



Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

Memorandum

December 15, 2023

TO: Members of the General Assembly
FROM: Katie Ruedebusch, Principal Research Analyst, 303-866-3001
SUBJECT: SMART Government Act Hearings

Summary

This memorandum provides an overview of the "**State Measurement for Accountable, Responsive, and Transparent Government Act**" (SMART Government Act). The act requires executive agencies to annually present specific information to joint legislative committees during the first two weeks of the legislative session. This memorandum summarizes the information that state agencies are required to submit to committees in advance of the hearings and information presented in the hearings.

Required Information from State Agencies

State agencies must annually submit a performance plan and regulatory agenda to committees of reference.¹ Departments are also required to submit their budgets annually to the Joint Budget Committee for the upcoming fiscal year.

Performance plan. The SMART Government Act requires state agencies to develop a performance plan. A performance plan is part of a performance management system, and discusses how the department's management strategies and continuous process improvement activities affect the costs and efficiency of government services. The performance plan identifies the department's major functions and is a tool to evaluate performance goals over time. A performance plan includes:

- a mission or vision statement;
- a list of what the department does;
- performance measures performance goals relating to the performance measures, for at least three years in the future;
- a discussion of how the department will meet its performance goals; and

¹Section 2-7-203, C.R.S.

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- a summary of the department's most recent performance evaluation.

“A performance plan details a state department’s management strategies and process improvement goals.”

Departments must submit their performance plans to the Joint Budget Committee and the relevant joint committees of reference each July 1. Departments must also conduct performance evaluations and distribute them to the Joint Budget Committee at least twice

each calendar year. Finally, a performance report for each department is published each November 1. *Department performance plans* are available online from the Governor’s Office of Operations.

Regulatory agenda. The SMART Government Act annually requires each department, with the exception of the Judicial Branch, to submit a regulatory agenda to its oversight committees on November 1. A regulatory agenda provides information on rules issued by the department including:

- a list of new rules or revisions to existing rules that the department expects to propose in the next calendar year;
- the authority under which the department is adopting the rules;
- the purpose of the rules;
- the schedule for adopting the rules;
- a list of any people or groups potentially affected by the rules; and
- a list and brief summary of all rules actually adopted since the previous year.

“A regulatory agenda discusses a department’s rulemaking activities.”

Department budget submittal. State law requires state agencies to submit their budget requests for the upcoming fiscal year to the Joint Budget Committee each November 1. More information on budget requests may be found through the *Joint Budget Committee Budget Documents* page.

Committee of Reference SMART Government Act Hearings

During the first two weeks of the legislative session, committees of reference are required to conduct hearings with each state department. Committees must meet at least once and up to three times during this time. Public testimony is allowed at each hearing. The hearings must include a presentation covering the department's:



- performance plan
- regulatory agenda;
- budget request; and
- associated legislative agenda for the upcoming legislative session.

Assignments of departments to committees of reference. For purposes of the SMART Government Act, the Speaker of the House of Representatives and the President of the Senate assign each state department to a House and Senate committee of reference. Joint Rule 25 of the *legislative rules* lists these assignments, unless the Speaker and President make the assignments in another manner. The assignments for the 2024 SMART Government Act hearings may be found in Table 1 below.

Annual presentation of audits. The SMART Government Act requires the Office of the State Auditor (OSA) to conduct performance audits of one or more specific programs or services in at least two departments. The OSA must present the audits to the committees of reference to which the relevant departments are assigned. The following audits were conducted pursuant to this requirement, and will be presented to the designated committees during the 2024 SMART Government Act hearings.

- *Gas Pipeline Safety Program* — Department of Regulatory Agencies — released June 2023 (*Joint Business*)
- *Marijuana Enforcement Division* — Department of Revenue — released October 2023 (*Joint Finance*)
- *Colorado Lottery* — Department of Revenue — released December 2023 (*Joint Finance*)
- *Medicaid Correspondence* — Department of Health Care Policy and Financing — released October 2023 (*Joint Health*)
- *Division of Youth Services Reporting* — Department of Human Services — released August 2023 (*Joint Health*)
- *Alternative Delivery Contracting Methods* — Department of Transportation — released April 2023 (*Joint Transportation*)

Audit recommendations not fully implemented. In addition to presentations regarding recently released performance audits, the OSA will present information to the committees of reference from its annual report on recommendations that are not fully implemented at the following committee hearings.

- Joint Business
- Joint Education
- Joint Finance
- Joint Health
- Joint Judiciary
- Joint Transportation
- Joint Technology Committee



Joint committee chairs. The chair of each joint committee of reference will preside over the SMART Government Act hearings. A list of the chairs for the 2024 hearings may be found in Table 1 below. The chair will switch to the other chamber for the 2025 hearings.

Table 1
2024 Committee Assignments Pursuant to the SMART Government Act and Joint Rule 25

Joint Committee	Agencies	Chair
House Agriculture, Water, & Natural Resources and Senate Agriculture and Natural Resources	<ul style="list-style-type: none"> • Agriculture • Natural Resources (excluding ECMC) 	Rep. McCormick
House Energy and Environment and Senate Transportation and Energy	<ul style="list-style-type: none"> • ECMC • Colorado Energy Office • Public Health and Environment¹ • Public Utilities Commission² 	Rep. Kipp
House Business Affairs and Labor and Senate Business, Labor, and Technology	<ul style="list-style-type: none"> • Labor and Employment • Personnel and Administration • Regulatory Agencies • Office of Economic Development 	Rep. Amabile
House and Senate Finance	<ul style="list-style-type: none"> • Public Employees' Retirement Association • Revenue • Treasury • OSPB² 	Sen. Mullica
House Education and Senate Education	<ul style="list-style-type: none"> • Early Childhood • Education • Higher Education 	Sen. Buckner
House Transportation, Housing, & Local Government and Senate Local Government and Housing	<ul style="list-style-type: none"> • Local Affairs 	Rep. Froelich
House State, Civic, Veterans, & Military Affairs and Senate State, Veterans, and Military Affairs	<ul style="list-style-type: none"> • Military Affairs • State 	Sen. Coleman
House Transportation, Housing, & Local Government and Senate Transportation and Energy	<ul style="list-style-type: none"> • Transportation 	Sen. Winter



**Table 1 (cont.)
2024 Committee Assignments Pursuant to the SMART Government Act and Joint Rule 25**

Joint Committee	Agencies	Chair
House Health and Human Services and Senate Health and Human Services	<ul style="list-style-type: none"> • Behavioral Health Administration • Early Childhood • Health Benefit Exchange² • Health Care Policy and Financing • Human Services • Public Health and Environment 	Sen. Fields
House and Senate Judiciary	<ul style="list-style-type: none"> • Corrections • Judicial • Law • Public Safety • State Public Defender • Alternate Defense Counsel • Office of the Child's Representative • Colorado Commission on Criminal and Juvenile Justice³ 	Rep. Weissman

¹. The Department of Public Health and Environment will report on all of its divisions to the Joint Health Committee. In addition, the department will present on its environmental divisions to the Joint Energy Committee.

². These agencies are assigned to a committee for oversight pursuant to Joint Rule 25, but are not included in the SMART Government Act.

³. Only required to brief the committee, not required to comply with other provisions of the SMART Government Act.