

NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.

An Act

SENATE BILL 26-137

BY SENATOR(S) Coleman and Simpson, Amabile, Bridges, Carson, Catlin, Daugherty, Exum, Frizell, Gonzales J., Kirkmeyer, Lindstedt, Marchman, Mullica, Roberts, Snyder;
also REPRESENTATIVE(S) McCluskie and Caldwell, Boesenecker, Clifford, Duran, Flanell, Gonzalez R., Marshall, Ricks, Rydin.

CONCERNING MEASURES TO REDUCE ADMINISTRATIVE BURDENS, AND, IN CONNECTION THEREWITH, MAKING CHANGES TO THE MANDATORY REVIEW OF DEPARTMENT RULES BY EACH PRINCIPAL DEPARTMENT AND CLARIFYING THE ATTORNEY GENERAL'S SCOPE OF AUTHORITY RELATED TO LITIGATION DISCOVERY.

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

SECTION 1. In Colorado Revised Statutes, 24-4-103.3, **amend** (1) introductory portion, (1)(e), (1)(g), and (4); **repeal** (3); and **add** (1)(i), (1)(j), (1)(k), and (1)(l) as follows:

24-4-103.3. Mandatory review of rules by agencies - report on results of review in departmental regulatory agendas - definitions.

(1) ~~The department of regulatory agencies~~ EACH PRINCIPAL

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

DEPARTMENT shall establish a schedule ~~in consultation with each principal department~~, for the PERIODIC review of all of the DEPARTMENT'S rules ~~for each principal department~~ TO OCCUR AT LEAST EVERY FIVE YEARS. Each principal department shall conduct a review of all of its rules to assess the continuing need for and the appropriateness and cost-effectiveness of its rules to determine if they should be continued in their current form, modified, or repealed. The applicable rule-making agency or official in the principal department shall consider the following:

(e) Whether the rule can be amended to give more flexibility, reduce regulatory burdens, or reduce unnecessary paperwork or steps while ~~maintaining~~ MEETING its INTENDED GOALS AND benefits;

(g) Whether a cost-benefit analysis was performed by the applicable rule-making agency or official in the principal department pursuant to section 24-4-103 (2.5) ~~and~~ OR AN EQUIVALENT ANALYSIS PURSUANT TO SECTION 25-7-110.5;

(i) WHETHER THERE ARE OTHER RULES ADOPTED BY THE RULE-MAKING AGENCY OR OFFICIAL THAT HAVE THE SAME OR SIMILAR PURPOSE, INTENT, OR GOAL; HOW THOSE ARE COORDINATED; AND WHETHER REDUNDANCIES CAN BE ELIMINATED;

(j) WHETHER THE RULE IS OUTDATED OR OBSOLETE;

(k) WHETHER FUNDING LEVELS TO SUPPORT THE PROGRAM OR FUNCTION SUBJECT TO THE RULE ARE APPROPRIATE. AS USED IN THIS SUBSECTION (1)(k), "APPROPRIATE" MEANS SUFFICIENT TO ADMINISTER AND ENFORCE THE PROGRAM OR RULE IN COMPLIANCE WITH STATE AND FEDERAL LAW, WITHIN EXISTING APPROPRIATIONS AND AUTHORIZED FEE STRUCTURES.

(l) WHETHER THERE ARE OPPORTUNITIES TO IMPROVE THE EFFECTIVENESS OF THE RULE IN MEETING ITS PURPOSE, INTENT, OR GOAL. AS USED IN THIS SUBSECTION (1)(l), "OPPORTUNITIES" MEANS REASONABLE AND LEGALLY PERMISSIBLE ADJUSTMENTS WITHIN THE AGENCY'S EXISTING STATUTORY AUTHORITY THAT WOULD IMPROVE IMPLEMENTATION OR ADMINISTRATION OF THE RULE.

(3) ~~The department of regulatory agencies shall not schedule mandatory review under this section during the year of and during the year~~

~~following any scheduled sunset review conducted by the department of regulatory agencies pursuant to section 24-34-104.~~

(4) (a) Each principal department shall include a report on the results of its mandatory review of rules as part of its departmental regulatory agenda that it submits to the staff of the legislative council for distribution to the applicable committee of reference of the general assembly as outlined in section 2-7-203. ~~C.R.S.~~ THE COMMITTEE OF REFERENCE SHALL REVIEW THE DEPARTMENTAL REPORT DURING THE COMMITTEE'S "SMART ACT" HEARING.

(b) IN ACCORDANCE WITH THE PROCESS SET FORTH IN SECTION 24-34-104 (6)(a) AND (6)(c), THE COMMITTEE OF REFERENCE MAY MAKE A RECOMMENDATION WHETHER A PROGRAM OR FUNCTION SUBJECT TO THE RULES SHOULD BE SUBJECT TO A SUNSET REVIEW PURSUANT TO SECTION 24-34-104 (5) OR MAY MAKE A RECOMMENDATION TO THE LEGISLATIVE AUDIT COMMITTEE FOR AN AUDIT BY THE OFFICE OF THE STATE AUDITOR PURSUANT TO SECTION 2-3-108.

SECTION 2. In Colorado Revised Statutes, 24-31-101, **add** (6) as follows:

24-31-101. Powers and duties of attorney general.

(6) IN ANY ACTION BROUGHT BY THE ATTORNEY GENERAL IN THE ATTORNEY GENERAL'S OFFICIAL CAPACITY, OR ON THE RELATION OF THE STATE OF COLORADO OR THE PEOPLE OF THE STATE OF COLORADO, TO ENFORCE THE LAW AS AUTHORIZED BY STATUTE OR COMMON LAW, THE ATTORNEY GENERAL SHALL NOT BE DEEMED TO PURSUE AN ACTION ON BEHALF OF ANY OTHER STATE OFFICER OR ANY STATE AGENCY, DEPARTMENT, OFFICE, BOARD, COMMISSION, OR ENTERPRISE AND SHALL NOT BE DEEMED IN POSSESSION, CUSTODY, OR CONTROL OF ANY RECORD THAT IS MADE, KEPT, OR MAINTAINED BY ANY OTHER STATE OFFICER OR ANY STATE AGENCY, DEPARTMENT, OFFICE, BOARD, COMMISSION, OR ENTERPRISE FOR THE PURPOSE OF ANY DISCOVERY REQUEST DIRECTED AT THE ATTORNEY GENERAL IN THE ATTORNEY GENERAL'S OFFICIAL CAPACITY, OR ON THE RELATION OF THE STATE OF COLORADO OR THE PEOPLE OF THE STATE OF COLORADO, AS A PARTY TO SUCH ACTION.

SECTION 3. Act subject to petition - effective date. This act

takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2026 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

James Rashad Coleman, Sr.
PRESIDENT OF
THE SENATE

Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Esther van Mourik
SECRETARY OF
THE SENATE

Vanessa Reilly
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

APPROVED _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO