denver metro area. Currently these legislators receive \$150 per day, while legislators who live within 50 miles of the capitol receive \$45 per day. The bill increases the rate for legislators living more than 50 miles from the capitol to \$183 per day.

**House Bill 12-1348** clarifies that the existing authority of the General Assembly to designate and assign space in the Capitol building includes all areas of the Capitol subbasement, including access to all Capitol subbasement tunnels, legislative space in the state office building located at 1525 Sherman Street, and the Legislative Services Building (14th Avenue and Sherman Street). Upon the General Assembly's occupancy of office space located at 1525 Sherman Street, the Department of Personnel and Administration (DPA) is required to designate to the legislature a proportionate amount of parking space in the lot located at Lincoln and East Colfax Avenue. In addition to having control of the space inside these buildings, the General Assembly also assumes control of the grounds immediately adjacent to the buildings. Maintenance of the legislative spaces and grounds continues to be the responsibility of DPA until such time as the Executive Committee of Legislative Council adopts a resolution assuming such responsibility. The bill also specifies that the Executive Branch will continue to control space on the first floor of the Capitol building.

Under the provisions of **Senate Bill 12-019**, which was deemed lost, compensation and reimbursement of expenses would have been suspended for all members of the General Assembly if the General Assembly failed to send to the Governor both the annual Appropriation Act (Long Bill) and the annual School Finance Act. These suspended payments would have been paid upon completion of the budget. The bill was also amended to create an advisory committee to review the current state budget process and consider alternatives.

**House Joint Resolution 12-1023**, which was postponed indefinitely, would have authorized and directed the Committee on Legal Services to retain legal counsel to represent the General Assembly as amicus curiae in the case of *Lobato v. State of Colorado*, in which the Denver District Court found that the current school finance system in Colorado is unconstitutional. The brief would have sought reversal of the trial court's opinion to the extent that it violates the principle of separation of powers, jeopardizes the plenary power of the General Assembly, and fails to give significant deference to the fiscal and policy determinations of the General Assembly.

**Senate Resolution 12-002**, which was postponed indefinitely, would have modified Senate Rule 22A, concerning the protection of deliberations, to allow the use of wireless electronic devices during Senate committees and in the Senate chambers, including during third reading of bills. This resolution would also have added the Capital Development Committee to the list of committees appointed pursuant to Senate Rule 21. Under this rule, the Senate Majority Leader and Minority Leader appoint members of their parties to the Senate's committees of reference. The Majority Leader also has the authority to set the number of committee members from each party and designate the chair and vice-chair of each committee.