

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 16-0100.01 Bob Lackner x4350

HOUSE BILL 16-1127

HOUSE SPONSORSHIP

Sias,

SENATE SPONSORSHIP

(None),

House Committees

Public Health Care & Human Services

Senate Committees

A BILL FOR AN ACT

101 CONCERNING A REQUIREMENT THAT COMMUNITY-CENTERED BOARDS
102 WITHIN THE STATE BE AUDITED BY THE OFFICE OF THE STATE
103 AUDITOR.

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 directs the state auditor to divide the entire group of community-centered boards that have been designated by the department of health care policy and financing in a particular designated service area into 3 subgroups of an approximately equal number of such community-centered boards to the extent practicable. The groups must be

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.

divided based on the number of clients served by the particular board, with one subgroup representing the highest number of clients, the second subgroup representing a number of clients somewhat middle in number between the numbers of clients constituting the other 2 groups, and the third subgroup representing the smallest number of clients. As new community-centered boards receive such designation, the state auditor is required to continue to add such community-centered board to one of the 3 subgroups based upon the same criteria.

Not less than once every 5 years, or more frequently in the state auditor's discretion, the bill also requires the state auditor to conduct or cause to be conducted a performance audit of one community-centered board from each subgroup. The bill 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 bill also makes each community-centered board subject to the "Colorado Local Government Audit Law".

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 2-3-122 as
3 follows:

4 **2-3-122. Performance audits of community-centered boards**
5 **- community-centered boards subject to Colorado Local Government**
6 **Audit Law.** (1) (a) WITH RESPECT TO THE ENTIRE GROUP OF
7 COMMUNITY-CENTERED BOARDS, AS DEFINED IN SECTION 25.5-10-202 (4),
8 C.R.S., THAT HAVE BEEN DESIGNATED BY THE DEPARTMENT OF HEALTH
9 CARE POLICY AND FINANCING IN A PARTICULAR DESIGNATED SERVICE
10 AREA PURSUANT TO SECTION 25.5-10-209, C.R.S., AS OF THE EFFECTIVE
11 DATE OF THIS SECTION, NOT LATER THAN SEPTEMBER 30, 2016, THE STATE
12 AUDITOR SHALL DIVIDE SUCH GROUP INTO THREE SUBGROUPS OF AN
13 APPROXIMATELY EQUAL NUMBER OF SUCH COMMUNITY-CENTERED
14 BOARDS TO THE EXTENT PRACTICABLE. THE GROUPS MUST BE DIVIDED
15 BASED ON THE NUMBER OF CLIENTS SERVED BY THE PARTICULAR BOARD,
16 WITH ONE SUBGROUP REPRESENTING THE HIGHEST NUMBER OF CLIENTS,

1 THE SECOND SUBGROUP REPRESENTING A NUMBER OF CLIENTS SOMEWHAT
2 MIDDLE IN NUMBER BETWEEN THE NUMBERS OF CLIENTS CONSTITUTING
3 THE OTHER TWO GROUPS, AND THE THIRD SUBGROUP REPRESENTING THE
4 SMALLEST NUMBER OF CLIENTS. ON OR AFTER THE EFFECTIVE DATE OF
5 THIS SECTION, AS NEW COMMUNITY-CENTERED BOARDS RECEIVE SUCH
6 DESIGNATION, THE STATE AUDITOR SHALL CONTINUE TO ADD SUCH
7 COMMUNITY-CENTERED BOARDS TO ONE OF THE THREE SUBGROUPS BASED
8 UPON THE CRITERIA SPECIFIED IN THIS PARAGRAPH (a).

9 (b) NOT LESS THAN ONCE EVERY FIVE YEARS, OR MORE
10 FREQUENTLY IN THE STATE AUDITOR'S DISCRETION, THE STATE AUDITOR
11 SHALL CONDUCT OR CAUSE TO BE CONDUCTED A PERFORMANCE AUDIT OF
12 ONE COMMUNITY-CENTERED BOARD FROM EACH SUBGROUP. THE STATE
13 AUDITOR SHALL SUBMIT A WRITTEN REPORT AND RECOMMENDATIONS ON
14 EACH AUDIT CONDUCTED UNDER THIS PARAGRAPH (b) AND SHALL PRESENT
15 THE REPORT AND RECOMMENDATIONS TO THE LEGISLATIVE AUDIT
16 COMMITTEE CREATED IN SECTION 2-3-101 (1).

17 (2) EACH COMMUNITY-CENTERED BOARD IS SUBJECT TO THE
18 PROVISIONS OF THE "COLORADO LOCAL GOVERNMENT AUDIT LAW", PART
19 6 OF ARTICLE 1 OF TITLE 29, C.R.S.

20 **SECTION 2.** In Colorado Revised Statutes, 25.5-10-209, **add** (4)
21 as follows:

22 **25.5-10-209. Community-centered boards - designation -**
23 **purchase of services and supports by community-centered boards -**
24 **performance audits.** (4) ANY COMMUNITY-CENTERED BOARD THAT HAS
25 BEEN DESIGNATED BY THE STATE DEPARTMENT IN A PARTICULAR
26 DESIGNATED SERVICE AREA PURSUANT TO THIS SECTION IS SUBJECT TO THE
27 AUDIT REQUIREMENTS SPECIFIED IN SECTION 2-3-122, C.R.S.

1 **SECTION 3. Act subject to petition - effective date.** This act
2 takes effect at 12:01 a.m. on the day following the expiration of the
3 ninety-day period after final adjournment of the general assembly (August
4 10, 2016, if adjournment sine die is on May 11, 2016); except that, if a
5 referendum petition is filed pursuant to section 1 (3) of article V of the
6 state constitution against this act or an item, section, or part of this act
7 within such period, then the act, item, section, or part will not take effect
8 unless approved by the people at the general election to be held in
9 November 2016 and, in such case, will take effect on the date of the
10 official declaration of the vote thereon by the governor.