12-1970

0162 Organization of State Government

Colorado Legislative Council

0162 Organization of State Government

Report to the Colorado General Assembly:

ORGANIZATION OF STATE GOVERNMENT

COLORADO LEGISLATIVE COUNCIL

RESEARCH PUBLICATION NO. 162

December, 1970

LEGISLATIVE COUNCIL

OF THE

COLORADO GENERAL ASSEMBLY

Representatives	Senators
C. P. (Doc) Lamb, Chairman	Fay DeBerard, Vice Chairman
Joe Calabrese	John Bermingham
John Fuhr	Frank Kemp
Carl Gustafson	Vincent Massari
Ben Klein	Ruth Stockton
Clarence Quinlan	Mark Hogan, Lt. Governor
John Vanderhoof, Speaker	

* * * * * * * * *

The Legislative Council, which is composed of five Senators, six Representatives, and the presiding officers of the two houses, serves as a continuing research agency for the legislature through the maintenance of a trained staff. Between sessions, research activities are concentrated on the study of relatively broad problems formally proposed by legislators, and the publication and distribution of factual reports to aid in their solution.

During the sessions, the emphasis is on supplying legislators, on individual request, with personal memoranda, providing them with information needed to handle their own legislative problems. Reports and memoranda both give pertinent data in the form of facts, figures, arguments, and alternatives.

ORGANIZATION OF STATE GOVERNMENT

Report to the

Colorado General Assembly

Research Publication No. 162
December, 1970

COLORADO GENERAL ASSEMBLY

LEGISLATIVE COUNCIL

ROOM 46 STATE CAPITOL
DENVER, COLORADO 80203
892-2285
AREA CODE 303

January 5, 1970

To Members of the Forty-eighth Colorado General Assembly:

In accordance with the provisions of House Joint Resolution No. 1034, 1969 Session, the Legislative Council submits the accompanying report relating to the organization of state government in Colorado.

The Committee appointed by the Legislative Council to conduct the study was unable to submit its report to the Legislative Council in time for its final meeting. However, the Council has voted to approve the Organization Committee's report and allow the Committee to report directly to the General Assembly.

Respectfully submitted,

/s/ Representative C. P. (Doc) Lamb
Chairman

CPL/pm

COLORADO GENERAL ASSEMBLY

LEGISLATIVE COUNCIL

ROOM 46 STATE CAPITOL
DENVER, COLORADO 80203
892-2285
AREA CODE 303

January 5, 1970

Representative C. P. (Doc) Lamb
Chairman
Colorado Legislative Council
Room 46, State Capitol
Denver, Colorado 80203

Dear Mr. Chairman:

Your Committee on Organization of State Government herewith submits its report. The Committee's findings and recommendations cover the areas of study assigned by H.J.R. 1034, the special assignments given the Committee by the Legislative Council, and other areas of Committee concern.

A number of subjects were considered by the Committee, and final action was taken on the following items: the implementation of Amendments No. 1 and No. 2 approved by the voters at the November, 1970 General Election, functional reorganization needs of the Governor's Office and the seventeen departments within the executive branch, the final report of the Task Force on Health Personnel Licensure, and a final report on disposition of the Efficiency and Economy Committee recommendations by standing committees of the 1970 General Assembly.

It has been my privilege to serve as chairman of the Organization of State Government Committee for the past two years and as a member of its predecessor committees during the last decade. The work of these committees over the years has been diligent and their recommendations have gained broad acceptance. Thus much has been done in the study of effective organization of Colorado's state government; but this is an area in which the General Assembly would do well to continue its work.

Respectfully submitted,

/s/ Representative John Vanderhoof
Chairman
Committee on Organization of
State Government

JV/mp

FOREWORD

House Joint Resolution No. 1034, 1969 Session, directed the Legislative Council to appoint a committee to continue the studies commenced by the Committee on Organization of State Government, including a review of the recommendations of the Governor's Efficiency and Economy Report requiring statutory or constitutional change. The following members of the General Assembly were appointed to serve on the interim Committee on Organization of State Government:

Representative John Vanderhoof, Chairman
Senator William Armstrong, Vice-Chairman
Senator Roger Cisneros
Senator Allen Dines
Senator Carl Williams
Representative Forrest Burns
Representative John Fuhr
Representative Tom Neal (1969 interim)
Representative Joe Calabrese (1970 interim)

A progress report on the first year of the Committee's study was submitted to the Second Regular Session of the Forty-seventh General Assembly. That report contained the following recommendations:

1) a bill strengthening the role of the Colorado Commission on Higher Education;

2) the concept that the General Fund should support 100 percent of the cost of constructing and maintaining the academic portion, including intramural athletics, of the auditorium-gymnasium complex at Colorado State University; but General Fund moneys should not be used to support other activities;

3) eleven bills seeking to implement specific Efficiency and Economy recommendations requiring legislative implementation;

4) consideration by standing committees of the 1970 General Assembly of the remaining 100 plus Efficiency and Economy proposals;

5) an ad hoc committee be organized by the Colorado Medical Society examine the problem of health personnel licensure in Colorado and report back to the Organization of State Government Committee during the 1970 interim.

The 1970 interim saw consideration and final action on a number of items as detailed in this report.

Mr. Jim Wilson, Director of the Legislative Drafting Office, provided bill drafting and other legal services. The

preparation of this report was the responsibility of David Hite, Senior Analyst; he was assisted during the interim by Dwight Heffner, Senior Research Assistant.

January, 1971

Lyle C. Kyle
Director

TABLE OF CONTENTS

ORGANIZATION OF STATE GOVERNMENT

The work of the Organization of State Government Committee during the 1970 interim commences the second decade of review by a legislative committee of the administrative alignment of Colorado's state government. Beginning with the 1959 session of the General Assembly, and each year thereafter, a joint resolution has been adopted implementing interim study on reorganizing the executive branch.

Structural Reorganization

As a result of these studies, a number of significant statutory and administrative changes, as well as four constitutional amendments, have been adopted. The focus of committee recommendations has been on strengthening the executive power of the Governor. Most recent trends in attempts to modernize state government have supported such an emphasis.

> At the heart of the reorganization controversy in most cases is the question whether the executive structure shall be unified -- power "centralized"; or whether the executive structure shall be divided -- power "decentralized". There is a continual contest between forces in and out of government as to which tendency shall prevail. The history of State reorganization would suggest that there is no final answer, that particular solutions are dependent upon the conditions and events at any given time. Nevertheless, the trend in almost all states has been toward centralization, with continuing attempts to strengthen the governorship and improve the coordination of the State administrative structure.1/

The interim work of the first half of the decade culminated with the approval in the 1966 general election of a constitutional amendment calling for the reorganization of the executive branch into "not more than twenty" principal departments. The implementation of this directive was accomplished after many months of work, days of committee meetings, and the final introduction and passage of Senate Bill No. 1, 1968 Session.

1/ James R. Bell and Earl L. Darrah, State Executive Reorganization: 1961 Legislative Problems: No. 3. Bureau of Public Administration, University of California, Berkeley. February, 1961. p. 1.

With the fulfillment of Senate Bill No. 1 and the division of the executive branch into seventeen principal departments, a very significant step was taken toward modernizing the executive branch and thus strengthening Colorado's position in the federal system. However, several important tasks remained to be completed. As the 1967 reorganization committee report noted:

> The Committee spent a considerable amount of time in its deliberations discussing whether to attempt a detailed functional review of each and every department and agency within the executive branch of state government with a resulting realignment of functions and duties, or whether to realign structurally the departments and agencies, largely as they exist today, into no more than 20 principal departments....Time was the determining factor in the Committee decision to go the route of a structural realignment of existing departments and agencies into no more than 20 principal departments.

The logical "next steps" in modernizing and strengthening the executive branch were a) enabling the Governor to select his own department heads, b) revising the constitutional provisions relating to the state civil service system, and c) department-by-department internal reorganization.

A Gubernatorial Cabinet

Recognition of a Governor's cabinet has been one of the general principles in state governmental administrative organization. For behind this principle is the view that the Governor should be totally responsible for the operations of the executive branch. "If the actions of our State agencies do not reflect the mandate of the voters in electing a Governor, the whole purpose of democracy is frustrated."2/ To be sure, practically every Governor of Colorado for the past thirty years has supported a constitutional change to enable the state's chief executive to select department heads. Past interim legislative organization committees and the 1969 Efficiency and Economy Committee reports have also supported such a proposal.

In 1969, with the initial backing of the organization committee, S.C.R. No. 3 was approved by the General Assembly. The proposal exempted the heads of nine principal departments within the executive branch from the civil service requirements of the Constitution. It did not change the method of selection for the department heads who were exempt from civil service. These include three constitutionally elected officials -- the Secretary

2/ Mark O. Hatfield, Recommendations for Reorganization of the Executive Branch. December, 1960.

of State, State Treasurer, and Attorney General -- and the heads of the Departments of Education and Higher Education. The elected State Board of Education continued to appoint the Commissioner of Education, and the Commission on Higher Education (appointed by the Governor) continued to select its own executive director, who serves as head of the Department of Higher Education. S.C.R. No. 3 was placed on the November, 1970 ballot as Amendment No. 1, and voters approved the amendment by a vote of 293,621 to 219,639.

A Modern Personnel System

During the last decade, the Civil Service Commission, its staff, and the Colorado Association of Public Employees have presented proposals to the interim organization committee for improving the personnel system. Early in 1968, a draft of a proposed constitutional amendment was reviewed by the organization committee and final committee action on the proposal was taken during the first part of 1969. In addition, during the 1969 Session the Governor's Committee on Efficiency and Economy released its final report which substantially concurred with the legislative committee's recommendations. The results of these several efforts were incorporated by the organization committee into H.C.R. 1019, passed by the General Assembly, placed on the general election ballot in 1970 as Amendment No. 2, and approved by the electorate by a vote of 346,663 to 175,076. Acceptance of the amendment added an eighteenth principal department -- a Department of Personnel -- to the executive branch.

Functional Reorganization

The 1970 interim organization committee was thus given the responsibility of implementing the "next steps" of the reorganization effort. In a real sense, the committee's objectives were a further implementation of the goals set by its predecessors during the last ten years. The committee, building on the proposals made by previous committees and given approval by the General Assembly and the electorate, was initiating the second level of reorganization: function realignment.

The committee acted upon a number of matters of primary concern to the functional reorganization of the executive branch. The implementation of Amendments No. 1 and 2 was studied and several proposals are recommended for consideration by the 1971 General Assembly. The executive directors of the seventeen principal departments were requested to submit recommendations for the committee's review regarding the interal structure of their departments. In addition, the report of the Task Force on Health Personnel Licensure was reviewed as it relates to paramedical licensing and the internal organization of the Department of Regulatory Agencies. Finally, the committee was presented a report on the disposition of Efficiency and Economy Committee recommendations by standing committees of the 1970 General Assembly.

Committee Findings and Conclusions

Functional Reorganization of the Governor's Office and the 17 Departments within the Executive Branch

A letter from the committee directed to each of the seventeen department heads asked them to review, with their division heads, the 21-month experience the department has had since reorganization and prepare, in writing, changes recommended in the internal structure of their department.

Letters were received from thirteen of the seventeen department heads; in addition, two department heads appeared before the committee in lieu of formal letters.

Responses from the various departments are summarized below:

Department of Administration. The Executive Director of the Department of Administration summarized his concerns over the functional organization of the department as follows: 1) because of the transfer of the budget office to the Governor's office there are certain voids in the Controller's area of responsibility; 2) the language of the 1968 Reorganization Act regarding the type one transfer is somewhat conflicting and confusing; and 3) there is need for a strengthening of the staff of the management analysis function now assigned to the Department of Administration.

Department of Agriculture. "There is one function of state government that should be consolidated with our Weights and Measures Section, as it is with all other states, and that is the responsibility of gas pumps, meters and measures, such as now administered by the Division of Oil Inspection. The state standards are in custody of the Department of Agriculture, thus they are recognized by the National Bureau of Standards and other agencies as the official state agency relating to any problem of weights and measures. In line with the thinking of the recent study of economy in state government, all weights and measures devices are licensed and duly support the operation of testing and service while gasoline pumps and related meters pay nothing and must be supported from other sources. There would be no major problem in absorbing this part of the Division of Oil Inspection as all operational procedures, specifications, tolerances and instructions are authorized in the National Bureau of Standards Handbook #44, which is the operational manual for Weights and Measures.

"The police powers of the state were removed from the Colorado Humane Society, and the Bureau of Animal Protection created within the Division of Animal Industry. This program has been slow in developing because funds and personnel were not made

available for a year following the creation of the Bureau. I am happy to report at this time that we are staffed and proceeding as intended by the Legislature. In the matter of the Bureau of Animal Protection, I might offer a suggestion for the consideration of the Committee, and that would be that the licensing of pet shops and boarding kennels (66-30-1 et seq.) be transferred to the Bureau of Animal Protection since this is an area of endeavor of the Bureau.

"While the activities of the Dairy Section of the Department of Agriculture were not affected by the Reorganization Act of 1968, an area for consideration exists in regard to the production of fluid milk for human consumption. At the present time the State Veterinarian's office approves Grade A dairies for shipment of milk for human consumption. In addition, the Dairy Section within the Division is staffed by men technically trained in dairy production and management, and it might be logical for the Committee to consider the possibility of transferring the authorities contained in 66-1-6, sub-paragraph 16 to the Department of Agriculture for administration since our veterinarians and dairy technologists are working directly with the farmers and processors. It perhaps should also be mentioned here that the Department has another interest in this area in that the Weights and Measures Section of the Department must approve all holding tanks on dairy farms along with the tankers hauling milk to the bottling plants."

Department of Education. "We believe there are three current responsibilities entrusted to the Department of Education which might more appropriately be assigned to another state agency. These programs are:

1) Administration of the Teacher Emeritus Retirement Program;
2) Administration of Higher Learning Emeritus Retirement Program; and
3) Joint responsibility for setting and enforcing safety standards for school buses in cooperation with the Department of Revenue.

One organizational problem which needs to be solved is the relationship between high school vocational courses and other secondary courses. Formerly, it was not possible to split vocational courses between high school and beyond high school. It is now possible to make that change if a state desires."

Department of Health. "Relative to functions which should be relocated in another principal department, consideration should be given to transferring the Colorado Board of Registration for Professional Sanitarians to the Department of Regulatory Agencies, since this is similar to other activities which are a part of that department."

Department of Higher Education. "I feel sure that structuring of the higher education sector will remain under review in the future, as it has been in the past. However, with the changes embodied in H.B. 1010 and the additional support provided for staffing, I am hopeful that we will be able to discharge the responsibilities and exploit more fully the opporunities we have to make Colorado's system of coordination function with great effectiveness.

"With respect to the Council on Arts and Humanities and State Historical Society I have been in communication with the executives of both of these divisions. As you know, the Scientific Development Commission, which was the other division created by the Organization Act, has been terminated by recent action of the General Assembly. This was in accordance with the recommendation of the Committee on Efficiency and Economy with which I concurred. Your letter of March 19 has provided an occasion for a formal review with the heads of each of these divisions. The advice that I have from each is that the current structure is entirely satisfactory. In neither case are suggestions made for modification.

"Under the circumstances, it seems to me that the present arrangements are working satisfactorily and should be continued. I am sure that we can develop closer working relationships between these two divisions and the institutions of higher education, but I think these relationships will develop steadily and in reference to specific programs on which the several units work together."

Department of Highways. "There have been a few minor problems develop but it is quite evident that they can be resolved at the administrative level within the Department and at this time we have no suggestions for any additional changes."

Department of Institutions. "The department as currently structured is functionally sound."

Department of Labor and Employment. "Internal reorganization...was accomplished for the Division of Labor in the 1969 legislative session....There is no proposal that I know of to do any legislative restructuring of the internal operations of either the Division of State Workmen's Compensation Insurance Fund or the Division of Employment.... I do recommend that at some future date the committee give consideration to strengthening the statutory responsibilities of the department director in his relationship to the Division of Employment. There is some lack of clarity in the present administrative structure as to lines of administrative authority and responsibility."

Department of Local Affairs. In correspondence to the committee, the Executive Director of the Department of Local Affairs summarized his recommendations for change within the department as follows:

"Department of Local Affairs: transfer the Colorado Year Book from the Department of Administration.

"Division of Taxation: H.B. 1053 of the 1970 session restructures this agency and there are no further recommendations at this time.

"Colorado Law Enforcement Training Academy: CLETA is functioning well and is properly located within the Department of Local Affairs. The only recommendation at this point in time would be to expand the facilities so that all officers entering the service could attend the basic training course, free of charge.

"Commerce and Development: this agency is functioning well with its current responsibilities. We recommend that no functional changes be made in this agency.

"Division of Local Government: a comprehensive assistance program for local government must have the basic tools to perform those functions necessary to a "Community Development" program. The following transfers to this agency are recommended:

1) Budget review from the Division of Taxation;

2) "701" local planning assistance from the Planning Office;
3) Local government uniform accounting from the Auditor's Office; and
4) Local government audit review from the Auditor's Office.

"Colorado Bureau of Investigation: CBI has been in operation for three years and is successfully pursuing its responsibility of lending assistance to local law enforcement officials.

"Division of Housing: this agency was established in this past session and will be staffed July 1, 1970. It is possible that by the 1971 session legislation will be requested to further the Division's financial capability to cooperate with private industry. It also may become prudent to transfer from the Health Department those functions relating to inspection of housing standards and facilities."

In appearances before the committee, the Executive Director emphasized the importance of centralizing functions dealing with "community development" in a single department. He observed that a comprehensive program that can start with a problem and see it

through to fruition should be the objective. At a time of growing local governmental needs and seemingly shrinking resources to meet these needs, it was pointed out that some communities are not necessarily in financial need if they restructure management and their revenue capabilities. Thus the Executive Director recommended that local government planning, budget review, uniform accounting and audit review be centralized in the Division of Local Government within the Department of Local Affairs.

Department of Military Affairs. "My main concern in the Department of Military Affairs is budgeting procedures which have been aggravated in recent years by the assignment of various agencies to facilities operated by the Department of Military Affairs and funded by the National Guard budget....Present cross-funding for support activities...requires much duplication of effort in fiscal procedures and presents an unrealistic budget for the Division of National Guard."

Department of Natural Resources. "...your committee may wish to consider...legislation clarifying the Administrative Code so that the State Purchasing Agent might permit various major departments to establish purchasing sections following rules established by the State Purchasing Agent; and, legislation which would authorize the Civil Service Commission to similarly permit major departments to provide certain personnel administrative functions within the Civil Service Commission policy."

Department of Regulatory Agencies. In an appearance before the Committee, the Executive Director of the Department of Regulatory Agencies offered a number of suggestions regarding the functional reorganization of his department.

The department was described as a loose confederation of agencies and as such a source of many problems. It was suggested that it is time to move away from this concept and to regroup, and consolidate agencies. The Department presently contains the following divisions: registrations, public utilities commission, insurance, savings and loan, banking, securities, racing events, and civil rights. The Executive Director observed that the type 1 transfer has created a number of problems relating to the scope of the executive director's authority and the power retained by the various divisions. For example, a controversy developed within the department over what information should be placed on a division's letterhead. An Attorney General's opinion said that a division within the department could specify the contents of its letterhead irrespective of the decision of the executive director.

The Executive Director summarized other troublesome areas within the Department of Regulatory Agencies including problems of centralized office space, budgets, and the proliferation of groups seeking licensure by the state. Turning to a consideration of how the department could be reorganized, he said that nine or

ten new divisions might be instituted: finance, recreation, property and insurance, utilities, consumer, licensing, examinations, legal staff, administrative services, and advisory counsel. He also reported there are continuing studies of the feasibility of equipment pools, personnel pools and expansion of ADP services to the department.

Health Personnel Licensure -- in addition to committee discussion regarding the licensure of medical and paramedical professions within the Department of Regulatory Agencies, an ad hoc task force was appointed by the committee to study this important subject. The objective of the study was to review existing laws governing the field of health care, examine the need for revision of these existing laws, the need for licensure and regulation of additional services, and the possibility of reducing the number of licensing boards.

In preparation for full review of this matter, the Colorado Medical Society was asked to act as liaison from the Committee to the dozen groups representing the health professions that are licensed as well as other organizations presently not licensed by the state. In addition, the committee requested the Society be the principal source of guidance and information in the initial fact finding phase of the committee's work. Initially the Medical Society was asked to present a list of names from the licensed medical and paramedical groups in Colorado from which an ad hoc committee could be formed. This committee was to study the present licensure and regulation of health care functions and report its findings to the Organization of State Government Committee during the 1970 interim.

In carrying out this request, the Medical Society asked the licensed associations to submit two names for representation on the ad hoc committee. These names were presented to the committee late in the 1969 interim and included representatives from the following groups: Colorado Chiropractic Association, Colorado Optometric Association, State Board of Veterinary Medicine. Colorado Nurses' Association, Practical Nurse Association of Colorado, Colorado Psychological Association, Colorado Osteopathic Association, Colorado Psychiatric Technicians Association, Colorado Association of Nurse Anesthetists, Colorado Dental Association, and Colorado Podiatry Association. In addition, representatives from the Board of Medical Examiners, Board of Basic Science Examiners, the University of Colorado School of Medicine, the Colorado Medical Society, the Colorado Associated Nursing Homes, and the Colorado Physical Therapy Association were included.

Based on this preliminary work by the Medical Society, the organization committee appointed a chairman of the "Task Force Committee for Health Personnel Licensure" and directed him to appoint as members of the Task Force one of the two suggested representatives from each of the boards, associations, or organizations

names on the list as presented to the organization committee. Associations and other interested individuals not initially represented were, at the discretion of the chairman, represented on the Task Force. The committee requested that the findings and recommendations of the Task Force be submitted to the Organization committee by Spring, 1970.

Once appointed, the Task Force Committee for Health Personnel Licensure met on a bi-monthly basis through the first four months of 1970. The results of this effort were presented in a report by the Task Force Committee Chairman, Dr. Robert Bosworth, Jr., to the Organization of State Government Committee at a May, 1970 meeting.

In presenting the report, Dr. Bosworth observed that the Task Force was comprised of representatives of every presently licensed health care service in the state, and thus conflicting disciplines actively participated. He noted that the report was not a detailed analysis for statutory change but instead may be termed a structural report. Dr. Bosworth suggested that the most important recommendation outlines the establishment of an Advisory Health Council, the primary functions of which would include the following:

(a) Serving the public intent and providing protection from unqualified or incompetent care by establishing guidelines for regulation (to include licensure, certification, registration or other appropriate means).

(b) Developing an evaluation procedure to establish the need for and best method of regulation of any group desiring official recognition.

(c) Establishing guidelines for alternatives to licensing of new health care fields, to include recommending procedures to provide for the subordinate incorporation of technical personnel within the framework of existing licensure, with recognition of education, training, capabilities and relationships to other groups in the health care field.

(d) Exploring innovative procedures and/or structural changes in health care regulation and making appropriate recommendations after consultation with interested health care groups as deemed advisable.

(e) Review future proposed amendments to health services laws, upon request, and make recommendations on same to the Legislature.

In conclusion, the Task Force chairman made the following comments regarding the Task Force report: a) consideration had been given to grouping certain licensing boards, however, licensing boards in Colorado have traditionally been autonomous and thus autonomy is hard to relinquish; b) the health professions are not willing to accept evidence of a degree as sole qualification for licensure; c) the Task Force report does not consider the specific question of how to revise current statutes on health care, licensure but instead deals with broad proposals; d) the proposed Advisory Health Council is the kind of mechanism needed for evaluating requests to license health professions, but the proposal would have to be established by statute and thus could not be functioning until after the 1971 session; e) the Task Force has fulfilled its function and it would be difficult to establish an ongoing version of the same group to evaluate requests for licensure; f) it would not be feasible for the Task Force to make recommendations before the 1971 Session regarding the licensure of medical technologists; g) each group represented on the Task Force does not want to relinquish the function of examinations; h) the Task Force does not think there has been an unreasonable proliferation of licensure in the health care field and that the licensure procedure is currently fairly efficient.

Department of Revenue. "In summary, the functions of the Department are clearly set out and services are integrated into a complete state plan for one central tax, license and fee collection agency. Experience over the years indicates that this approach, as set out by the Legislature, is sound."

Department of Social Services. The committee heard from the Executive Director who informed the committee that he had no specific suggestions for change in the department at this time.

Department of Treasury. "We believe that the advice of the Treasury's investment officer should be used by state agencies and that the centralization of investment programs under this department is desirable."

Governor's Office. Among the primary objectives of the 1968 executive branch reorganization was regaining a reasonable span of control for the Governor. The report of the interim organization committee implementing the reorganization effort noted:

> ...a major share of the restrictions on the authority of the governor have been placed

> on him by the general assembly. To be specific, it is the general assembly that has created the span of control problem, created a multitude of boards, commissions, and advisory committees with overlapping terms of office and failed to distinguish the authority of such multi-member bodies from that of the governor or the department head, failed to assign similar functions to a single agency, assigned certain statutory duties to elected officials, and failed to assign day-to-day operating functions of state government to one or two key departments under the control of the governor. It is these shortcomings on the part of the general assembly itself that the accompanying bill is primarily directed. Not all of the shortcomings have been corrected but a major step forward is anticipated.

The functions of the executive branch were thus divided into seventeen departments so that, theoretically at least, seventeen department heads were responsible for carrying out the Governor's programs and thus the Governor's span of control became more reasonable.

An examination of the organization chart of the executive branch in 1970 shows a renewed concentration of functions within the Governor's Office and therefore a challenge to the principles of the 1968 reorganization effort and the objectives of effective management. It was reported that a combination of legislative action and federal encouragement has caused such a proliferation of functions. Activities within the Governor's office include the State Planning Office and an Advisory Board to that function, the Colorado Land Use Commission, the Colorado War Veterans Memorial Commission, the Coordinator of Environmental Problems, the Executive Budget Office, the Highway Safety Coordinator and its Advisory Commission, the Governor's Highway Legislation Review Committee, and an assortment of commissions and other functions including law enforcement, youth opportunity, and office of economic opportunity activities.

This growing placement of functions in the Governor's Office seems to the committee to be not only unworkable but a violation of the provisions of 1966 constitutional amendment:

> Section 22. Principal departments. All executive and administrative offices, agencies, and instrumentalities of the executive department of state government and their respective functions, powers, and duties, except for the office of governor and lieutenant governor,

shall be allocated by law among and within not more than twenty departments by no later than June 30, 1968. Subsequently, all new powers or functions shall be assigned to departments, divisions, sections, or units in such manner as will tend to provide an orderly arrangement in the administrative organization of state government. Temporary commissions may be established by law and need not be allocated within a principal department. Nothing in this section shall supersede the provisions of section 13, article XII, of this constitution.

Committee Recommendations

Department of Local Affairs

There is a common objective which binds the divisions of this department: to serve local government and help resolve its problems. The six divisions within the department currently assist local units in the performance of their duties from economic development to law enforcement, taxation to budget review, and housing to government organization. Yet, to become the primary department of state government responsible for local governmental affairs, the committee found that a number of changes should be initiated. In light of this, the following proposals are recommended:

a) The functions of state planning now housed in the Governor's Office should be transferred to the Department of Local Affairs and established as a division therein. Thus the day-to-day planning functions, to the greatest extent dealing with local government, would be the responsibility of the same department that presently copes with the day-to-day needs of local entities.

b) Transfer the local budget review function from the Tax Commission (the Tax Administrator after July 1, 1971) to the Division of Local Government. This intra-departmental transfer would be in line with the objective of placing those functions of benefit to local governmental units within the Division of Local Government. In addition, such a change would solve the problems of the Tax Administrator performing both assessment, levy, and review functions.

c) Transfer the functions currently performed in the Governor's Office by the Colorado Law Enforcement Assistance Authority (CLEAA) to the Department of Local Affairs. CLEAA was established by executive order within the Governor's Office to carry out the provisions of Public Law 90-351, the Omnibus Crime Con-

trol and Safe Streets Act". By assigning this function to the Department of Local Affairs, and broadening the function if desired, assistance can be provided local law enforcement agencies in the administration of criminal justice, the collection and dissemination of information, and the application for federal and other funds available for the promotion of criminal justice.

d) Designate the Division of Local Government as the sole publisher of the annual compendium of local government. Presently, the Division of Local Government and the state auditor both publish such a compilation. The statutes provide that the analysis be assembled from data in the annual audit reports from local governments. In addition, authority is given to include such other information as may be deemed important for use by local government officials to promote and encourage sound fiscal management. The committee submits that it is reasonable to have only one compendium published and to have it organized and published by the state agency serving as the chief advisor to local entities.

Governor's Office

In addition to the objective of effective span of control for the Governor, the committee has been guided by the principles of a) concentration of authority and responsibility, and b) departmentalization or functional integration of agencies. Based on these three fundamentals as well as other practical considerations, the committee recommends the transfer of four functions from the Governor's Office: state planning, budget, law enforcement, and highway safety.

State Planning. State planning functions should be transferred to the Department of Local Affairs. Although the concept of planning is a broad and often difficult to define activity, in actual operation the function has been concerned with day-to-day operations, thus limiting one important phase of planning: long-range, broadly-focused thinking about every phase of life that affects the citizens of Colorado.

The state's population has grown 25 percent in the last decade. To keep pace with all the stresses on government this statistic represents demands one kind of effective planning: the channeling of funds, coordinating programs, dealing with immediate problems, and meeting specific requests; but to anticipate the kinds of pressures future growth statistics will place on the state and how they will be met means that an entirely different kind of "planning" activity is needed. The latter requires the coordination of policies at the highest levels of government and the kind of thinking that is unencumbered by day-to-day issues and problems.

It is for these reasons that the functions of planning currently housed in the Governor's Office should be transferred to the Department of Local Affairs, leaving the concept of long-range speculation and "planning" in the Governor's Office with a staff as the Governor may direct.

Budget. The budget office should be transferred to the Department of Administration and established as a division thereof. The 1968 Reorganization Act placed the budget function in a section status under the Division of Accounts and Control within the Department of Administration. In 1969, with encouragement from the federal government and in light of the fact that the functions of budget and control should not be placed together, the budget function was moved to the Governor's Office. The continued growth in the number of agencies in the Governor's Office has caused, however, a whole set of new problems regarding coordination and control. Thus, the committee recommends that the budget function be given division status within the Department of Administration.

CLEAA and Highway Safety Coordinator. The established functions of the Colorado Law Enforcement Assistance Authority (CLEAA) and the Highway Safety Coordinator should be transferred out of the Governor's Office with CLEAA established in the Department of Local Affairs and the Highway Safety Coordinator transferred to the Department of Highways. Such a move would be in agreement with the provisions of Amendment No. 1 passed in 1966, the Reorganization Act of 1968, and supportive of the principles of good administrative organization. There is a certain value in establishing commissions and other functions on a temporary basis within the Governor's Office, but after these activities are established, or have outgrown their experimental status, they should be moved out of the chief executive's office. This is the kind of thinking that went into the initial reorganization effort and the committee reaffirms this philosophy as appropriate and reasonable.

Department of Administration

Pursuant to discussion with the Executive Director of the Department of Administration concerning the function of management analysis, the committee recommends that this function be strengthened, and proposes that with implementation of the budget office transfer to the Department, the Executive Director be given the authority to call upon personnel within the budget office to conduct management analysis functions. The management analysis staff would no longer be headed by a director but instead would be directly responsible to the department's executive director.

The need for strengthening this activity is evident. The Administrative Reorganization Act of 1968 specified that "the director of management analysis be a staff assistant to the execu-

tive director of the department of administration, and shall have the responsibility for the analysis of all state agency programs; the appraisal of the quantity and quality of services rendered by each principal department and by the divisions, sections, and units thereunder; and the development and installation of plans for improvements and economies in the organization and operation of the principal departments; and to report thereon to the executive director of the department of administration." It seems clear that these important functions are not being performed with the degree of competence the legislature or the executive branch originally intended.

A second recommended change involves the Division of Purchasing within the Department of Administration. The function of central storeroom is statutorially established in the Division of Purchasing but has been, by administrative action, moved to an administratively created Division of Central Services. The committee recommends that the statutes reflect this transfer of a function from the Division of Purchasing.

Department of Regulatory Agencies -- Health Personnel Licensure

The functional organization and administration of the Department of Regulatory Agencies has concerned the General Assembly and the Committee on Organization of State Government since the inception of the Department under the 1968 Reorganization Act. Of specific concern to the General Assembly is the proliferation of separate licensing boards in the health occupations. Thus, the General Assembly directed the Organization of State Government Committee to study this issue.

After review of the report of the Task Force on Health Personnel Licensure, the committee recommends a two-year moratorium on any additional licensure of categories of health personnel, and provide for the appointment of a new task force by a Legislative Council study group. The task force should be composed of various groups and interests in the community as well as health occupations and professions. The group's report should be submitted to the responsible Legislative Council committee in time for its consideration and transmittal to the General Assembly in 1973.

The report of the Task Force on Health Personnel Licensure is forwarded to the General Assembly with no recommendations regarding the findings contained in the report. A copy of the study is attached as Appendix A. In addition, Appendix B should be read in connection with the Task Force report and the committee's final recommendation.

Implementation of Amendment No. 1

Aside from the statutory changes that are needed to implement the basic provisions of Amendment No. 1 approved at the November, 1970 General Election, and the proposal that gubernatorial appointments of the heads of principal departments require the consent of the Senate, the committee submits that the amendment is self-executing. Following such a philosophy in the implementation of this amendment will give the Governor the kind of latitude the supporters of the proposal sought. (See Appendix C for the full text of Amendment No. 1.)

The amendment does affect the previously classified executive directorships of nine departments within the executive branch: Agriculture, Health, Highways, Institutions, Labor and Employment, Local Affairs, Regulatory Agencies, Revenue, and Social Services. With the change in these jobs from the classified system to exempt positions, the question becomes whether these persons, if replaced by gubernatorial appointment, have a right to return to the job they were certified in before assuming the position of executive director. Present Civil Service rules provide for "bumping rights" within a department but not across departmental lines. Should provisions be made allowing individuals to have "bumping rights" to a previously held job regardless of which department it is in? The committee recommends this question be answered affirmatively and that the new State Personnel Board adopt suitable rules to provide "bumping rights" so that individuals may return to their previously held positions within state government.

Implementation of Amendment No. 2

After consultation with the Colorado Association of Public Employees staff and the Civil Service Commission and staff, and in recognition of the provisions and objectives of Amendments No. 1 and 2 approved by the people in November of 1970, the committee recommends the following general proposals for the implementation of Amendment No. 2. (See Appendix D for the full text of the amendment.)

Parole Board. Under Amendment No. 2, the state personnel system will apply to all appointive public officers and employees of the state except, among several others, the state parole board. New statutory language is needed for the appointment of members of the parole board. The committee recommends a proposal which specifies that the Governor appoint a three-member board, and that board members have knowledge of correctional administration and the functioning of the criminal justice system as well as knowledge of parole and rehabilitation. Members of the board should have at least five years' education or experience in corrections, parole, probation, law, or the like, and should serve on the board for six year periods. Initial appoint-

ments should be made in the following manner: one appointed for a two-year term, one for a four-year term, and the third for a six-year term.

Mandatory Retirement. The law now provides that employees under the classified civil service may retire, or be retired, at age 68 although the Civil Service Commission can postpone retirement for periods not exceeding one year at a time. It is recommended that the retirement age be lowered, in steps, from the present age of 68 to age 65 by 1974. Such a procedure would be implemented as follows: effective July 1, 1971, the retirement age will be 68, with two one-year extensions permitted by the State Personnel Board; effective July 1, 1972, the retirement age will be 67 with two one-year extensions permitted; effective July 1, 1973, the retirement age will be 66 with two one-year extensions; and effective July 1, 1974, retirement will be 65 with three one-year extensions permitted by the State Personnel Board. Such a provision will allow for a phase-in period so that employees can better prepare for their retirement.

Within the classified service, there are 540 employees age 65 and over. These individuals fall within the following age categories:

Age	Number of Employees
65	191
66	143
67	90
68	76
69	26
70	6
71	7
74	1

Election Procedures for Personnel Board. Provisions should be made so that nominations for the State Personnel Board are accepted by the Secretary of State from employees or their representative organizations in the form of nominating petitions signed by not less than 100 employees certified to classes and positions in the state personnel system. Petitions should be accompanied by a certified statement of the nominee stating that he would serve if elected. Nominations should be submitted to the Secretary of State by April 1 of the year in which the board election is held. No later than May 1, the Secretary of State should prepare a ballot to be used in the election and one ballot should be mailed to each qualified employee's home address. A prepaid, addressed return envelope should accompany each ballot. Ballots should be returned by June 1 and counted and the two nominees receiving the highest number of votes be certified and declared elected by no later than June 15.

Finally, the committee emphasizes it is important that this portion of the legislation implementing Amendment No. 2 be enacted early enough to provide for election of the two personnel board members by July 1, 1971.

State Personnel Board. The committee proposes that the new board receive per diem of $100 a day, plus expenses, and meet as often as necessary to conduct the business of the board. Provisions should be made for the board to elect a chairman and vice-chairman from their own number and that meetings be called by the chairman or a majority of the board. In addition, the State Personnel Director should be given authority to designate, with the approval of the board, the Secretary to the board. Necessary other staff under the personnel system and funding for these positions also needs to be specified.

State Personnel Director. Regarding statutory qualifications for the position of state personnel director, the following provision is suggested for adoption: "The person appointed to the position of State Personnel Director shall be qualified by education and experience in the field of public or private personnel administration or industrial relations."

Grievance Procedures. Section 26-5-20, C.R.S. 1963, should be repealed and reenacted with the provision that the State Personnel Board, by rule, adopt a standard grievance procedure for all state departments and agencies, with decisions of the appointing authority subject to advisory arbitration. Presently, there are nearly two dozen separate grievance procedures operating throughout the various agencies of state government.

Hearings Officers. The committee proposes that the personnel board be given the authority to recommend whether the position of hearing officer be a full or part-time job.

Exempt Positions in the Offices of Governor and Lieutenant Governor. Amendment No. 2 provides that "employees in the office of the governor and the lieutenant governor whose functions are confined to such offices and whose duties are concerned only with the administration thereof" shall be exempt from the new state personnel system. It is the opinion of the state employees' association staff that any employee currently certified in the merit system who takes an exempt position in either of these offices should have the right to go back into the personnel system under current Civil Service Commission rules or future rules of the State Personnel Board. The committee supports such a position.

Administrators and Faculty at State Colleges and Universities, and Other Employees Brought under State Service and into the State Personnel System. Provision should be made to "grandfather in" those nonacademic employees of state colleges and universities whose positions will come under the personnel system by action of Amendment No. 2. Also, enabling legislation

a means of determining those personnel who should remain outside the personnel system. In addition, it is proposed that those persons in the athletic departments of institutions of higher education who receive their salaries from non-state funds also be exempted from the new personnel system.

Provision should be made for other classes of employees who will be brought into the personnel system in the future by legislative determination, executive order, action of an executive department, etc. This would include persons such as driver examiners, formerly working for counties, whose functions are taken over by state government. In addition, Amendment No. 2 provides that officers and employees within the judicial department, other than judges and justices, may be included within the new personnel system upon determination by the Supreme Court, sitting en banc. All of these persons should be guaranteed status in the personnel system equivalent to their status before coming into state service, i.e., accumulated leave (sick, annual, etc.), leave accrual rates, longevity, and other benefit status.

In addition, there are other classes of employees now working for state political subdivisions who are covered by merit systems similar to the state personnel system, for example, county welfare employees. There has been confusion about the status of these persons if they transfer into similar positions in state services. Provision should be made for inclusion of these people into the state personnel system also, with power vested in the State Personnel Board to adopt rules and criteria regarding leave carry-over, etc. This would enable the state to more effectively recruit those persons who might benefit state government.

Contract Services. The committee recommends that enabling legislation include a statement that the State Personnel Board may contract with political subdivisions of the state to provide personnel services, such services to be paid for by the contracting political subdivision.

Transition Legislation from the Old Civil Service System to the New Personnel System. The existing Civil Service Commission rules and regulations should be continued and remain in effect until the new personnel board can revise and adopt new rules, with the exception that any existing rules in conflict with provisions of Amendment No. 2 or enabling legislation would be declared null and void. In addition, eligible lists established prior to July 1, 1971 -- the effective date of the Amendment -- should be kept in full force and effect for the regular one-year period, and appointments made from those lists for positions in the new personnel system during their duration.

Disposition of Efficiency and Economy Recommendations

The 1968 General Assembly, pursuant to Senate Joint Resolution No. 5, directed that a committee be appointed "to examine the programs and functions of state government, their administration and implementation, in order that recommendations may be made to increase the efficiency of, and reduce the cost of, State Government." Known as the Colorado Committee on Government Efficiency and Economy, the task force was composed of 18 members representing the General Assembly and professional executives of industry, business and labor. In addition, over 80 "loaned executives" worked on the study.

The Efficiency and Economy Committee first met in July, 1968. In carrying out the directive of S.J.R. No. 5, the business volunteers were divided into subject-area task forces and each function of the 17 executive departments of Colorado's state government was studied by a task force.

With the publication of the last Committee report in March, 1969, a total of 525 recommendations had been made by the task force. The 148 recommendations that were thought to require legislative action represented 28 percent of the total number of Committee recommendations.

Since the last of the Committee reports was not published until the end of the 1969 legislative session, only a small amount of legislation was introduced during that session to implement Economy and Efficiency recommendations. Thus the Organization of State Government Committee reviewed all of the 148 recommendations thought to require legislative implementation. As a result of this review, the Organization Committee recommended eleven proposals for legislative adoption in the 1970 session. One other interim study group, the Highway Revenue Committee, studied the Efficiency and Economy recommendations related to the committee's purview. As a result, three Efficiency and Economy proposals were endorsed by the committee for consideration by the 1970 General Assembly.

Although a considerable amount of the Organization Committee's agenda in 1969 was devoted to study of Efficiency and Economy recommendations, only limited progress was seen in making a study of the value of most of the suggestions. Thus, the Organization Committee recommended that the standing committees of the 1970 Session study the Efficiency and Economy recommendations within their individual jurisdictions.

Some 114 recommendations were considered by the various House and Senate standing committees in a series of meetings during the first two weeks of the 1970 session. In a few instances, committee meetings were held in addition to the regular agenda.

As a result of joint committee recommendations, eight items implementing Efficiency recommendations were added to the Governor's Call.

In an attempt to categorize the recommendations into the types of action that were taken by the various committees, the following analysis is offered: of the 148 proposals thought to require legislative review,

21 recommendations were implemented by administrative or legislative action during 1969;

46 suggestions were sought to be implemented through recommendations, resolutions, or bills introduced in the 1970 session; of this number, 9 recommendations were incorporated in resolutions introduced during the session, 3 were a part of a standing committee recommendation to the Joint Budget Committee, 28 were implemented through legislation adopted during the 1970 session, and 6 recommendations, in bill form, were rejected either in committee or in House or Senate votes;

12 recommendations were not acted upon by standing committees because it was found that no legislative action was necessary to implement these recommendations;

36 recommendations were not acted upon by standing committees because no agreement could be reached on the value of the recommendation;

17 recommendations, after review by the standing committees, were recommended for further legislative study before final action is taken;

5 proposals were rejected after review by standing committees; and

11 recommendations were not considered by the standing committees because of lack of time in individual committee schedules.

Continuation of the Committee

The committee submits that there is much work left to be accomplished by a legislative committee studying the organization of state government. The work of such a committee is entering the second decade of continuous study and it is recommended this effort be continued.

Appendix A

Colorado Medical Society

1809 East 18th Avenue • Denver, Colorado 80218 • Telephone 399-1222

May 4, 1970

Committee on Organization of State Government
Legislative Council
Colorado General Assembly
State Capitol Building
Denver, Colorado

Attention: Representative John D. Vanderhoof, Chairman

Gentlemen:

Enclosed is the report of the Task Force Committee for Health Personnel Licensure, which was appointed by the Committee on Organization of State Government. Also enclosed are two dissenting minority reports from two members of the Task Force Committee and the supporting material referred to in the report. The Task Force report represents an unanimous approval with the exception of the last section of the report to which the dissenting opinions, in the main, refer.

I am sure you will note that the actual scope of the work of the Committee is somewhat limited in terms of the entire problem of health care personnel licensure. The Committee believed that expansion of its investigation into other areas would exceed the legislative intent and even the intensive six-month period spent in developing this report did not allow further expansion of its scope.

As chairman, I would like to commend the outstanding cooperative effort of all members of the Task Force Committee, both voting and non-voting. It was most evident that the decision of what was good for the people of Colorado superseded interdisciplinary considerations. Also, the help given the Task Force Committee by the Legislative Council staff has been appreciated by every member, particularly the chairman.

Sincerely yours,

Robert G. Bosworth, Jr., M. D.
Chairman
Task Force Committee for Health
Personnel Licensure

RGBjr/dh
Enclosures

TO: COMMITTEE ON ORGANIZATION OF STATE GOVERNMENT
State of Colorado

FROM: The Task Force Committee for Health Personnel Licensure

SUBJECT: A Study of Health Care Licensing Procedures in Colorado

General Introduction

The present organizational anatomy of licensed professions and occupations in the medical care field is described in the attached chart supplied to the Task Force by the Department of Regulatory Agencies; it was emphasized by the Department that in the health field there are by statute more separate autonomous boards than any other single identifiable group.

The duties of each of these boards will not be detailed (see "Summary Prepared by Legislative Council Staff for General Review", attached). Suffice to say the duties of most of these boards include (1) examination of candidates, (2) examination of credentials, (3) in some cases accreditation of educational institutions, (4) license issuance, (5) investigating, (6) enforcement, and (7) clerical duties attached thereto. Examination in several boards includes preparing examinations for more than one subspecialty or occupation. Clerical duties of a board may pertain to various specialized problems within the individual practice statutes for that occupation. Investigation may have to be obtained by hire, and often facts developed are not of the nature which is needed for the formal hearing or prosecution of an offense. Hearings for suspension or reinstatement are time-consuming, often expensive, and procedures for such may vary greatly from one board to another. (It is the understanding of the Task Force Committee that a committee of the Colorado Bar Association is working on standardization of hearing procedures, particularly in the Department of Regulatory Agencies.) Without detailed investigation of each board's activities, which time does not allow, the Task Force has not investigated changes in each individual practice statute which might be made to eliminate overlapping of duties, particularly clerical, investigative and enforcement; therefore, the committee has no recommendations in the area of statutory revision.

The precedent of the methodology of licensure in the health fields in Colorado is long established. For example, Doctors of Medicine were first licensed in 1881, Dentistry in 1889, Nursing in 1905, Osteopathy in 1905, Veterinary Medicine in 1909, Optometry in 1913, Chiropractic in 1918, (separate board, 1933), etc. About one-half of the states follow a similar pattern of organization which establishes a separate board for licensing of each occupational group. With few exceptions Colorado follows this pattern. Excepted are Psychiatric Technicians, under the Board of Nursing; *Chiropodists (Podiatrists) are licensed under the Board of Medical Examiners*

but have an independent board which acts in an advisory capacity. Many duties are delegated to that advisory board by the Board of Medical Examiners. Doctors of Osteopathy are a part of and licensed under the Board of Medical Examiners.

The pattern of board organization in Colorado again follows about one-half of the states with the boards, in the main, composed of practicing members of the particular health specialty concerned. There are minor exceptions to this such as the Practical Nurses board being composed of three licensed practical nurses and two registered professional nurses, one of whom must be a member of the Board of Nursing; the Chiropractic Practice Act allows one member of the board of five to be selected from "the public at large".

With the establishment of a board, its regulatory powers are defined and it is required to oversee the enforcement of the law. Statutory changes in policy, as distinguished from interpretive changes in policy, must be sought thereafter from the Legislature.

Objectives of Regulation of Health Personnel in Colorado

The Task Force defines "objectives" of present regulatory measures as follows:

I. To assure the citizens of Colorado that health care personnel are qualified to practice their occupations.

   This serves to protect the public from those who are:

   a. not qualified to hold title of adequacy in a health field; and

   b. not competent to practice a health occupation either by individual merit or by educational merit.

II. To allow the health care provider to practice his occupation because he has been judged competent in his field.

   This implies the legal right to practice his occupation in any manner which falls within the scope of the particular practice act, whether for remuneration by salary or by fee-for-service.

Legislative Purpose in Studying Licensure Procedure

The Task Force Committee, after considerable consultation, determined that the legislative intent in reviewing licensure procedure was essentially two-fold:

I. To determine whether the present system could be streamlined, organizationally and economically.

II. To develop a system of evaluation for additional health care personnel regulation with the view of:

a. Preventing unwieldy and uneconomical proliferation of independent boards under the Department of Regulatory Agencies.

b. Providing the legislature with a mechanism for an in-depth, impartial, and fair evaluation of the needs for statutory regulations of health personnel not presently regulated, avoiding last-minute attempts at evaluation during the overburdened legislative session.

I. A SINGLE ALL-ENCOMPASSING BOARD

The idea of a single board for the regulation of all these health occupations was discussed by the Task Force. A consensus was reached to the effect that the actual examination and enforcement duties require too much separate and distinct technical expertise to conclude that one body could carry out such a function even with separate advisory groups. Therefore, the idea of what came to be called a "super board" or all-encompassing single board as the regulatory body was rejected. The arguments leading to this rejection are summarized as follows:

PRO

1. The combining of all registration, examination, accreditation, enforcement, and licensing might save a considerable portion of the annual appropriations for each individual board.

2. A single board would provide one body from which all policy, regulations, evaluation of merit for new licensure, renewal, etc., could emanate.

3. Uniformity of policy might simplify such areas as enforcement and accreditation.

CON

1. Whereas some savings might be accomplished as noted, the Committee believes that such an all-encompassing board would be a full-time job. Therefore, the members of such a board would have to receive salary remuneration rather than per diem, and it would be very difficult to find people of sufficient professional and educational experience to serve on such a board. It was pointed out to the Committee that present members of the various boards spend a great deal of unrecompensed and gratuitous time in serving the government on their respective boards.

2. No presently-licensed health occupation is willing to delegate its responsibilities and policy-making functions to serve instead simply in an advisory capacity to a single over-all board; however, no all-encompassing board could function without extensive ancillary, advisory or consultative personnel in each occupation.

3. Each practice act now existent would have to be re-written to conform with such a radically different concept of organization.

4. Each health occupation has unique and multifaceted problems by nature of its practice and its practice act. The actual examination and enforcement duties require too much separate and distinct technical expertise for one body to carry out such functions, even with separate advisory groups in each health care field.

Alternatives to an All-encompassing Single Board Concept

Discussion

The Task Force Committee has discussed alternative schemata to an all-purpose, all-encompassing board. The function and purviews of the Department of Regulatory Agencies were discussed with its director, with a view toward the possibility of developing a coordinated health-services division structure, perhaps as a distinct entity ~~within the department. Definitive~~ functions within such a division, in addition to those now authorized by the recent governmental reorganization, could theoretically be standardized and consolidated; these might include investigative, enforcement, and hearing functions common to all boards.

However, testimony developed before the Committee indicated that the Department of Regulatory Agencies has thus far been unable to demonstrate its ability to perform those functions already assigned to it in a completely satisfactory manner. Specifically, financial reports are long overdue; certificate issuance has been delayed as long as

five months; secretarial staff aid has been constantly changing, necessitating frequent re-training resulting in further delays. This testimony has had the effect of raising serious doubts as to whether further consolidation within the department is feasible, and indeed has caused some to question whether the real intent of governmental reorganization has been realized in this department, at least with regard to the health care field.

Therefore, the only alternative which appears feasible is as follows:

1. A Division of Health Services Registration charged with:

    a. Issuance of licenses granted by the individual practice boards (examining boards).

    b. Collection of all fees; dispersals as authorized.

    c. Renewal of licenses.

    d. Maintenance and publication of registries as indicated.

    This would be in a real sense a clerical division under the Department of Regulatory Agencies but only concerned with health care personnel.

Perhaps at a later date if a consolidation of this type within the Department is successful, other functions could be coordinated, such as:

2. A "Division" as in "1" but with the addition of a central legal, investigational and enforcement"pool". This might include a common "hearing board or commission" with "peer" members added or on call, depending on the health occupations and interests involved (functioning of such a body would, of course, depend on the successful standardization of hearing procedures referred to in the "General Introduction" of this report.)

3. To avoid unnecessary proliferation of independent boards in the health field under the Department of Regulatory Agencies in the absence of a single all-encompassing board, the only legislative alternative appears to be the development of the following general legislative policy:

    Whenever possible, any health occupation brought under regulation in the future should be placed under the appropriate existing practice board, the proper board to be determined after opportunity for full hearing by all parties concerned. (An idea of the extent of this problem in the future will be detailed in the section of this report dealing with an "Evaluation Board" concept.)

II. EVALUATION BOARD CONCEPT FOR FUTURE HEALTH CARE REGULATION

General Introduction

The second legislative intent (see above under "Legislative Purpose in Studying Licensure Procedure") appears to provide the most fertile field for effectively modifying the procedure for health care regulation. As previously stated, the intensity of the legislative session is no place to present for the first time the pros and cons of new licensure of as complex and technical a field as health care. It is not intended that the legislative forum for airing of conflicting opinions should be eliminated or circumvented. It simply means that a system should be developed to provide adequate background and advice to the Legislature by competent people after unhurried research and discussion. There are presently many identifiable allied health care groups who could conceivably desire licensure in the next ten or fifteen years as well as many new types of personnel being trained for new functions.

The Task Force Committee has heard presentations from three different groups who have either already introduced legislation for licensure or who intend to do so at the next session of the Legislature: 1. Medical Technologists; 2. Social Workers; 3. Opticians. From these presentations, it became obvious that there are at least several different reasons for desiring licensure on the part of any health occupation, whether it be a truly allied health care field or truly independent. The Committee believes the highlights of some of these presentations and arguments will serve to demonstrate some of the complexities involved in the determination of the necessity for licensure, certification or registration.

Medical Technologists

The Medical Technologists cite as reasons for their licensure the following:

1. The only way they can effect any standardization or control the quality of the clinical laboratory is through licensure. (They state that in laboratories today there are many personnel performing functions without proper educational background or training qualifications.)

2. To promote better medical care of the citizens of Colorado through better control of laboratory personnel. (They propose to set standards for four classifications of laboratory personnel as well as standards for a laboratory director. Additionally, they propose standards for renewal and recertification for maintaining licensure.)

3. About 21 states at present license Medical Technologists. (This figure given by the Medical Technologists is open to question since the Department of Health Education and Welfare Report in 1967 lists only ten states with licensure of other than directors of laboratories; thirteen states which license directors of laboratories.)

To demonstrate some of the complexities of this one problem, some of the countering arguments to their proposal were:

1. To require licensure in all laboratories, urban and rural, would substantially increase the cost of medical care and would create more of a manpower shortage in the field of clinical laboratories than presently exists.

2. The quality of medical care might well be improved and certainly this would be desirable, but why is this aim not better accomplished by licensing laboratories per se and/or the directors of laboratories?

3. Licensure would also legally confer the right to practice clinical laboratory medicine individually for a fee for service. (This may technically be possible at this time without licensure in view of recent court decisions.)

4. Licensure might limit the movement of Technologists into Colorado by posing barriers to such geographical movement.

Social Workers

The Social Worker representative cited the following reasons, among others, for their intending to seek licensure at the next session:

1. Social Work is a recognized national profession with recognized national standards for certification and competence.

2. There are more than 800 Social Workers in Colorado; a large proportion of these people are now offering their services to the public for a fee (that is, private practice), probably as many as work under an agency or institutional control.

3. Not all Social Workers work within the framework of a health and disease model but in such areas as marriage counseling, adoption, the learning problems of children, etc.

4. Social Workers should be under the control of a board of examiners who are capable of keeping up with the knowledge and technique in the field. Only a high caliber body such as a peer board is capable of doing this.

5. The need for licensure is an urgent one when the number of therapies developed across the country is considered. New supplemental types of therapies can be dangerous to the public and there should be some protection for the people from some of them.

Other problems of such licensure become manifest: 1. Determination of numbers of personnel in institutional or subordinate types of practice as opposed to those practicing individually without any review or supervision. 2. Definition of scope of practice, especially since some Social Workers work within the framework of a "disease model" and others totally within the environmentally-affected model. 3. Furthermore, where does Social Work "therapy" stop and psychiatric and clinical psychological therapy start?

Opticians

Entirely different and controversial points were cited in the presentation and discussion relative to licensing of Opticians:

1. Here, licensing is desired (by an undetermined percentage of the opticians in the state) to insure the quality to the public of an "end product",namely, the fitted eyeglass.

2. Opticianry may encompass a craft (grinding and finishing of lenses) and/or a professional aspect of fitting (frames and lens angles).

3. Guild certification and standards deal not so much with individuals' qualifications, but with the member dispensing optician company or firm.

4. Opticians work not only directly under prescription from doctors of medicine, but also for optometrists and also for commercial companies or laboratories.

5. A large number of opticians do approximately ninety-eight per cent of their work directly with ophthalmologists, and in this capacity, often have direct contact with the patients of the physicians as their customers. Others work almost entirely with optometrists, rarely with patient contact; and still others work in the laboratories as mentioned.

The above examples from Committee testimony served to point out some of the varied reasons presented for health care licensure, and just a few of the complexities attached thereto.

Possible Systems of Regulation

Interest in licensure and other forms of regulation of health care personnel is not limited to Colorado; it is nation-wide. Out of these widespread efforts, it is obvious that new methodology for regulation will evolve. National legislative attention directed toward reducing spiraling costs of health care delivery will undoubtedly involve attention directed toward national licensure. The increasingly intensive efforts of organized medicine, the legal profession and government both locally and nationally, will

almost certainly focus some attention on new systems of regulation. Already, innovative suggestions referred to as "team licensing", "physicians assistants", and others have gained wide attention. The Task Force Committee believes that some mechanism must be developed which would allow for ongoing, in-depth study of such deviations from the traditional. Without such study, the legislative process could lag behind technological progress in a field which even now significantly affects the economy of Colorado. The problems of effective use of health care manpower and proper protection of our citizens (licensure or regulation) overlap as do the responsibilities and interests of the public and private sectors of the health care field.

CONCLUSIONS

I. The Task Force Committee for Health Personnel Licensure recommends the following:

1. That an evaluation board or group, possibly named "Advisory Health Council", be established in Colorado, (hereinafter referred to as "Advisory Council").

2. That the Advisory Council be physically located in the building housing the Department of Regulatory Agencies, but be independent thereof, and be assisted by a permanent staff.

3. That the Advisory Council report to the appropriate committee of the Legislative Council of the Colorado General Assembly at least annually by October 1 regarding the results of its activities and recommendations.

4. That the Advisory Council be given specific direction to include:

   (a) Serving the public intent and providing protection from unqualified or incompetent care by establishing guidelines for regulation (to include licensure, certification, registration or other appropriate means).

   (b) Developing an evaluation procedure to establish the need for and best method of regulation of any group desiring official recognition.

(c) Establishing guidelines for alternatives to licensing of new health care fields, to include recommending procedures to provide for the subordinate incorporation of technical personnel within the framework of existing licensure, with recognition of education, training, capabilities and relationships to other groups in the health care field.*

(d) Exploring innovative procedures and/or structural changes in health care regulation and making appropriate recommendations after consultation with interested health care groups as deemed advisable.

(e) Review future proposed amendments to health services laws, upon request, and make recommendations on same to the Legislature.

5. That all presently constituted practice or examining boards retain their autonomy as presently established by law in order to continue to determine policy and procedures for internal regulation of the profession licensed within appropriate statutory limits.

---

* Discussion of 4-c:

Testimony before and discussion within the Committee indicated the wisdom of establishing guidelines for those health care groups requesting licensure, rather than certification or registration, such as:

1. They should establish that there is a need in the area of their expertise which is not being met.

2. They should establish that they have a body of knowledge that has benefit of a formal education.

3. They should indicate means of accreditation of the educational institutions involved.

4. They should establish that they have an organization to provide for public protection through a code of ethics or similar mode of internal control.

5. They should identify that they wish to create a new field or are willing to place their expertise at the disposal of groups that are either now licensed or in whom they wish to become subordinate.

II. Composition of Advisory Health Council

Discussion

The composition of the Advisory Health Council must be such that each licensed health care group is represented, either directly or by invitation, to assure impartiality insofar as possible. Additionally, it appears that some "non-health care" members should be represented and this would, to some extent, achieve "consumer" representation. The problems of new licensure which will be presented to such a Council will involve the spectrum of health care services; however, most of these will be related to the medical and hospital areas. Examples of these would be Inhalation Therapists, new types of nursing assistants, physicians assistants, orthopedic and other sub-specialty assistants, rehabilitation personnel, dental assistants, etc.

The Task Force Committee recommends the following:

1. That the "Advisory Health Council" should be organized as follows:

   (a) The professional or occupational associations having examining and/or licensing boards, to include any duly constituted advisory board, shall submit to the Governor a list of nominees for appointment to the Advisory Health Council so that the Council shall be constituted as follows:

   One member each:

   Doctor of Medicine
   Doctor of Osteopathy
   Dentistry
   Chiropody (Podiatry)
   Chiropractic
   Optometry
   Nurses, Registered
   Nurses, Licensed Practical
   Clinical Psychology
   Physical Therapy
   Nursing Home Administration
   Veterinary Medicine

(b) Other members, also to be appointed by the Governor:

An attorney not employed in any Government service, licensed to practice law in the state of Colorado.

A professional educator, medical.

A professional educator, non-medical.

The Director of the Department of Regulatory Agencies, or his designate.

A hospital administrator actively employed in that capacity in the state of Colorado.

2. That a list of consultants to the Advisory Health Council be maintained, this list to be developed and renewed annually by recommendations of the professional society concerned. The consultant list should include, but not be limited to, representatives of:

The Colorado Medical Society
The Colorado Osteopathic Association
The Colorado Dental Association
The Colorado Nurses Association
The Practical Nurse Association of Colorado
The Colorado Association of Nurse Anesthetists
The Colorado Chiropractic Association
The Colorado Optometric Association
The Colorado Podiatry Association
The Colorado Psychological Association
The Colorado Psychiatric Technicians Association
The Colorado Veterinary Medical Association
The Colorado Pharmacal Association
The Colorado Hospital Association
Colorado Associated Nursing Homes, Inc.
The Colorado Physical Therapy Association

It would be expected that additional consultation and advice would be obtained where applicable and where requested by any member of the Advisory Health Council.

3. That a per diem system of remuneration for members of the Advisory Health Council be established.

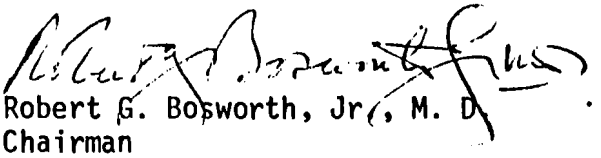
- -

The above report in its entirety represents the Majority Report of the Task Force Committee for Health Personnel Licensure. Unanimity was obtained from the Task Force Committee in all sections of the report up to Page 11, Section II - "Composition of Advisory Health Council". This section was passed by the Committee by a vote of 14 to 2, with one voting member absent. The minutes of the final meeting of the Committee reflect the affirmative and negative votes. Minority Reports by the dissenting members are being submitted to the Committee on Organization of State Government with this Majority Report.

The chairman of the Task Force Committee for Health Personnel Licensure believes that the manner in which this report was promulgated deserves special note. The Task Force Committee was composed of members from all presently-licensed health care professions or occupations. Many of these traditionally have had, and continue to have, widely differing and often diametrically opposing philosophies. Nevertheless, the spirit of cooperation and dedication to the good of the citizens of Colorado produced a harmony and a "give-and-take" attitude which has been remarkable and is manifested by the almost total agreement on the entire report.

Respectfully submitted,

TASK FORCE COMMITTEE FOR HEALTH PERSONNEL LICENSURE



Robert G. Bosworth, Jr., M. D.
Chairman

Task Force Committee Members:

Organization	Primary Member	Alternate Member
Board of Medical Examiners	Eugene Wiege, M. D.	
Board of Basic Science Examiners	William M. M. Robinson, M. D.	
University of Colorado School of Medicine	Conrad M. Riley, M. D.	
Colorado Medical Society	Robert G. Bosworth,Jr., M. D.	William S. Curtis, M. D.
Colorado Osteopathic Assn.	C. Robert Starks, Jr., D. O.	Harold M. Husted, D. O.
Colorado Dental Assn.	Ray G. Perschbacher, D. D. S.	Benjamin Kletzky, D. D. S.
Colorado Nurses Assn.	Mrs. Henrietta Walsh	Mrs. Juereta P. Smith
Colorado Association of Nurse Anesthetists	Mrs. Amy Higgins, C.R.N.A.	Mrs. Evelyn Kwit, C.R.N.A.
Practical Nurse Association of Colorado	Miss Clara Weigel	Mrs. Marjorie V. Smith
Colorado Chiropractic Assn.	Leo Wunsch II, D. C.	Dale I. DeBoer, D. C.
Colorado Optometric Assn.	E. Ames Bader, O. D.	Ron G. Fair, O. D.
Colorado Podiatry Assn.	Dr. William Trewartha, D.S.C.	Dr. Edwin Pellegrini, D.S.C.
Colorado Psychological Assn.	Gordon G. Wilson, Ph. D.	E. Ellis Graham, Ph. D.
Colorado Psychiatric Technicians Assn.	Mr. Lester Burfford	Mrs. Anabele Miller
Colorado Veterinary Medical Assn.	Dr. Vyrle Stauffer, D.V.M.	Dr. David R. Luck, D.V.M.
Colorado Associated Nursing Homes, Inc.	Mr. Donald J. King	
Colorado Physical Therapy Association	William D. Chamberlin, R.P.T.	Miss Kay Anderson

MINORITY OPINION ON TASK FORCE COMMITTEE REPORT

After studying the final majority report and also Dr. Riley's minority report I find it necessary to make my own minority report by explaining the reasons for my dissenting opinions.

I have already indicated my agreement with the majority report with exception of the section entitled "Composition of Advisory Health Council." I feel the entire report constitutes a sincere and well-considered effort. I especially wish to applaud the integrity of our Chairman, Dr. Bosworth, for the large amount of effort he put into planning our meetings and the fairness with which he conducted them.

I also find much with which I am in agreement in Dr. Riley's report and consider it also a sincere and well considered effort. However, I do not wish to endorse his report because I believe, first, that his expectations for our task force go beyond what the Legislative committee intended for us to consider and, second, I do not agree with his recommendation Advisory Health Council should not include the "health professionals" and merely use them for consultation.

I do believe that the Advisory Health Council should be constituted of members chosen from the health professions and also from lay citizens representing the consumers of health services probably in about equal ratio. I do not believe the council should be any larger than 20 persons to prevent it from becoming unwieldy.

I see no reason why every health profession should be represented. For example, the Chiropractic Association, it seems to me, would have very little to offer in planning for comprehensive health care since their services are not even covered by the Medicare and Medicaid programs.

If the Colorado Legislature wants to be advised regarding matters pertaining to comprehensive health care then it seems reasonable to me that they should consult experts in the field such as practicing physicians, hospital personnel, medical educators, administrators, in short, members of the health care team.

It is also my opinion that the Governor and his advisors can be safely entrusted to choose the members of the advisory health council. Should the legislature consider a complete and radical reorganization of our health care system, such as Dr. Riley envisions, then I feel that a much larger committee and much consultation would be necessary.

I appreciate the opportunity to express my opinions.

(signed) Eugene Wiege

Eugene Wiege, M. D.
Secretary
State Board of Medical Examiners

May 2, 1970

MINORITY OPINION ON TASK FORCE COMMITTEE REPORT

There are two aspects to the problem of the regulation by licensing or otherwise of health care personnel. The first is the operational one: what boards should exist, what staff is needed to work with these boards, can the clerical staff be effectively shared, how and where what records should be kept, who will actually issue suitable documents, and where and how will fees be collected and records kept, and how can enforcement procedures be facilitated?

The second aspect is the matter of establishing policy, planning for the future and attempting best to serve the needs of both the consumers and providers of health care services in a critical period of health care delivery. This function in general has in the past had to be channelled through the legislature, and could not be approached directly by existing health boards.

The Colorado State Legislature at the close of the 1969 session recognized in a joint resolution the complexity of the regulation of health personnel, requesting that a study of the situation be conducted and that recommendations be made. As a result of this resolution the Task Force Committee was created, being constituted of representatives of most of the currently licensed health care personnel -- thus representative of the providers of health care service. There was no regular representation of consumers broadly, or of administrators of institutions where many of these providers may be employed. The joint resolution authorized a study of "the existing laws governing the field of health care, <u>including the supportive services thereto</u>, including, but not limited thereto, a study of the need for revision of existing laws, for...regulation of additional services, and for reducing the number...boards..."

The underlined portion of the above quotation constitutes, in my mind, a charge to study the first aspect of the problem delineated above. The balance of the quotation seems to me a request to investigate the second aspect.

The formal report of the Task Force Committee shows a great deal of concern for the operational aspects of the regulatory procedure. The conclusion that the total operation was far too great for any single board to handle was easily reached. That there be a single advisory group to sort out which new occupational groups should be formally accorded recognition by one or another regulatory method is a recommendation which approached in limited fashion the other aspect -- that of policy making. The committee did not, however, address itself in an organized fashion to

April 17, 1970

the broad problems of needs in the health care field as they now exist or to the needs which can be anticipated for the future. We did not hear at any length from consumers and administrators in differing settings. We did not explore extensively how health personnel are being used in other states. We did not systematically study what legislation has been adopted elsewhere to increase the availability and effective use of manpower.

Another area, briefly mentioned in the report, but not studied by the committee, is the innovation that is being suggested by certain legislative experts as to methods of control of health practitioners which allow more flexibility both in training and employment In short, by its omissions the Committee has failed to demonstrate its awareness of the need felt by many planners in the health care field for change in the regulatory process which will facilitate more imaginative use of health manpower while protecting the public from incompetence.

It is axiomatic to state that the nation is in a health care crisis. Since fully trained manpower cannot conceivably be produced rapidly enough to meet the crisis, innovative methods, many of which are already on the drawing board, will have to be tried to face the challenge. A constraint which can seriously hamper such experimentation is the statutory control imposed by health practice acts and licensing procedures as presently in force.

In the time allotted this committee could not conceivably have studied the entire field in depth enough to have made any firm recommendations. Furthermore, constituted as it is of professional providers of services, it cannot give a disinterested estimate of the over-all needs. Entrenched as each represented profession is in its own professional way of life, it is foreseeable that the committee as a whole would not suggest any very radical changes in existing laws or propose any startling new legislation for differing methods of regulation.

The most that I, as a concerned member of the committee, hoped for was that our committee might recognize the urgency of giving legislative assistance to the providers and consumers of health care to experiment with change. I had hoped that we could recommend a process, or method, through which constructive and innovative ideas could find their way to become operative.

Accordingly, I should like to record some of my points of agreement and disagreement with the formal report; insofar as it gives consideration to operational problems, I am in full agreement. I regret that there was so little discussion of the needs for new approaches to regulation. I agree with the recommendation that a single ongoing advisory body, or, better still, in my opinion, a body with delegated authority to act, is urgently needed, and should be supported by an active, efficient staff.

April 17, 1970

It would be the responsibility of such a body to determine for which health workers the present method of licensure is appropriate. It would determine if the duties of some of the currently existing boards could be more appropriately combined. It would recommend fields in which institutional or team licensing might serve best. The concept of the Physician's Assistant or other type health associate should be explored and the best method of regulation recommended. It is hoped that other innovations could be suggested, particularly some method of monitoring continuing competence in one's field of practice.

I cannot agree that such a body should be made up primarily of representatives of all of the health care professions, both because the size of the body would make it unwieldy and because the different interests would make consensus unlikely. As an alternative, one could suggest that the historically oldest groups -- medicine, dentistry, nursing and pharmacy -- might be represented. This has some merit in that all the other categories tend to relate to one or the other of these. It is unlikely, however, that this apparent special treatment of four groups would be acceptable to all the other health occupations. If such professional representation were accepted, it would seem desirable also to have strong consumer representation, legal representation and employer (hospital administrator) representation.

Perhaps the most generally acceptable composition would be to eliminate the professional personal health service provider entirely from the policy making or advisory body. This would assure that each occupational group would have equal opportunity to present its views at open hearings called by the council on controversial issues after due prior publication.

Such a council would have to be appointive -- presumably by the governor -- conform with practice relating to other similar groups. Its size should be large enough to have an adequate number present at all meetings, and small enough to be wieldy. Terms of office should be rotating and long enough to allow each new appointee time enough to become well informed. A committee of nine, each serving for a minimum of three years, might meet these desiderata.

April 17, 1970

In summary, my difference of opinion from the general tenor of the formal report, arises from the fact that I do not feel that the Task Force Committee as a whole has given sufficient consideration and emphasis to the urgency of the need for drastic change in the regulatory mechanisms for health personnel. Consequently the recommendation of an advisory council constituted of representatives of all the health professions appears to me inappropriate. I would see such a group as inclined to perpetuate the "status quo". I feel that a well chosen "citizens committee", with technical advice from the professions, has a much greater chance of promulgating a more useful method of utilizing available health manpower while maintaining adequate quality control.

(Signed) Conrad M. Riley

Conrad M. Riley, M.D.
Professor
Departments of Pediatrics
and Preventive Medicine

April 17, 1970

Office of the President for 1970-71
MARVIN E. JOHNSON, M.D.
1835 Franklin Street
Denver, Colorado 80218
Telephone 623-9455
Extension 2345

Colorado Medical Society

1809 East 18th Avenue • Denver, Colorado 80218
Telephone 399-1222 • Area Code 303

December 22, 1970

Committee on Organization
of State Government
State of Colorado
State Capitol Building
Denver, Colorado 80203

Attention: Mr. David Hite

Gentlemen:

The Colorado Medical Society has observed the continual interest in the licensure or legislative certification by present and emerging allied health occupations.

At the instruction of the Board of Trustees of the Colorado Medical Society we wish to place on record our position concerning this important topic. The policy of the Colorado Medical Society, as adopted by the House of Delegates at the Annual Session held in September 1970, asks that a moratorium on licensure of any additional health occupations be called. This position was strengthened at the 1970 semi-annual session of the American Medical Association when it's House of Delegates likewise called for a moratorium on licensure until long range solutions are developed.

The Task Force Committee for Health Personnel Licensure, as authorized during the 1969 Session of the State Legislature, accomplished a great deal in so far as ground work and obtaining basic ideas concerning this subject. We would recommend that the above requested moratorium cover a period of time, perhaps two years, in which a committee could delve much more deeply into the needs of the public and the health industry. Alternatives to an inflexible licensure program for each of the various health service categories is needed and can be found through effort and time.

We appreciate your concern and thank you for your consideration of such an in-depth study.

Sincerely,

Marvin E. Johnson

Marvin E. Johnson, M.D.
President

SENATE CONCURRENT RESOLUTION NO. 3

(By Senators Armstrong, Cisneros, Dines, and Williams, and Representatives Vanderhoof, Burns, Fuhr, and Neal; also Senators Anderson, Bermingham, Brown, Chance, DeBerard, Denny, Enstrom, H. Fowler, L. Fowler, Garnsey, Hodges, Jackson, Kemp, MacFarlane, MacManus, Minister, Nicholson, Ohlson, Rockwell, Schieffelin, Shoemaker, Stockton, Strickland, and Wagner; and Representatives Arnold, Baer, Bain, Bastien, Braden, Bryant, Burch, Byerly, Calabrese, Cole, Coloroso, Cooper, DeMoulin, Dittemore, Edmonds, Farley, Fentress, Friedman, Grace, Grant, Grimshaw, Gustafson, Hamilton, Hart, Hinman, Horst, Jackson, Johnson, Knox, Kogovsek, Lamb, Lanum, E. McCormick, Moore, Mullen, Munson, E. Newman, J. Newman, Porter, Quinlan, Rose, Sack, Safran, Sanchez, Schafer, Schmidt, Schubert, Shore, Showalter, Sonnenberg, Strahle, Woodard, and Younglund.)

SUBMITTING TO THE QUALIFIED ELECTORS OF THE STATE OF COLORADO AN AMENDMENT TO SECTION 22 OF ARTICLE IV OF THE CONSTITUTION OF THE STATE OF COLORADO, EXEMPTING THE HEADS OF PRINCIPAL DEPARTMENTS ESTABLISHED PURSUANT THERETO FROM THE CLASSIFIED CIVIL SERVICE OF THE STATE.

Be It Resolved by the Senate of the Forty-seventh General Assembly of the State of Colorado, the House of Representatives concurring herein:

Section 1. At the next general election for members of the general assembly, there shall be submitted to the qualified electors of the state of Colorado, for their approval or rejection, the following amendment to the constitution of the state of Colorado, to wit:

Section 22 of article IV of the constitution of the state of Colorado is amended to read:

Section 22. **Principal departments.**—All executive and administrative offices, agencies, and instrumentalities of the executive department of state government and their respective functions, powers, and duties, except for the office of governor and lieutenant governor, shall be allocated by law among and within not more than twenty departments by no later than June 30, 1968. Subsequently, all new powers or functions shall be assigned to departments, divisions, sections, or units in such manner as will tend to provide an orderly arrangement in the administrative organization of state government. Temporary commissions may be established by law and need not be allocated within a principal department. Nothing in this section shall supersede the provisions of section 13, article XII, of this constitution,

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

EXCEPT THAT THE CLASSIFIED CIVIL SERVICE OF THE STATE SHALL NOT EXTEND TO HEADS OF PRINCIPAL DEPARTMENTS ESTABLISHED PURSUANT TO THIS SECTION.

Section 2. Each elector voting at said election and desirous of voting for or against said amendment shall cast his vote as provided by law either "Yes" or "No" on the proposition: "An amendment to section 22 of article IV of the constitution of the state of Colorado, exempting the heads of principal departments established pursuant thereto from the classified civil service of the state."

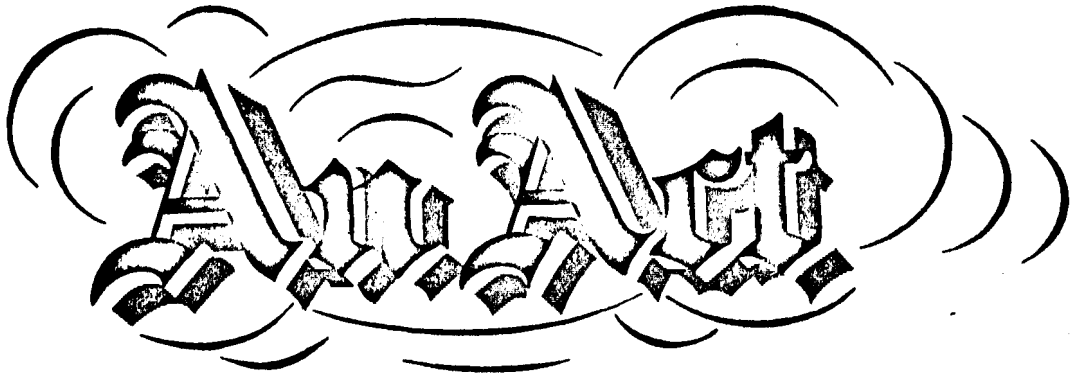
Section 3. The votes cast for the adoption or rejection of said amendment shall be canvassed and the result determined in the manner provided by law for the canvassing of votes for representatives in Congress, and if a majority of the electors voting on the question shall have voted "Yes", the said amendment shall become a part of the state constitution.

Mark A. Hogan
PRESIDENT OF THE
SENATE

John D. Vanderhoof
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Comfort W. Shaw
SECRETARY OF
THE SENATE

Henry C. Kimbrough
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES



HOUSE CONCURRENT RESOLUTION NO. 1019

(By Representatives Vanderhoof, Burns, Fuhr, Neal, Arnold, Baer, Bain, Bastien, Black, Braden, Bryant, Burch, Byerly, Calabrese, Cole, Coloroso, Cooper, Dameron, DeMoulin, Dittemore, Edmonds, Farley, Fentress, Friedman, Grace, Grant, Grimshaw, Gustafson, Hart, Hinman, Jackson, Johnson, Kogovsek, Koster, Lamb; Lamm, Ed McCormick, H. McCormick, McNeil, Moore, Mullen, Ed Newman, Porter, Quinlan, Rose, Sack, Safran, Sanchez, Schafer, Schmidt, Schubert, Shore, Showalter, Singer, Sonnenberg, Strahle, Woodard, Younglund, Hamilton, Horst, Knox, and Munson; also Senators Armstrong, Cisneros, Dines, Williams, Anderson, Bermingham, Chance, DeBerard, Decker, Denny, Enstrom, H. Fowler, L. Fowler, Garnsey, Gill, Hodges, Jackson, Kemp, Locke, MacManus, Minister, Ohlson, Rockwell, Saunders, Schieffelin, Stockton, Strickland, and Wagner.)

SUBMITTING TO THE QUALIFIED ELECTORS OF THE STATE OF COLORADO AN AMENDMENT TO ARTICLE XII OF THE CONSTITUTION OF THE STATE OF COLORADO, CREATING THE COLORADO STATE PERSONNEL SYSTEM, PROVIDING THEREIN FOR THE APPLICATION OF THE MERIT SYSTEM OF EMPLOYMENT AND RETENTION OF EMPLOYEES OF THE STATE OF COLORADO, AND THE GRANTING OF PREFERENCE IN EMPLOYMENT TO VETERANS.

Be It Resolved by the House of Representatives of the Forty-seventh General Assembly of the State of Colorado, the Senate concurring herein:

Section 1. At the next general election for members of the general assembly, there shall be submitted to the qualified electors of the state of Colorado, for their approval or rejection, the following amendment to the constitution of the state of Colorado, to wit:

Effective July 1, 1971, sections 13 and 14 of article XII of the constitution of the state of Colorado are repealed, and in lieu thereof, the following provisions are enacted as sections 13, 14, and 15 of article XII of the constitution of the state of Colorado:

Section 13. **Personnel system of state—merit system.**—(1) Appointments and promotions to offices and employments in the personnel system of the state shall be made according to merit and fitness, to be ascertained by competitive tests of competence without regard to race, creed, or color, or political affiliation.

(2) The personnel system of the state shall comprise all appointive public officers and employees of the state, except the following: Members of the public utilities commission, the industrial commission of Colorado, the state board of land commissioners, the Colorado tax commission, the state parole board, and the state personnel board; members of any board

or commission serving without compensation except for per diem allowances provided by law and reimbursement of expenses; the employees in the offices of the governor and the lieutenant governor whose functions are confined to such offices and whose duties are concerned only with the administration thereof; appointees to fill vacancies in elective offices; one deputy of each elective officer other than the governor and lieutenant governor specified in section 1 of article IV of this constitution; officers otherwise specified in this constitution; faculty members of educational institutions and departments not reformatory or charitable in character, and such administrators thereof as may be exempt by law; students and inmates in state educational or other institutions employed therein; attorneys at law serving as assistant attorneys general; and members, officers, and employees of the legislative and judicial departments of the state, unless otherwise specifically provided in this constitution.

(3) Officers and employees within the judicial department, other than judges and justices, may be included within the personnel system of the state upon determination by the supreme court, sitting en banc, that such would be in the best interests of the state.

(4) Where authorized by law, any political subdivision of this state may contract with the state personnel board for personnel services.

(5) The person to be appointed to any position under the personnel system shall be one of the three persons ranking highest on the eligible list for such position, or such lesser number as qualify, as determined from competitive tests of competence, subject to limitations set forth in rules of the state personnel board applicable to multiple appointments from any such list.

(6) All appointees shall reside in the state, but applications need not be limited to residents of the state as to those positions found by the state personnel board to require special education or training or special professional or technical qualifications and which cannot be readily filled from among residents of this state.

(7) The head of each principal department shall be the appointing authority for the employees of his office and for heads of divisions, within the personnel system, ranking next below the head of such department. Heads of such divisions shall be the appointing authorities for all positions in the personnel system within their respective divisions. Nothing in this subsection shall be construed to affect the supreme executive powers of the governor prescribed in section 2 of article IV of this constitution.

(8) Persons in the personnel system of the state shall hold their respective positions during efficient service or until reaching retirement age, as provided by law. They shall be graded and compensated according to standards of efficient service which shall be the same for all persons having like duties. A person certified to any class or position in the personnel system may be dismissed, suspended, or otherwise disciplined by the appointing authority upon written findings of failure to comply with standards of efficient service or competence, or for willful misconduct, willful failure or inability to perform his duties, or final conviction of a felony or any other offense which involves moral turpitude, or written charges thereof may be filed by any person with the appointing authority, which shall be promptly determined. Any action of the appointing authority taken under this subsection shall be subject to appeal to the state personnel board, with the right to be heard thereby in person or by counsel, or both.

(9) The state personnel director may authorize the temporary employment of persons, not to exceed six months, during which time an eligible

list shall be provided for permanent positions. No other temporary or emergency employment shall be permitted under the personnel system.

(10) The state personnel board shall establish probationary periods for all persons initially appointed, but not to exceed twelve months for any class or position. After satisfactory completion of any such period, the person shall be certified to such class or position within the personnel system, but unsatisfactory performance shall be grounds for dismissal by the appointing authority during such period without right of appeal.

(11) Persons certified to classes and positions under the classified civil service of the state immediately prior to July 1, 1971, persons having served for six months or more as provisional or acting provisional employees in such positions immediately prior to such date, and all persons having served six months or more in positions not within the classified civil service immediately prior to such date but included in the personnel system by this section, shall be certified to comparable positions, and grades and classifications, under the personnel system, and shall not be subject to probationary periods of employment. All other persons in positions under the personnel system shall be subject to the provisions of this section concerning initial appointment on or after such date.

Section 14. **State personnel board—state personnel director.**—(1) There is hereby created a state personnel board to consist of five members, three of whom shall be appointed by the governor with the consent of the the senate, and two of whom shall be elected by persons certified to classes and positions in the state personnel system in the manner prescribed by law. Each member shall be appointed or elected for a term of five years, and may succeed himself, but of the members first selected, the members appointed by the governor shall serve for terms of one, two, and three years, respectively, and the members elected shall serve for terms of four and five years, respectively. Each member of the board shall be a qualified elector of the state, but shall not be otherwise an officer or employee of the state or of any state employee organization, and shall receive such compensation as shall be fixed by law.

(2) Any member of the board may be removed by the governor for willful misconduct in office, willful failure or inability to perform his duties, final conviction of a felony or of any other offense involving moral turpitude, or by reason of permanent disability interfering with the performance of his duties, which removal shall be subject to judicial review. Any vacancy in office shall be filled in the same manner as the selection of the person vacating the office, and for the unexpired term.

(3) The state personnel board shall adopt, and may from time to time amend or repeal, rules to implement the provisions of this section and sections 13 and 15 of this article, as amended, and laws enacted pursuant thereto, including but not limited to rules concerning standardization of positions, determination of grades of positions, standards of efficient and competent service, the conduct of competitive examinations of competence, grievance procedures, appeals from actions by appointing authorities, and conduct of hearings by hearing officers where authorized by law.

(4) There is hereby created the department of personnel, which shall be one of the principal departments of the executive department, the head of which shall be the state personnel director, who shall be appointed under qualifications established by law. The state personnel director shall be responsible for the administration of the personnel system of the state under this constitution and laws enacted pursuant thereto and the rules adopted thereunder by the state personnel board.

(5) Adequate appropriations shall be made to carry out the purposes of this section and section 13 of this article.

Section 15. **Veterans' preference.**—(1) (a) The passing grade on each competitive examination shall be the same for each candidate for appointment or employment in the personnel system of the state or in any comparable civil service or merit system of any agency or political subdivision of the state, including any municipality chartered or to be chartered under article XX of this constitution.

(b) Five points shall be added to the passing grade of each candidate on each such examination, except any promotional examination, who is separated under honorable conditions and who, other than for training purposes, (i) served in any branch of the armed forces of the United States during any period of any declared war or any undeclared war or other armed hostilities against an armed foreign enemy, or (ii) served on active duty in any such branch in any campaign or expedition for which a campaign badge is authorized.

(c) Ten points shall be added to the passing grade of any candidate of each such examination, except any promotional examination, who has so served, other than for training purposes, and who, because of disability incurred in the line of duty, is receiving monetary compensation or disability retired benefits by reason of public laws administered by the department of defense or the veterans administration, or any successor thereto.

(d) Five points shall be added to the passing grade of any candidate of each such examination, except any promotional examination, who is the unremarried widow of any person who was or would have been entitled to additional points under paragraph (b) or (c) of this subsection, or of any person who died during such service or as a result of service-connected cause while on active duty in any such branch, other than for training purposes.

(e) No more than a total of ten points shall be added to the passing grade of any such candidate pursuant to this subsection (1).

(2) The certificate of the department of defense or of the veterans administration, or any successor thereto, shall be conclusive proof of service under honorable conditions or of disability or death incurred in the line of duty during such service.

(3) (a) When a reduction in the work force of the state or any such political subdivision thereof becomes necessary because of lack of work or curtailment of funds, employees not eligible for added points under subsection (1) of this section shall be separated before those so entitled who have the same or more service in the employment of the state or such political subdivision, counting both military service for which such points are added and such employment with the state or such political subdivision, as the case may be, from which the employee is to be separated.

(b) In the case of such a person eligible for added points who has completed twenty or more years of active military service, no military service shall be counted in determining length of service in respect to such retention rights. In the case of such a person who has completed less than twenty years of such military service, no more than ten years of service under subsection (1) (b) (i) and (ii) shall be counted in determining such length of service for such retention rights.

(4) The state personnel board and each comparable supervisory or

administrative board of any such civil service or merit system of any agency of the state or any such political subdivision thereof, shall implement the provisions of this section to assure that all persons entitled to added points and preference in examinations and retention shall enjoy their full privileges and rights granted by this section.

(5) Any examination which is a promotional examination, but which is also open to persons other than employees for whom such appointment would be a promotion, shall be considered a promotional examination for the purposes of this section.

(6) Any other provision of this section to the contrary notwithstanding, no person shall be entitled to the addition of points under this section for more than one appointment or employment with the same jurisdiction, personnel system, civil service, or merit system.

(7) This section shall be in full force and effect on and after July 1, 1971, and shall grant veterans preference to all persons who have served in the armed forces of the United States from the Spanish-American war as of April 21, 1898, and any other declared or undeclared war, conflict, engagement, expedition, or campaign for which a campaign badge has been authorized, and who meet the requirements of service or disability, or both, as provided in this section. This section shall apply to all public employment examinations, except promotional examinations, conducted on or after such date, and it shall be in all respects self-executing.

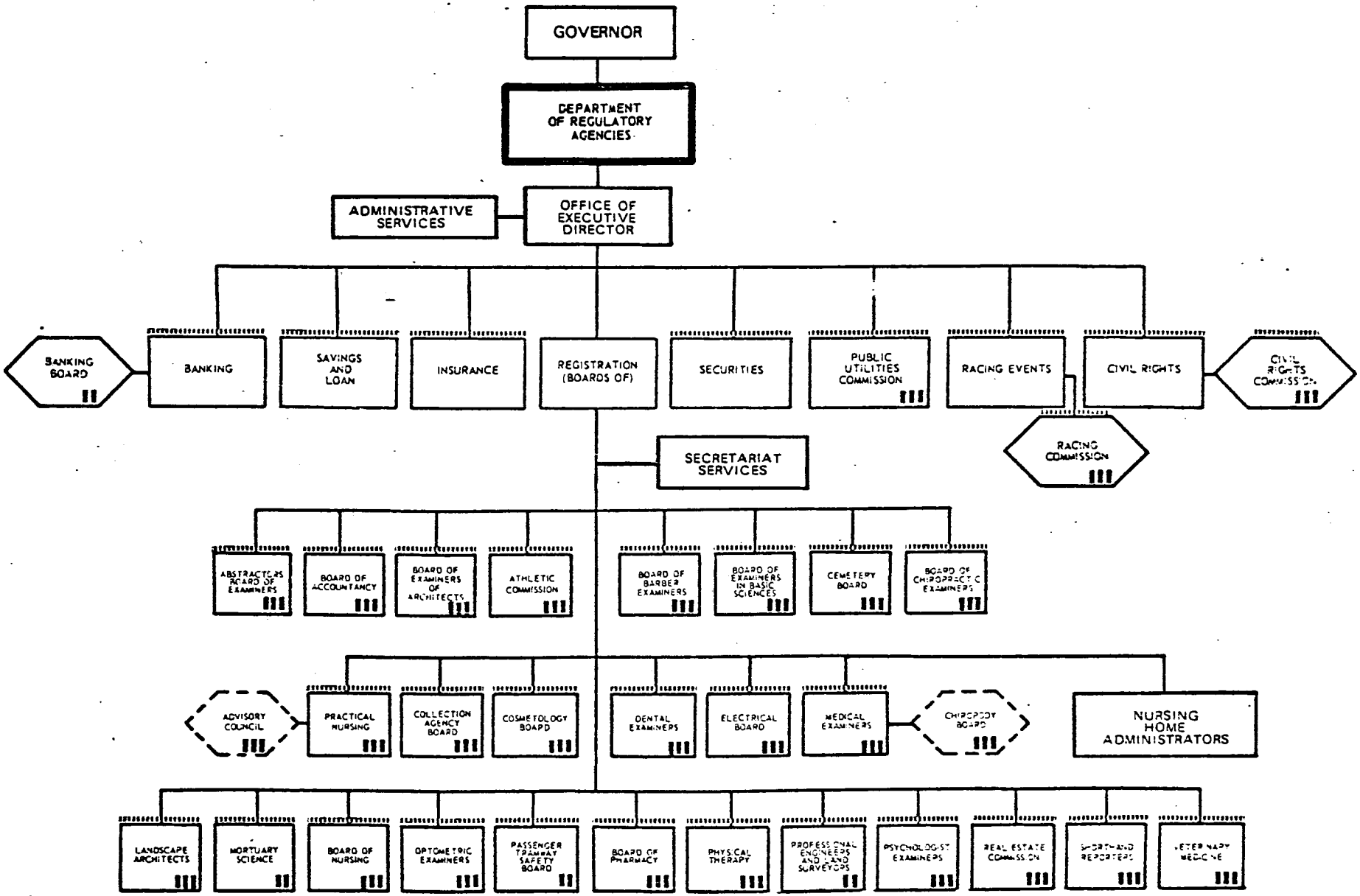
Section 2. Each elector voting at said election and desirous of voting for or against said Amendment shall cast his vote as provided by law either "Yes" or "No" on the proposition: "An amendment to article XII of the constitution of the state of Colorado, creating the Colorado state personnel system, providing therein for the application of the merit system of employment and retention of employees of the state of Colorado, and the granting of preference in employment to veterans."

Section 3. The votes cast for the adoption or rejection of said amendment shall be canvassed and the result determined in the manner provided by law for the canvassing of votes for representatives in congress, and if a

majority of the electors voting on the question shall have voted "Yes", the said amendment shall become a part of the state constitution.

John D. Vanderhoof SPEAKER OF THE HOUSE OF REPRESENTATIVES	Mark A. Hogan PRESIDENT OF THE SENATE
Lorraine Lombardi CHIEF CLERK OF THE HOUSE OF REPRESENTATIVES	Comfort W. Shaw SECRETARY OF THE SENATE

DEPARTMENT OF REGULATORY AGENCIES
PRESENT ORGANIZATION
1969



DIVISION OR SECTION OVER WHICH THE DEPARTMENT OR DIVISION HAS LIMITED COORDINATION, BUDGET AND PLANNING RELATIONSHIP OR LESS THAN COMPLETE AUTHORITY OVER POLICY AND ADMINISTRATION.

III . WHOLLY APPOINTED BY THE GOVERNOR.

II PARTIALLY APPOINTED BY THE GOVERNOR.

*** Chart revised to show certain internal organization, and the Board of Examiners of Nursing Home Administrators established by Chapter 238, S.L.C., 1969.**