

Second Regular Session  
Seventieth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 16-0446.01 Bob Lackner x4350

SENATE BILL 16-038

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SENATE SPONSORSHIP

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HOUSE SPONSORSHIP

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A BILL FOR AN ACT

101 CONCERNING MEASURES TO PROMOTE THE TRANSPARENCY OF  
102 COMMUNITY-CENTERED BOARDS, AND, IN CONNECTION  
103 THEREWITH, MAKING CERTAIN COMMUNITY-CENTERED BOARDS  
104 SUBJECT TO THE "COLORADO OPEN RECORDS ACT" AND TO  
105 PERFORMANCE AUDITS UNDERTAKEN BY THE STATE AUDITOR  
106 AND MAKING ALL COMMUNITY-CENTERED BOARDS SUBJECT TO  
107 THE "COLORADO LOCAL GOVERNMENT AUDIT LAW".

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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>.)*

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.*

**Section 2** of the bill makes all writings made, maintained, or kept by a community-centered board (CCB) that receives more than 75% of its funding on an annual basis from the federal, the state, or a local government or from any combination of such governmental entities subject to public inspection as a "public record" under "Colorado Open Records Act".

**Section 3** of the bill requires the state auditor, at least once every 5 years or more frequently at the state auditor's discretion, to conduct or cause to be conducted a performance audit of each CCB that receives more than 75% of its funding on an annual basis from federal, state, or local government, or from any combination of such governmental entities, to determine whether such CCB is effectively and efficiently fulfilling its statutory obligations. A CCB becomes subject to the audit requirement when the CCB initially satisfies the 75% funding requirement for any one year regardless of whether or not the funding level decreases below 75% in any subsequent year. Section 3 of the bill further requires the state auditor to submit a written report and recommendations on each audit conducted and to present the report and recommendations to the legislative audit committee. The cost of any performance audit undertaken is imposed on the CCB.

Section 2 of the bill also makes each CCB subject to the requirements of the "Colorado Local Government Audit Law".

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly  
3 finds, determines, and declares that:

4 (a) By means of the safeguards specified in part 2 of article 10 of  
5 title 25.5, Colorado Revised Statutes, and other provisions of law, the  
6 state of Colorado has assumed the duty of providing persons with  
7 intellectual and developmental disabilities, among the most vulnerable  
8 populations in the state, with improved and lengthened life expectancy.

9 (b) The state of Colorado acknowledges that it takes significant  
10 public resources to meet the needs of persons with intellectual and  
11 developmental disabilities so as to live full, meaningful lives participating  
12 actively in the community.

1 (c) The state demands that the community-centered boards  
2 empowered under part 2 of article 10 of title 25.5, Colorado Revised  
3 Statutes, be prudent and efficient stewards of the public moneys entrusted  
4 to them by requiring transparency with respect to the manner in which  
5 these moneys are spent.

6 (d) Such transparency will give the public confidence that funding  
7 the community-centered boards is a wise and prudent use of the state's  
8 resources, thereby justifying the transfer of additional public resources to  
9 these organizations as needed to support persons with intellectual and  
10 developmental disabilities.

11 (2) By enacting Senate Bill 16-\_\_\_, enacted in 2016, the general  
12 assembly intends that the community-centered boards largely supported  
13 by public resources be subject to transparency in connection with their  
14 use of public resources to the greatest extent possible consistent with the  
15 "Colorado Open Records Act", part 2 of article 72 of title 24, Colorado  
16 Revised Statutes. The ability of the state auditor to undertake  
17 performance audits of certain community-centered boards, and subjecting  
18 all community-centered boards to the "Colorado Local Government Audit  
19 Law", will have the effect of promoting public transparency in connection  
20 with the use by these entities of significant public resources. The general  
21 assembly further intends that Senate Bill 16-\_\_\_, enacted in 2016, be  
22 construed as liberally as possible to promote the policy objectives  
23 specified in this section.

24 **SECTION 2.** In Colorado Revised Statutes, 24-72-202, **add** (6)

25 (a) (V) as follows:

26 **24-72-202. Definitions.** As used in this part 2, unless the context  
27 otherwise requires:

1 (6) (a) (V) "PUBLIC RECORDS" INCLUDES, WITHOUT LIMITATION,  
2 ALL WRITINGS MADE, MAINTAINED, OR KEPT BY A COMMUNITY-CENTERED  
3 BOARD THAT RECEIVES MORE THAN SEVENTY-FIVE PERCENT OF ITS  
4 FUNDING ON AN ANNUAL BASIS FROM THE FEDERAL, THE STATE, OR A  
5 LOCAL GOVERNMENT OR FROM ANY COMBINATION OF SUCH  
6 GOVERNMENTAL ENTITIES. FOR PURPOSES OF THIS SUBPARAGRAPH (V),  
7 "COMMUNITY-CENTERED BOARD" HAS THE SAME MEANING AS IN SECTION  
8 25.5-10-202 (4), C.R.S.

9 **SECTION 3.** In Colorado Revised Statutes, 25.5-10-209, **add** (4)  
10 and (5) as follows:

11 **25.5-10-209. Community-centered boards - designation -**  
12 **purchase of services and supports by community-centered boards -**  
13 **performance audits - Colorado local government audit law. (4) AT**  
14 **LEAST ONCE EVERY FIVE YEARS, OR MORE FREQUENTLY IN THE STATE**  
15 **AUDITOR'S DISCRETION, THE STATE AUDITOR SHALL CONDUCT OR CAUSE**  
16 **TO BE CONDUCTED A PERFORMANCE AUDIT OF EACH**  
17 **COMMUNITY-CENTERED BOARD THAT RECEIVES MORE THAN SEVENTY-FIVE**  
18 **PERCENT OF ITS FUNDING ON AN ANNUAL BASIS FROM THE FEDERAL, THE**  
19 **STATE, OR A LOCAL GOVERNMENT OR FROM ANY COMBINATION OF SUCH**  
20 **GOVERNMENTAL ENTITIES TO DETERMINE WHETHER SUCH BOARD IS**  
21 **EFFECTIVELY AND EFFICIENTLY FULFILLING ITS STATUTORY OBLIGATIONS.**  
22 **A COMMUNITY-CENTERED BOARD BECOMES SUBJECT TO THE AUDIT**  
23 **REQUIREMENT UNDER THIS SUBSECTION (4) AT SUCH TIME AS THE BOARD**  
24 **INITIALLY SATISFIES THE SEVENTY-FIVE PERCENT FUNDING REQUIREMENT**  
25 **FOR ANY ONE YEAR REGARDLESS OF WHETHER OR NOT THE FUNDING LEVEL**  
26 **DECREASES BELOW SEVENTY-FIVE PERCENT IN ANY SUBSEQUENT YEAR.**  
27 **THE STATE AUDITOR SHALL SUBMIT A WRITTEN REPORT AND**

1 RECOMMENDATIONS ON EACH AUDIT CONDUCTED UNDER THIS SUBSECTION  
2 (4) AND SHALL PRESENT THE REPORT AND RECOMMENDATIONS TO THE  
3 LEGISLATIVE AUDIT COMMITTEE CREATED IN SECTION 2-3-101 (1), C.R.S.  
4 THE COST OF ANY PERFORMANCE AUDITS UNDERTAKEN PURSUANT TO THIS  
5 SUBSECTION (4) MUST BE PAID FROM THE OPERATING FUNDS OF THE  
6 COMMUNITY-CENTERED BOARD THAT IS SUBJECT TO THE PARTICULAR  
7 PERFORMANCE AUDIT.

8 (5) EACH COMMUNITY-CENTERED BOARD IS SUBJECT TO THE  
9 REQUIREMENTS OF THE "COLORADO LOCAL GOVERNMENT AUDIT LAW",  
10 PART 6 OF ARTICLE 1 OF TITLE 29, C.R.S.

11 **SECTION 4. Safety clause.** The general assembly hereby finds,  
12 determines, and declares that this act is necessary for the immediate  
13 preservation of the public peace, health, and safety.