

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Memorandum

January 6, 2025

TO: Members of the General Assembly

FROM: Katie Ruedebusch, Policy and Research Section Manager, 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. 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 and 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
- a summary of the department's most recent performance evaluation.



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 Executive Branch department 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.

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 <u>legislative rules</u> lists these assignments, unless the Speaker and President make the assignments in another manner. The assignments for the 2025 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 2025 SMART Government Act hearings.

- <u>Measurement Standards Program</u> Department of Agriculture released September 2024 (Joint Agriculture)
- <u>Colorado Civil Rights Commission and Civil Rights Division</u> Department of Regulatory Agencies — released October 2024 (Joint Business)
- Office of the State Public Defender Judicial Branch released August 2024 (Joint Judiciary)

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 Agriculture
- Joint Budget Committee
- Joint Business
- Joint Finance
- Joint Health
- Joint Judiciary
- 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 2025 hearings may be found in Table 1 below. The chair will switch to the other chamber for the 2026 hearings.

Table 1
2025 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	AgricultureNatural Resources (excluding Energy and Carbon Management Commission)	Sen. Roberts
House Energy and Environment and Senate Transportation and Energy	 Colorado Energy Office ECMC Public Health and Environment¹ Public Utilities Commission² 	Sen. Winter
House Business Affairs and Labor and Senate Business, Labor, and Technology	 Labor and Employment Office of Economic Development Personnel and Administration Regulatory Agencies 	Sen. Danielson
House and Senate Finance	 Office of State Planning and Budget² Public Employees' Retirement Association Revenue Treasury 	Rep. Lindstedt
House and Senate Education	Early ChildhoodEducationHigher Education	Rep. Lukens
House Transportation, Housing, & Local Government and Senate Local Government and Housing	Local Affairs	Sen. Exum
House State, Civic, Military, & Veterans Affairs and Senate State, Veterans, and Military Affairs	Military and Veterans AffairsState	Rep. Willford
House Transportation, Housing, & Local Government and Senate Transportation and Energy	Transportation	Rep. Froelich



Table 1 (cont.) 2025 Committee Assignments Pursuant to the SMART Government Act and Joint Rule 25

Joint Committee	Agencies	Chair
House and Senate Health and Human Services	 Behavioral Health Administration Early Childhood Health Benefit Exchange² Health Care Policy and Financing Human Services Public Health and Environment 	Rep. Brown
House and Senate Judiciary	 Alternate Defense Counsel Child Protection Ombudsman Corrections Judicial Judicial Discipline Law Office of the Child's Representative Public Safety State Board of Parole³ State Public Defender 	Sen. Gonzales

¹The 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.

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

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