

**First Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO**

ENGROSSED

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

LLS NO. 11-0420.01 Esther van Mourik

SENATE BILL 11-041

SENATE SPONSORSHIP

Kopp,

HOUSE SPONSORSHIP

(None),

Senate Committees

Finance
Legislative Council

House Committees

Legislative Council

A BILL FOR AN ACT

101 **CONCERNING THE CREATION OF EFFICIENCIES IN STATE EXECUTIVE**
102 **DEPARTMENTS.**

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/bills/summaries>.)

The bill requires the legislative audit committee to appoint a task force (task force) to review executive branch departments and make recommendations related to the executive branch departments' programs in order to identify redundancies, abuse, fraud, and cost savings and to specify other efficiency measures. The task force must report to the

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
Final Reading
April 20, 2011

legislative audit committee by August 6, 2012, and the legislative audit committee must then recommend to the general assembly such legislation regarding the findings and recommendations of the task force as may be necessary. The bill also addresses the circumstances under which staff assistance will be available for the task force.

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

2 **SECTION 1.** Title 24, Colorado Revised Statutes, is amended BY
3 THE ADDITION OF A NEW ARTICLE to read:

4 **ARTICLE 2.5**

5 **Efficiency in State Executive Departments**

6 **24-2.5-101. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE
7 CONTEXT OTHERWISE REQUIRES:

8 (1) "CORE FUNCTION OF STATE GOVERNMENT" MEANS A FUNCTION
9 THAT IS MANDATED BY THE STATE CONSTITUTION, MANDATED BY THE
10 UNITED STATES CONSTITUTION OR FEDERAL LAW, OR IS ESSENTIAL TO THE
11 PUBLIC SAFETY AND PROTECTION OF LIFE, LIBERTY, AND PROPERTY OR TO
12 PUBLIC HEALTH.

13 (2) "EXECUTIVE BRANCH DEPARTMENTS" MEANS ALL PRINCIPAL
14 DEPARTMENTS OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT AS
15 SPECIFIED IN SECTION 24-1-110, INCLUDING ANY DIVISION, OFFICE,
16 AGENCY, OR OTHER UNIT CREATED WITHIN A PRINCIPAL DEPARTMENT.

17 (3) "INDUSTRY LEADER" MEANS AN EXECUTIVE-LEVEL EMPLOYEE
18 OR RETIREE OF A LARGE SUCCESSFUL INDUSTRY.

19 (4) "LEGISLATIVE AUDIT COMMITTEE" MEANS THE LEGISLATIVE
20 AUDIT COMMITTEE CREATED IN SECTION 2-3-101, C.R.S.

21 (5) "PROGRAM" MEANS A STATE GOVERNMENT MANAGED
22 PROGRAM WITH ALLOCATED STAFF AND RESOURCES THAT PROVIDES
23 SERVICES OR PERFORMS FUNCTIONS PURSUANT TO EITHER FEDERAL LAW

1 OR REGULATIONS OR THE STATE CONSTITUTION, STATUTES, OR
2 REGULATIONS.

3 (6) "SMALL OR MEDIUM BUSINESS LEADER" MEANS A SUCCESSFUL
4 BUSINESS OWNER GENERALLY RECOGNIZED IN THE BUSINESS COMMUNITY
5 WITH UP TO FIVE HUNDRED EMPLOYEES.

6 (7) "TASK FORCE" MEANS THE LEGISLATIVE AUDIT COMMITTEE
7 TASK FORCE CREATED IN SECTION 24-2.5-102 (1).

8 **24-2.5-102. Creating efficiencies in state executive**

9 **departments.** (1) NO LATER THAN JULY 1, 2011, THE LEGISLATIVE AUDIT
10 COMMITTEE SHALL APPOINT A BIPARTISAN TASK FORCE TO REVIEW THE
11 STATE'S EXECUTIVE BRANCH DEPARTMENTS. THE TASK FORCE SHALL
12 CONSIST OF FOURTEEN MEMBERS, SEVEN FROM EACH OF THE TWO MAJOR
13 POLITICAL PARTIES WITH THE GREATEST NUMBER OF REGISTERED
14 ELECTORS IN THE STATE. THE TASK FORCE SHALL CONSIST OF:

- 15 (a) TWO INDUSTRY LEADERS;
- 16 (b) TWO SMALL OR MEDIUM BUSINESS LEADERS;
- 17 (c) TWO MEMBERS FROM ORGANIZATIONS, INSTITUTES,
18 CORPORATIONS, OR GROUPS THAT CONDUCT RESEARCH AND ENGAGE IN
19 ADVOCACY IN AREAS SUCH AS BUSINESS POLICY OR THE ECONOMY;
- 20 (d) FOUR FORMER OR CURRENT STATE LEGISLATORS;
- 21 (e) TWO ACADEMICS FROM ANY PUBLIC OR PRIVATE INSTITUTION
22 OF HIGHER EDUCATION IN THIS STATE WITH EXPERTISE RELATED TO PUBLIC
23 ADMINISTRATION OR ORGANIZATIONAL CHANGE AND MANAGEMENT; AND
- 24 (f) TWO PEOPLE WITH SIGNIFICANT PROJECT MANAGEMENT
25 EXPERIENCE.

26 (2) THE TASK FORCE SHALL DESIGNATE ONE OF THE INDUSTRY
27 LEADERS AND ONE OF THE SMALL BUSINESS LEADERS AS CHAIR AND

1 VICE-CHAIR.

2 (3) THE TASK FORCE SHALL MEET WITHIN THIRTY DAYS AFTER THE
3 LEGISLATIVE AUDIT COMMITTEE APPOINTS THE MEMBERS AND SHALL MEET
4 ADDITIONALLY AS CONVENED BY THE CHAIR.

5 (4) THE DUTIES OF THE TASK FORCE ARE TO DETERMINE A LIST OF
6 CORE FUNCTIONS OF STATE GOVERNMENT, INCLUDING AS A SUBCATEGORY
7 THOSE FUNCTIONS THAT ARE FEDERALLY MANDATED. AFTER SUCH
8 DETERMINATION OF CORE FUNCTIONS, THE TASK FORCE SHALL DETERMINE
9 WHICH OF THE CORE FUNCTIONS WOULD BE BETTER MANAGED BY THE
10 STATE OR BY THE PRIVATE OR NONPROFIT SECTOR. AFTER SUCH
11 DETERMINATION, THE TASK FORCE SHALL REVIEW THE EXECUTIVE BRANCH
12 DEPARTMENTS AND AGENCIES TO:

13 (a) IDENTIFY PROGRAMS THAT ARE IN EXISTENCE THAT ARE NOT
14 PART OF A CORE FUNCTION OF STATE GOVERNMENT AND SHOULD
15 THEREFORE BE ELIMINATED OR PHASED OUT;

16 (b) IDENTIFY ANY DUPLICATION OF PROGRAMS, RECOMMEND THE
17 BEST APPROACH FOR ELIMINATION OF ANY DUPLICATION, IDENTIFY
18 SPECIFIC POSITIONS THAT SHOULD BE ELIMINATED IN A RECOMMENDED
19 PERIOD, AND RECOMMEND ANY COMBINATION OR ELIMINATION OF WORK
20 UNITS, DIVISIONS, DEPARTMENTS, BOARDS, OR COMMISSIONS. THE TASK
21 FORCE'S GOAL SHALL BE TO IDENTIFY COST SAVINGS AND MEASURES TO
22 DOWNSIZE EXISTING BUREAUCRACIES. TO IDENTIFY SUCH DUPLICATION,
23 THE TASK FORCE SHALL DETERMINE WHETHER:

24 (I) THERE IS AN OVERLAP OF DUTIES WITH THE FEDERAL
25 GOVERNMENT AND WHETHER THE STATE NEEDS TO REQUEST FEDERAL
26 WAIVERS IN ORDER TO PLACE MORE OF THE IMPLEMENTATION OR
27 DECISION-MAKING REQUIREMENTS AT THE STATE LEVEL;

1 (II) THERE IS AN OVERLAP OF DUTIES WITH ANY LOCAL
2 GOVERNMENT ENTITY;

3 (III) ANOTHER PROGRAM PRODUCES WORK OUTPUT IN THE SAME
4 OR SIMILAR AREA; AND

5 (IV) SAVINGS CAN BE REALIZED BY ELIMINATING THE
6 REDUNDANCY IN EITHER DIRECT OR INDIRECT SUPPORT COSTS.

7 (c) MAKE RECOMMENDATIONS REGARDING THE FEASIBILITY OF
8 THE ADOPTION OF A POLICY TO REDUCE THE NUMBER OF NONEXEMPT
9 STATE EMPLOYEES SUBJECT TO THE PERSONNEL SYSTEM AS SPECIFIED IN
10 SECTION 13 (2) OF ARTICLE XII OF THE STATE CONSTITUTION THROUGH
11 ATTRITION, SUCH AS THROUGH RESIGNATION OR RETIREMENT, AS OPPOSED
12 TO GENERAL LAYOFFS; AND

13 (d) IDENTIFY THROUGH TESTIMONY AND OTHER AVAILABLE DATA
14 AREAS OF POSSIBLE WASTE, ABUSE, OR FRAUD, INCLUDING BUT NOT
15 LIMITED TO THE ABUSE BY UNAUTHORIZED PERSONS ACCESSING STATE
16 GOVERNMENT SERVICES THROUGH MEANS OF IDENTITY FRAUD, THAT MAY
17 BE OCCURRING IN THE STATE'S EXECUTIVE BRANCH DEPARTMENTS.

18 (5) (a) THE TASK FORCE SHALL REPORT IN WRITING TO THE
19 LEGISLATIVE AUDIT COMMITTEE NO LATER THAN AUGUST 6, 2012,
20 REGARDING ITS FINDINGS, RECOMMENDATIONS, AND ESTIMATED COST
21 SAVINGS RELATED TO ITS DUTIES SPECIFIED IN SUBSECTION (4) OF THIS
22 SECTION.

23 (b) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE
24 LEGISLATIVE AUDIT COMMITTEE SHALL CONSIDER ALL
25 RECOMMENDATIONS, FINDINGS, AND ESTIMATED COST SAVINGS MADE BY
26 THE TASK FORCE AND SHALL RECOMMEND TO THE GENERAL ASSEMBLY
27 SUCH LEGISLATION REGARDING THE FINDINGS, RECOMMENDATIONS, AND

1 ESTIMATED COST SAVINGS OF THE TASK FORCE AS MAY BE NECESSARY.

2 (6) THE MEMBERS OF THE TASK FORCE SHALL SERVE WITHOUT
3 COMPENSATION BUT MAY BE REIMBURSED FOR ALL NECESSARY AND
4 ACTUAL EXPENSES INCURRED IN THE PERFORMANCE OF THEIR DUTIES ONLY
5 IF MONEYS ARE CREDITED TO THE LEGISLATIVE DEPARTMENT CASH FUND
6 PURSUANT TO PARAGRAPH (a) OF SUBSECTION (8) OF THIS SECTION IN AN
7 AMOUNT SUFFICIENT TO FUND SUCH REIMBURSEMENTS.

8 (7) THE MEMBERS OF THE TASK FORCE MAY MEET WITHOUT ANY
9 STAFF ASSISTANCE DESCRIBED IN SUBSECTION (8) OF THIS SECTION.

10 (8) (a) THE LEGISLATIVE COUNCIL STAFF, ON BEHALF OF THE TASK
11 FORCE, IS AUTHORIZED TO RECEIVE FEDERAL MONEYS, CONTRIBUTIONS,
12 GRANTS, GIFTS, DONATIONS, SERVICES, AND IN-KIND DONATIONS FROM
13 ANY PUBLIC OR PRIVATE ENTITY FOR ANY DIRECT OR INDIRECT COSTS
14 ASSOCIATED WITH THE DUTIES OF THE TASK FORCE SET FORTH IN THIS
15 SECTION. THE LEGISLATIVE COUNCIL STAFF SHALL TRANSFER ANY
16 MONEYS RECEIVED PURSUANT TO THIS PARAGRAPH (a) TO THE STATE
17 TREASURER, WHO SHALL CREDIT THE MONEYS TO THE LEGISLATIVE
18 DEPARTMENT CASH FUND CREATED IN SECTION 2-2-1601, C.R.S., FOR USE
19 IN IMPLEMENTING THIS SECTION.

20 (b) THE DIRECTOR OF RESEARCH OF THE LEGISLATIVE COUNCIL,
21 THE DIRECTOR OF THE OFFICE OF LEGISLATIVE LEGAL SERVICES, AND THE
22 STATE AUDITOR MAY SUPPLY STAFF ASSISTANCE TO THE TASK FORCE AS
23 THEY DEEM APPROPRIATE WITHIN EXISTING APPROPRIATIONS. IF STAFF
24 ASSISTANCE IS NOT AVAILABLE WITHIN EXISTING APPROPRIATIONS, THEN
25 THE DIRECTOR OF RESEARCH OF THE LEGISLATIVE COUNCIL, THE DIRECTOR
26 OF THE OFFICE OF LEGISLATIVE LEGAL SERVICES, AND THE STATE AUDITOR
27 MAY SUPPLY STAFF ASSISTANCE TO THE TASK FORCE ONLY IF MONEYS ARE

1 CREDITED TO THE LEGISLATIVE DEPARTMENT CASH FUND PURSUANT TO
2 PARAGRAPH (a) OF THIS SUBSECTION (8) IN AN AMOUNT SUFFICIENT TO
3 FUND STAFF ASSISTANCE. THE TASK FORCE MAY ALSO ACCEPT STAFF
4 SUPPORT FROM THE PRIVATE SECTOR.

5 (c) THE COSTS OF PROVIDING STAFF ASSISTANCE TO THE TASK
6 FORCE BY THE DIRECTOR OF RESEARCH OF THE LEGISLATIVE COUNCIL, THE
7 DIRECTOR OF THE OFFICE OF LEGISLATIVE LEGAL SERVICES, AND THE
8 STATE AUDITOR SHALL BE APPROVED BY THE CHAIR OF THE LEGISLATIVE
9 COUNCIL AND PAID BY VOUCHERS AND WARRANTS DRAWN AS PROVIDED
10 BY LAW FROM MONEYS CONTINUOUSLY APPROPRIATED FROM THE
11 LEGISLATIVE DEPARTMENT CASH FUND.

12 (d) THE LEGISLATIVE AUDIT COMMITTEE SHALL PERFORM THE
13 TASKS ASSIGNED TO IT PURSUANT TO THIS SECTION WITHIN ITS EXISTING
14 APPROPRIATIONS AND ITS NORMAL MEETING SCHEDULE.

15 **SECTION 2. Safety clause.** The general assembly hereby finds,
16 determines, and declares that this act is necessary for the immediate
17 preservation of the public peace, health, and safety.