

## CHAPTER 153

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**GOVERNMENT - STATE**

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**HOUSE BILL 16-1408**

BY REPRESENTATIVE(S) Rankin, Hamner, Young, Becker K., Court, Fields, Kraft-Tharp, Lontine, Pettersen, Primavera, Rosenthal, Vigil, Williams, Arndt, Ryden, Singer, Hullinghorst;  
also SENATOR(S) Steadman, Grantham, Lambert, Aguilar, Heath, Jones, Kefalas, Kerr, Merrifield, Newell, Todd.

**AN ACT**

**CONCERNING THE ALLOCATION OF CASH FUND REVENUES TO HEALTH-RELATED PROGRAMS, AND, IN CONNECTION THEREWITH, MODIFYING AND STREAMLINING THE ALLOCATION OF TOBACCO LITIGATION SETTLEMENT MONEYS BY REPLACING THE CURRENT TWO-TIER ALLOCATION SYSTEM THAT INCLUDES BOTH PERCENTAGE-BASED AND FIXED AMOUNT ALLOCATIONS OF SETTLEMENT MONEYS WITH A SINGLE SET OF EXCLUSIVELY PERCENTAGE-BASED ALLOCATIONS AND REPLACING SETTLEMENT MONEYS FUNDING FOR SPECIFIED PROGRAMS WITH MARIJUANA TAX CASH FUND FUNDING; ALLOCATING ADDITIONAL SETTLEMENT MONEYS TO THE UNIVERSITY OF COLORADO HEALTH SCIENCES CENTER FOR CANCER RESEARCH ONLY; TRANSFERRING A SPECIFIED AMOUNT FROM THE CHILDREN'S BASIC HEALTH PLAN TRUST TO A NEWLY CREATED PRIMARY CARE PROVIDER SUSTAINABILITY FUND ON JULY 1, 2016; AND MAKING AND REDUCING APPROPRIATIONS.**

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

**SECTION 1.** In Colorado Revised Statutes, 24-75-1104.5, **amend** (1.3), (2), and (3); and **add** (1.7) as follows:

**24-75-1104.5. Use of settlement moneys - programs - repeal.** (1.3) (a) For the 2012-13 fiscal year, and for each fiscal year thereafter THROUGH THE 2015-16 FISCAL YEAR, the lesser of all settlement moneys received or the following amounts of settlement moneys shall be allocated in each fiscal year in which the state receives the moneys in the percentages or amounts specified and for the programs, services, and funds specified in subsections (1) and (1.5) of this section, AS SAID SUBSECTIONS EXISTED BEFORE JULY 1, 2016:

(1) For the 2012-13 fiscal year, eighty million four hundred thousand dollars less the amount of unexpended and unencumbered moneys remaining in the tobacco litigation settlement cash fund, created in section 24-22-115 (1) (a), at the end of the 2011-12 fiscal year;

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

(II) For the 2013-14, 2014-15, ~~and 2016-17~~ AND 2015-16 fiscal years, ~~and for the 2018-19 fiscal year and for each fiscal year thereafter,~~ the amount allocated pursuant to this subsection (1.3) for the prior fiscal year less the amount of any disputed payments in the tobacco litigation settlement cash fund that were credited to the fund pursuant to subparagraph (I) of paragraph (a) of subsection (5) of this section and less the amount of unexpended and unencumbered moneys remaining in the tobacco litigation settlement cash fund at the end of the prior fiscal year. ~~and~~

(III) ~~For the 2017-18 fiscal year, the amount allocated pursuant to this subsection (1.3) for the 2016-17 fiscal year less fifteen million dollars, less the amount of any disputed payments in the tobacco litigation settlement cash fund that were credited to the fund pursuant to subparagraph (I) of paragraph (a) of subsection (5) of this section, and less the amount of unexpended and unencumbered moneys remaining in the tobacco litigation settlement cash fund at the end of the 2016-17 fiscal year.~~

(a.5) FOR THE 2016-17 FISCAL YEAR, AND FOR EACH FISCAL YEAR THEREAFTER, THE LESSER OF ALL SETTLEMENT MONEYS RECEIVED OR THE FOLLOWING AMOUNTS OF SETTLEMENT MONEYS SHALL BE ALLOCATED IN EACH FISCAL YEAR IN WHICH THE STATE RECEIVES THE MONEYS IN THE PERCENTAGES SPECIFIED AND FOR THE PROGRAMS, SERVICES, AND FUNDS SPECIFIED IN SUBSECTION (1.7) OF THIS SECTION:

(I) FOR THE 2016-17 FISCAL YEAR, AND FOR THE 2018-19 FISCAL YEAR AND FOR EACH FISCAL YEAR THEREAFTER, THE AMOUNT ALLOCATED PURSUANT TO THIS SUBSECTION (1.3) FOR THE PRIOR FISCAL YEAR LESS THE AMOUNT OF ANY DISPUTED PAYMENTS IN THE TOBACCO LITIGATION SETTLEMENT CASH FUND THAT WERE CREDITED TO THE FUND PURSUANT TO SUBPARAGRAPH (I) OF PARAGRAPH (a) OF SUBSECTION (5) OF THIS SECTION AND LESS THE AMOUNT OF UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE TOBACCO LITIGATION SETTLEMENT CASH FUND AT THE END OF THE PRIOR FISCAL YEAR; AND

(II) FOR THE 2017-18 FISCAL YEAR, THE AMOUNT ALLOCATED PURSUANT TO SUBPARAGRAPH (I) OF THIS PARAGRAPH (a.5) FOR THE 2016-17 FISCAL YEAR LESS FIFTEEN MILLION DOLLARS, LESS THE AMOUNT OF ANY DISPUTED PAYMENTS IN THE TOBACCO LITIGATION SETTLEMENT CASH FUND THAT WERE CREDITED TO THE FUND PURSUANT TO SUBPARAGRAPH (I) OF PARAGRAPH (a) OF SUBSECTION (5) OF THIS SECTION, AND LESS THE AMOUNT OF UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE TOBACCO LITIGATION SETTLEMENT CASH FUND AT THE END OF THE 2016-17 FISCAL YEAR.

(b) (I) For ~~the 2012-13~~ THE 2016-17 fiscal year, and for each fiscal year thereafter, in addition to the amounts allocated pursuant to ~~paragraph (a)~~ PARAGRAPH (a.5) of this subsection (1.3), the amount of unexpended and unencumbered moneys remaining in the tobacco litigation settlement cash fund, created in section 24-22-115 (1) (a), at the end of the prior fiscal year shall be allocated to the programs that receive settlement moneys pursuant to ~~subsections (1) and (1.5)~~ SUBSECTION (1.7) of this section in proportion to their shares of the settlement moneys.

(II) For ~~the 2013-14~~ THE 2016-17 fiscal year, and for each fiscal year thereafter, in addition to the amounts allocated pursuant to ~~paragraph (a)~~ PARAGRAPH (a.5) of

this subsection (1.3), disputed payments received are allocated in the year received up to the amounts necessary to meet the requirements of ~~subsections (1) and (1.5)~~ SUBSECTION (1.7) of this section in the percentages ~~and amounts~~ specified and for the programs, services, and funds specified in ~~said subsections (1) and (1.5)~~ SAID SUBSECTION (1.7).

(c) Notwithstanding the provisions of section 24-1-136, no later than October 1, 2013, and no later than October 1 of each year thereafter, the state treasurer shall submit a written report to the joint budget committee that sets forth the total amount allocated pursuant to this subsection (1.3) during the prior fiscal year and the total amount anticipated to be allocated pursuant to this subsection (1.3) during the current fiscal year.

(1.7) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTIONS (1.3) AND (5) OF THIS SECTION, AND EXCEPT THAT DISPUTED PAYMENTS RECEIVED BY THE STATE IN THE 2015-16 FISCAL YEAR OR IN ANY YEAR THEREAFTER ARE EXCLUDED FROM THE CALCULATION OF ALLOCATIONS UNDER THIS SUBSECTION (1.7), FOR THE 2016-17 FISCAL YEAR AND FOR EACH FISCAL YEAR THEREAFTER, THE FOLLOWING PROGRAMS, SERVICES, AND FUNDS SHALL RECEIVE THE FOLLOWING SPECIFIED PERCENTAGES OF THE TOTAL AMOUNT OF SETTLEMENT MONEYS RECEIVED BY THE STATE IN THE PRECEDING FISCAL YEAR:

(a) THE COLORADO NURSE HOME VISITOR PROGRAM CREATED IN ARTICLE 6.4 OF TITLE 26, C.R.S., SHALL RECEIVE TWENTY-SIX AND SEVEN-TENTHS PERCENT OF THE SETTLEMENT MONEYS;

(b) THE CHILDREN'S BASIC HEALTH PLAN TRUST CREATED IN SECTION 25.5-8-105, C.R.S., SHALL RECEIVE EIGHTEEN PERCENT OF THE SETTLEMENT MONEYS;

(c) THE UNIVERSITY OF COLORADO HEALTH SCIENCES CENTER SHALL RECEIVE A BASE AMOUNT OF FIFTEEN AND ONE-HALF PERCENT OF THE SETTLEMENT MONEYS AND AN ADDITIONAL AMOUNT OF TWO PERCENT OF THE SETTLEMENT MONEYS, AND THE STATE TREASURER SHALL CREDIT BOTH AMOUNTS TO THE TOBACCO LITIGATION SETTLEMENT MONEYS HEALTH EDUCATION FUND, WHICH IS HEREBY CREATED IN THE STATE TREASURY. THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE FUND TO THE FUND. ANY UNEXPENDED AND UNENCUMBERED MONEY IN THE FUND AT THE END OF ANY FISCAL YEAR REMAINS IN THE FUND AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANY OTHER FUND. ALL MONEY IN THE FUND IS SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY TO THE HEALTH SCIENCES CENTER, BUT THE HEALTH SCIENCES CENTER SHALL USE THE ADDITIONAL AMOUNT OF SETTLEMENT MONEYS CREDITED TO THE FUND ONLY FOR TOBACCO-RELATED IN-STATE CANCER RESEARCH AS AUTHORIZED IN SECTION 24-75-1103 (7).

(d) THE FITZSIMONS TRUST FUND CREATED IN SECTION 23-20-136 (3), C.R.S., SHALL RECEIVE EIGHT PERCENT OF THE SETTLEMENT MONEYS. SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, THE SETTLEMENT MONEYS SHALL BE USED AS SPECIFIED IN SECTION 23-20-136 (5), C.R.S.

(e) THE TONY GRAMPAS YOUTH SERVICES PROGRAM CREATED IN ARTICLE 6.8 OF TITLE 26, C.R.S., SHALL RECEIVE SEVEN AND ONE-HALF PERCENT OF THE TOTAL

AMOUNT OF SETTLEMENT MONEYS, WHICH THE STATE TREASURER SHALL TRANSFER TO THE YOUTH SERVICES PROGRAM FUND CREATED IN SECTION 26-6.8-102 (2) (d), C.R.S.;

(f) THE DRUG ASSISTANCE PROGRAM CREATED IN SECTION 25-4-1411, C.R.S., SHALL RECEIVE FIVE PERCENT OF THE SETTLEMENT MONEYS;

(g) THE AIDS AND HIV PREVENTION FUND CREATED IN SECTION 25-4-1415, C.R.S., SHALL RECEIVE THREE AND ONE-HALF PERCENT OF THE SETTLEMENT MONEYS;

(h) THE SUPPLEMENTAL TOBACCO LITIGATION SETTLEMENT MONEYS ACCOUNT OF THE COLORADO IMMUNIZATION FUND CREATED IN SECTION 25-4-2301, C.R.S., SHALL RECEIVE TWO AND ONE-HALF PERCENT OF THE SETTLEMENT MONEYS;

(i) THE TOBACCO SETTLEMENT DEFENSE ACCOUNT OF THE TOBACCO LITIGATION SETTLEMENT CASH FUND CREATED IN SECTION 24-22-115 (2) (a) SHALL RECEIVE TWO AND ONE-HALF PERCENT OF THE SETTLEMENT MONEYS;

(j) THE SUPPLEMENTAL STATE CONTRIBUTION FUND CREATED IN SECTION 24-50-609 (5) SHALL RECEIVE TWO AND THREE-TENTHS PERCENT OF THE SETTLEMENT MONEYS, WHICH, SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, SHALL BE USED TO PAY THE COSTS OF INCREASED NONSUPPLEMENTAL STATE CONTRIBUTIONS AND TO PROVIDE SUPPLEMENTS TO THE STATE CONTRIBUTION FOR STATE EMPLOYEE GROUP BENEFIT PLANS FOR EACH ELIGIBLE STATE EMPLOYEE AS REQUIRED BY SECTION 24-50-609.5;

(k) THE COLORADO AUTISM TREATMENT FUND CREATED PURSUANT TO SECTION 25.5-6-805, C.R.S., SHALL RECEIVE TWO PERCENT OF THE SETTLEMENT MONEYS TO PAY A PORTION OF THE STATE'S SHARE OF THE ANNUAL FUNDING REQUIRED BY THE "HOME- AND COMMUNITY-BASED SERVICES FOR CHILDREN WITH AUTISM ACT", PART 8 OF ARTICLE 6 OF TITLE 25.5, C.R.S.;

(l) THE COLORADO STATE VETERANS TRUST FUND CREATED IN SECTION 28-5-709, C.R.S., SHALL RECEIVE ONE PERCENT OF THE SETTLEMENT MONEYS;

(m) THE STATE DENTAL LOAN REPAYMENT PROGRAM CREATED IN ARTICLE 23 OF TITLE 25, C.R.S., SHALL RECEIVE ONE PERCENT OF THE SETTLEMENT MONEYS; AND

(n) THE COLORADO HEALTH SERVICE CORPS FUND CREATED IN SECTION 25-1.5-506, C.R.S., SHALL RECEIVE ONE PERCENT OF THE SETTLEMENT MONEYS.

(2) The general assembly shall appropriate or the state treasurer shall transfer, as provided by law, the amounts specified in ~~subsections (1) and (1.5)~~ SUBSECTION (1.7) of this section from moneys credited to the tobacco litigation settlement cash fund created in section 24-22-115. ~~Except for moneys credited to the health care supplemental appropriations and overexpenditures account of the cash fund pursuant to section 24-22-115 (4) (a),~~ All settlement moneys other than settlement moneys received and allocated by the state during the same fiscal year pursuant to ~~subsections (1) and (1.5)~~ SUBSECTION (1.7) of this section shall be credited to the specified funds or accounts on July 1 of the fiscal year for which they are

transferred, and all settlement moneys received and allocated by the state during the same fiscal year pursuant to said ~~subsections (1) and (1.5)~~ SUBSECTION (1.7) shall be credited to the specified funds or accounts upon receipt by the state.

(3) Notwithstanding the provisions of ~~subsections (1) and (1.5)~~ SUBSECTION (1.7) of this section, for purposes of sections ~~22-7-1210 (3)~~, 23-20-136 (3.5) (a), 25-4-1411 (6) (a), 25-4-1415 (2), 25-23-104 (2), 25.5-6-805 (2), 25.5-8-105 (3), 26-6.4-107 (2) (d) (I), 26-6.8-102 (2) (d), 27-67-106 (2) (b), and 28-5-709 (2) (a), C.R.S., settlement moneys received and allocated by the state pursuant to said ~~subsections (1) and (1.5)~~ SUBSECTION (1.7) during the same fiscal year ~~shall be~~ ARE deemed to be moneys received for or during the preceding fiscal year.

**SECTION 2.** In Colorado Revised Statutes, 2-3-113, **amend** (2) as follows:

**2-3-113. Programs that receive tobacco settlement moneys - program review.**

(2) Beginning January 1, 2002, it is the duty of the state auditor to conduct or cause to be conducted program reviews and evaluations of the performance of each tobacco settlement program to determine whether the program is effectively and efficiently meeting its stated goals. ~~The entity conducting the reviews, in measuring the effectiveness of a program, shall apply, at a minimum, the evaluative research data received pursuant to the tobacco-related and tobacco-focused research grant program created pursuant to part 2 of article 20 of title 23, C.R.S.~~ The program reviews and evaluations shall subject all tobacco settlement programs to audit, whether operated directly by a state agency or by a private entity or by a local government agency.

**SECTION 3.** In Colorado Revised Statutes, 23-18-304, **add** (1) (c) as follows:

**23-18-304. Funding for specialty education programs - area vocational schools - local district junior colleges.** (1) (c) SPECIALTY EDUCATION SERVICES PROVIDED BY THE HEALTH SCIENCES CENTER CAMPUS AT THE UNIVERSITY OF COLORADO AS AUTHORIZED BY PARAGRAPH (a) OF THIS SUBSECTION (1) INCLUDES CARE PROVIDED BY THE FACULTY OF THE HEALTH SCIENCES CENTER CAMPUS AT THE UNIVERSITY OF COLORADO THAT ARE ELIGIBLE FOR PAYMENT PURSUANT TO SECTION 25.5-4-401, C.R.S.

**SECTION 4.** In Colorado Revised Statutes, 23-20-136, **amend** (3.5) (a) as follows:

**23-20-136. Fitzsimons trust fund - creation - legislative declaration - repeal.**

(3.5) (a) For ~~the 2006-07~~ THE 2016-17 fiscal year and for each fiscal year thereafter in which the state receives moneys pursuant to the master settlement agreement, and in which money is due to a lessor under a lease-purchase agreement authorized pursuant to section 3 of House Bill 03-1256, as enacted ~~at the first regular session of the sixty-fourth general assembly,~~ IN 2003, the state treasurer shall transfer to the capital construction fund and the state controller shall transfer from the capital construction fund to the Fitzsimons trust fund, ~~the lesser of the amount due to any lessor during the fiscal year or,~~ except as otherwise provided in section 24-75-1104.5 (5), C.R.S., eight percent of the total amount received by the state pursuant to the master settlement agreement, other than attorney fees and costs, during the preceding fiscal year. ~~except that the amount transferred pursuant to this~~

subsection (3.5) in any fiscal year shall not exceed eight million dollars.

**SECTION 5.** In Colorado Revised Statutes, 24-22-115, **amend** (1) and (2) (a) as follows:

**24-22-115. Tobacco litigation settlement cash fund - health care supplemental appropriations and overexpenditures account - creation.**

(1) (a) There is hereby created in the state treasury the tobacco litigation settlement cash fund. The cash fund ~~shall consist~~ CONSISTS of all moneys transmitted to the state treasurer in accordance with the terms of the master settlement agreement, the smokeless tobacco master settlement agreement, and the consent decree approved and entered by the court in the case denominated *State of Colorado, ex rel. Gale A. Norton, Attorney General v. R.J. Reynolds Tobacco Co.; American Tobacco Co., Inc.; Brown & Williamson Tobacco Corp.; Liggett & Myers, Inc.; Lorillard Tobacco Co., Inc.; Philip Morris, Inc.; United States Tobacco Co.; B.A.T. Industries, P.L.C.; The Council For Tobacco Research--U.S.A., Inc.; and Tobacco Institute, Inc.*, Case No. 97 CV 3432, in the district court for the city and county of Denver. ~~other than moneys credited to the tobacco litigation settlement trust fund pursuant to section 24-22-115.5.~~ Except as provided in subsection (2) of this section, all interest derived from the deposit and investment of moneys in the cash fund shall be credited to the cash fund; except that, beginning with the fiscal year 2001-02, and each fiscal year thereafter, all interest derived from the deposit and investment of moneys in the cash fund shall be credited to the breast and cervical cancer prevention and treatment fund created pursuant to section 25.5-5-308, C.R.S. Except as provided in subsection (2) of this section, all moneys in the cash fund shall be subject to appropriation by the general assembly for such purposes as may be authorized by law in accordance with the terms of the settlement agreements and the consent decree. ~~Except as provided in subsection (2) of this section, at the end of the 2004-05 and 2005-06 fiscal years, but prior to the making of any transfer of moneys from the cash fund to the general fund at the end of the fiscal year as required by this paragraph (a), an amount needed, up to one million dollars, to pay the state's share of the annual funding required by the "Home- and Community-based Services for Children with Autism Act", part 8 of article 6 of title 25.5, C.R.S., shall be transferred from the cash fund to the Colorado autism treatment fund created pursuant to section 25.5-6-805, C.R.S. Except as provided in subsection (2) of this section, at the end of any fiscal year commencing on or after July 1, 2004, but before July 1, 2006, all unexpended and unencumbered moneys in the cash fund, all moneys in the cash fund not appropriated for the following fiscal year, and all moneys in the cash fund not required for transfers pursuant to section 24-75-1104.5 (1) in the following fiscal year shall be transferred to the general fund.~~

(b) ~~Except as provided in subsection (2) of this section, for the 2006-07 fiscal year and the 2007-08 fiscal year, an amount needed, up to one million dollars, to pay the state's share of the annual funding required by the "Home- and Community-based Services for Children with Autism Act", part 8 of article 6 of title 25.5, C.R.S., shall be transferred from the tobacco litigation settlement cash fund to the Colorado autism treatment fund created pursuant to section 25.5-6-805, C.R.S. The amount to be transferred shall be taken into account when determining the amount of cash fund moneys available for allocation to tobacco settlement programs pursuant to section 24-75-1104.5 (1.5) and shall be transferred at the end~~

~~of the 2006-07 fiscal year and at the end of the 2007-08 fiscal year.~~ On and after July 1, 2011, all unexpended and unencumbered moneys in the cash fund shall remain in the fund until expended in order to reduce the share of allocations made from current-year receipts of settlement moneys as required by section 24-75-1104.5 (1.3).

(2) (a) There is hereby created in the state treasury, as an account within the tobacco litigation settlement cash fund established pursuant to subsection (1) of this section, the tobacco settlement defense account, which shall be used by the department of law: To defend the state in lawsuits arising out of challenges to or arising under the provisions of the master settlement agreement, the smokeless tobacco master settlement agreement, and the consent decree approved and entered by the court in the case denominated *State of Colorado, ex rel. Gale A. Norton, Attorney General v. R.J. Reynolds Tobacco Co.; American Tobacco Co., Inc.; Brown & Williamson Tobacco Corp.; Liggett & Myers, Inc.; Lorillard Tobacco Co., Inc.; Philip Morris, Inc.; United States Tobacco Co.; B.A.T. Industries, P.L.C.; The Council For Tobacco Research--U.S.A., Inc.; and Tobacco Institute, Inc.*, Case No. 97 CV 3432, in the district court for the city and county of Denver, or duly enacted Colorado laws related to the tobacco litigation settlement, including, but without limitation, this section, ~~sections 24-22-115.5 and~~ SECTION 24-22-116, and parts 2 and 3 of article 28 of title 39, C.R.S.; to defend the state against claims of entitlement to tobacco litigation settlement moneys by any person, as defined in section 2-4-401 (8), C.R.S.; to enforce and defend all rights and obligations of the state under said settlement agreements, decree, or laws; and to resolve any dispute with any participating manufacturer, as defined in section 39-28-302 (6), C.R.S., or nonparticipating manufacturer, as defined in section 39-28-302 (5), C.R.S., that arises under the provisions of said settlement agreements, decree, or laws. The tobacco settlement defense account may also be used by the department of revenue to help administer, coordinate, and support the activities of the department of revenue and the department of law, including the investigation of and response to settlement agreement manufacture and distribution reporting irregularities identified by the department of law. Notwithstanding the provisions of subsection (1) of this section, ~~and section 24-22-115.5~~, the tobacco settlement defense account consists of all tobacco litigation settlement moneys received by the attorney general and transmitted to the state treasurer to compensate the state for attorney fees, court costs, or other expenses incurred by the state in obtaining the tobacco litigation settlement, all tobacco litigation settlement moneys transferred to the account as required by ~~section 24-75-1104.5(1)(a) and (1)(n)~~, SECTION 24-75-1104.5 (1.7) (i), and all interest derived from the deposit and investment of moneys in the tobacco settlement defense account. Any moneys received by the state treasurer to compensate the state for attorney fees, court costs, or other expenses, including all interest derived from the deposit and investment of such moneys after receipt by the state treasurer, shall be transferred to the tobacco settlement defense account for use in accordance with the provisions of this subsection (2).

**SECTION 6.** In Colorado Revised Statutes, 24-22-115.6, **amend** (1) as follows:

**24-22-115.6. Miscellaneous tobacco litigation settlement moneys.**

(1) Notwithstanding the provisions of ~~sections 24-22-115 and 24-22-115.5~~ SECTION 24-22-115, any tobacco litigation settlement moneys received by the state ~~shall be~~ ARE subject to appropriation by the general assembly if the purpose for which ~~such~~

THE moneys may be expended is not specified or approved by a court or other non-Colorado authority.

**SECTION 7.** In Colorado Revised Statutes, 24-22-116, **amend** (1) (i), (2) (a) (I), and (2) (b) as follows:

**24-22-116. Legislative declaration - exclusion of tobacco litigation settlement moneys from fiscal year spending.** (1) The general assembly hereby finds and declares that:

(i) All of the moneys received by the state in accordance with the terms of the master settlement agreement, the smokeless tobacco master settlement agreement, and the consent decree entered by the court in the case denominated *State of Colorado, ex rel. Gale A. Norton, Attorney General v. R.J. Reynolds Tobacco Co.; American Tobacco Co., Inc.; Brown & Williamson Tobacco Corp.; Liggett & Myers, Inc.; Lorillard Tobacco Co., Inc.; Philip Morris, Inc.; United States Tobacco Co.; B.A.T. Industries, P.L.C.; The Council For Tobacco Research--U.S.A., Inc.; and Tobacco Institute, Inc.*, Case No. 97 CV 3432, in the district court for the city and county of Denver, and credited to the tobacco litigation settlement cash fund created in section 24-22-115 (1), including moneys transferred to the tobacco settlement defense account created in said cash fund pursuant to section 24-22-115 (2), ~~or the tobacco litigation settlement trust fund created in section 24-22-115.5~~ are in settlement of the state of Colorado's antitrust, consumer protection, public nuisance, racketeering, and other statutory claims for relief against defendants in said action;

(2) (a) (I) For purposes of section 20 of article X of the state constitution and article 77 of this title, any moneys credited to the tobacco litigation settlement cash fund in accordance with section 24-22-115 (1), including moneys transferred to the tobacco settlement defense account created in said cash fund pursuant to section 24-22-115 (2), ~~or the tobacco litigation settlement trust fund in accordance with section 24-22-115.5~~ are damage awards, as defined in section 24-77-102 (2), or interest accruing on such damage awards. Any moneys credited to or expended from the tobacco litigation settlement cash fund, including the tobacco settlement defense account, ~~or the tobacco litigation settlement trust fund,~~ are not included in state fiscal year spending, as defined in section 24-77-102 (17), for any state fiscal year.

(b) For purposes of section 20 of article X of the state constitution and article 77 of this title, any moneys expended from the tobacco litigation settlement cash fund created in section 24-22-115 (1), including the tobacco settlement defense account created in said cash fund pursuant to section 24-22-115 (2), ~~or the tobacco litigation settlement trust fund created in section 24-22-115.5~~ and received by any local government are damage awards or interest accruing on such damage awards and are not included in the fiscal year spending of the receiving local government for any budget year.

**SECTION 8.** In Colorado Revised Statutes, 24-31-108, **amend** (4) (b) introductory portion and (4) (b) (I); and **repeal** (4) (b) (II) as follows:

**24-31-108. Receipt of moneys - subject to appropriation - exception for custodial moneys - legal services cash fund - creation - definition.**



(4) (b) Notwithstanding the provisions of paragraph (a) of this subsection (4), custodial moneys ~~shall~~ DO not include the following:

(I) Moneys in the tobacco litigation settlement cash fund created in section 24-22-115; OR

(II) ~~Moneys in the tobacco litigation settlement trust fund created in section 24-22-115.5; and~~

**SECTION 9.** In Colorado Revised Statutes, 24-50-609, **amend** (5) as follows:

**24-50-609. State contributions - supplemental state contribution fund - creation.** (5) The supplemental state contribution fund is hereby created in the state treasury. The principal of the fund ~~shall consist~~ CONSISTS of tobacco litigation settlement moneys transferred by the state treasurer to the fund pursuant to ~~section 24-75-1104.5 (1.5) (a) (VI)~~ SECTION 24-75-1104.5 (1.7) (j). The principal of the fund is ~~hereby~~ continuously appropriated to the department of personnel and shall be expended in its entirety in each fiscal year by the department to pay the costs of increased nonsupplemental state contributions, as defined in section 24-50-609.5 (3) (c) (II), and supplement the state contribution, as defined in section 24-50-609.5 (2) (d), for each eligible state employee, as defined in section 24-50-609.5 (2) (a), enrolled in a qualifying group benefit plan, as defined in section 24-50-609.5 (2) (c), as required by section 24-50-609.5; except that the department shall expend no more than the amount needed to pay the costs of increased nonsupplemental state contributions and reduce the employee contribution, as defined in section 24-50-609.5 (2) (b), of each eligible state employee for all qualifying group benefit plans to zero. The principal of the fund ~~shall remain~~ REMAINS in the fund until expended and shall not be transferred to the general fund or any other fund. Interest and income earned on the deposit and investment of moneys in the fund shall be credited to the fund, shall not be transferred to the general fund or to any other fund, and shall be used by the department, subject to annual appropriation, solely to pay the costs of the department related to the supplementation of the state contribution for each eligible state employee required by section 24-50-609.5.

**SECTION 10.** In Colorado Revised Statutes, 24-75-111, **amend** (1) (b) as follows:

**24-75-111. Additional authority for controller to allow expenditures in excess of appropriations - limitations - appropriations for subsequent fiscal year restricted.** (1) For fiscal years commencing on or after July 1, 1997, in addition to any overexpenditure allowed pursuant to section 24-75-109, the controller may allow any department, institution, or agency of the state, including any institution of higher education, to make an expenditure in excess of the amount authorized by an item of appropriation for such fiscal year if:

(b) ~~(f)~~ The overexpenditure is necessary due to unforeseen circumstances arising while the general assembly is not meeting in regular or special session during which such overexpenditure can be legislatively addressed; ~~or~~ AND

~~(H) The overexpenditure is made from the health care supplemental appropriations and overexpenditures account as authorized in section 24-22-115 (4);~~

and

**SECTION 11.** In Colorado Revised Statutes, 24-75-201.5, **amend** (1) (a) as follows:

**24-75-201.5. Revenue shortfalls - required actions by the governor with respect to the reserve.** (1) (a) ~~Except as provided in paragraphs (c) and (d) of this subsection (1);~~ Whenever the revenue estimate for the current fiscal year, prepared in accordance with section 24-75-201.3 (2), indicates that general fund expenditures for such fiscal year based on appropriations then in effect will result in the use of one-half or more of the reserve required by section 24-75-201.1 (1) (d), the governor shall formulate a plan for reducing such general fund expenditures so that said reserve, as of the close of the fiscal year, will be at least one-half of the amount required by said section 24-75-201.1 (1) (d). The governor shall promptly notify the general assembly of ~~such~~ THE plan. ~~Such~~ THE plan shall be promptly implemented by the governor, using the procedures set forth in section 24-2-102 (4) or 24-50-109.5 or any other lawful means.

**SECTION 12.** In Colorado Revised Statutes, 25-1-512, **amend** (2) as follows:

**25-1-512. Allocation of moneys - public health services support fund - created - repeal.** (2) (a) The public health services support fund is hereby created in the state treasury and shall be known in this section as the "fund". The principal of the fund consists of tobacco litigation settlement moneys transferred by the state treasurer to the fund pursuant to section 24-75-1104.5 (1.5) (a) (IV), C.R.S., and shall, subject to annual appropriation by the general assembly to the state department, be allocated by the state department to all agencies authorized pursuant to this part 5 as specified in subsection (1) of this section. ~~The lesser of All unexpended and unencumbered moneys in the fund at the end of any THE 2015-16 fiscal year or an amount of such moneys equal to five percent of the amount appropriated from the fund for the fiscal year remain in the fund and shall not be transferred to the general fund or any other fund. Any additional unexpended and unencumbered moneys in the fund at the end of any fiscal year shall be transferred to the tobacco litigation settlement cash fund created in section 24-22-115, C.R.S.~~

(b) THIS SUBSECTION (2) IS REPEALED, EFFECTIVE JULY 1, 2016.

**SECTION 13.** In Colorado Revised Statutes, 25-1.5-506, **amend** (1) (c) as follows:

**25-1.5-506. Colorado health service corps fund - created - acceptance of grants and donations.** (1) The Colorado health service corps fund is hereby created in the state treasury, which fund consists of:

(c) For ~~the 2011-12~~ THE 2016-17 fiscal year and each fiscal year thereafter, ~~two hundred fifty thousand dollars~~ TOBACCO LITIGATION SETTLEMENT MONEYS transferred TO THE FUND BY THE STATE TREASURER pursuant to ~~section 24-75-1104.5 (1.5) (a) (XI)~~ SECTION 24-75-1104.5 (1.7) (n), C.R.S.

**SECTION 14.** In Colorado Revised Statutes, 25-4-1411, **amend** (6) (a) as follows:

**25-4-1411. Drug assistance program - program fund - created - legislative declaration - no entitlement created.** (6) (a) The drug assistance program fund is created in the state treasury. The principal of the fund consists of tobacco litigation settlement moneys transferred by the state treasurer to the fund pursuant to ~~section 24-75-1104.5 (1) (j)~~ SECTION 24-75-1104.5 (1.7) (f), C.R.S. Subject to annual appropriation by the general assembly, the department of public health and environment may expend moneys from the fund for the state program. Any unexpended or unencumbered money remaining in the fund at the end of any fiscal year ~~commencing on or after July 1, 2014,~~ remains in the fund and shall not be credited or transferred to the general fund or any other fund.

**SECTION 15.** In Colorado Revised Statutes, 25-4-1415, **amend** (2) as follows:

**25-4-1415. Cash fund - administration - limitation.** (2) Pursuant to ~~section 24-75-1104.5 (1) (m)~~ SECTION 24-75-1104.5 (1.7) (g), C.R.S., and except as otherwise provided in section 24-75-1104.5 (5), C.R.S., ~~beginning in the 2006-07~~ FOR THE 2016-17 fiscal year and ~~in~~ FOR each fiscal year thereafter so long as the state receives moneys pursuant to the master settlement agreement, the state treasurer shall annually transfer to the fund ~~two~~ THREE AND ONE-HALF percent ~~not to exceed two million dollars in any fiscal year,~~ of the total amount of the moneys received by the state pursuant to the master settlement agreement, not including attorney fees and costs, during the preceding fiscal year. The state treasurer shall transfer the amount specified in this subsection (2) from moneys credited to the tobacco litigation settlement cash fund created in section 24-22-115, C.R.S.

**SECTION 16.** In Colorado Revised Statutes, **amend** 25-4-2301 as follows:

**25-4-2301. Colorado immunization fund - supplemental tobacco litigation settlement moneys account - creation.** There are hereby created in the state treasury the Colorado immunization fund and an account within the fund to be known as the supplemental tobacco litigation settlement moneys account. The principal of the portion of the fund that is not the account consists of general fund appropriations made by the general assembly to the fund and gifts, grants, or awards received by the department of public health and environment from the federal government or private sources for the fund. The principal of the account consists of tobacco litigation settlement moneys transferred by the state treasurer to the account in accordance with ~~section 24-75-1104.5 (1.5) (a) (VII)~~ SECTION 24-75-1104.5 (1.7) (h), C.R.S. All interest and income earned on the deposit and investment of moneys in the portion of the fund that is not the account shall be credited to that portion of the fund. All interest and income earned on the deposit and investment of moneys in the account shall be credited to and remain in the account until transferred as required by this section. Except as otherwise provided in this section, and subject to annual appropriation by the general assembly to the department, the department shall expend the principal of the fund and the account only for the purpose of immunization and immunization strategies; except that, at the end of the 2007-08 fiscal year and at the end of any fiscal year thereafter, any unexpended and unencumbered moneys in the portion of the fund that is not the account shall remain in that portion of the fund and may be used by the department through the state immunization program to support infant, child, and adolescent vaccination. ~~and, at the end of the 2011-12 fiscal year only, any unexpended and unencumbered moneys in the account shall be transferred to the general fund, in accordance with section~~

~~24-75-1104.5 (1.5) (b), C.R.S. The lesser of All unexpended and unencumbered moneys in the account at the end of any fiscal year other than the 2011-12 fiscal year or an amount of such moneys equal to five percent of the amount appropriated from the account for the fiscal year remain in the account and shall not be transferred to the general fund or any other fund. Any additional unexpended and unencumbered moneys in the account at the end of any fiscal year shall be transferred to the tobacco litigation settlement cash fund created in section 24-22-115, C.R.S.~~

**SECTION 17.** In Colorado Revised Statutes, 25-23-104, **amend** (2) as follows:

**25-23-104. Dental loan repayment fund - acceptance of grants and donations.** (2) Pursuant to ~~section 24-75-1104.5 (1) (d) C.R.S., beginning in fiscal year 2006-07~~ SECTION 24-75-1104.5 (1.7) (m), C.R.S., FOR FISCAL YEAR 2016-17 and for each fiscal year thereafter so long as the state receives moneys pursuant to the master settlement agreement, the state treasurer shall transfer to the state dental loan repayment fund ~~two hundred thousand dollars from~~ ONE PERCENT OF the moneys received by the state pursuant to the master settlement agreement for the preceding fiscal year. The state treasurer shall transfer the amount specified in this subsection (2) from moneys credited to the tobacco litigation settlement cash fund created in section 24-22-115, C.R.S. Moneys in the fund ~~shall be~~ ARE subject to annual appropriation by the general assembly for the purposes of this article. The amount appropriated pursuant to this subsection (2) ~~shall be~~ IS in addition to and not in replacement of any general fund moneys appropriated to the state dental loan repayment fund.

**SECTION 18.** In Colorado Revised Statutes, **add** 25.5-5-418 as follows:

**25.5-5-418. Primary care provider sustainability fund - creation - use of fund.** THE PRIMARY CARE PROVIDER SUSTAINABILITY FUND IS HEREBY CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF MONEY TRANSFERRED TO THE FUND FROM THE CHILDREN'S BASIC HEALTH PLAN TRUST CREATED IN SECTION 25.5-8-105 (1) PURSUANT TO SECTION 25.5-8-105 (8) (b) AND ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND. THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE FUND TO THE FUND. ANY UNEXPENDED AND UNENCUMBERED MONEY IN THE FUND AT THE END OF ANY FISCAL YEAR REMAINS IN THE FUND AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANY OTHER FUND. SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, THE STATE DEPARTMENT MAY EXPEND MONEY FROM THE FUND FOR THE PURPOSE OF INCREASING ACCESS TO PRIMARY CARE THROUGH RATE ENHANCEMENTS FOR PRIMARY CARE OFFICE VISITS, PREVENTATIVE MEDICINE VISITS, COUNSELING AND HEALTH RISK ASSESSMENTS, IMMUNIZATION ADMINISTRATION, HEALTH SCREENING SERVICES, AND NEWBORN CARE, INCLUDING NEONATAL CRITICAL CARE. MONEY EXPENDED FROM THE FUND FOR THE PURPOSES OF INCREASING ACCESS TO PRIMARY CARE THROUGH RATE ENHANCEMENTS SUPPLEMENTS AND DOES NOT SUPPLANT GENERAL FUND APPROPRIATIONS FOR THAT PURPOSE.

**SECTION 19.** In Colorado Revised Statutes, **amend** 25.5-6-805 as follows:

**25.5-6-805. Colorado autism treatment fund.** (1) The Colorado autism

treatment fund is hereby created and established in the state treasury for the purpose of paying for services provided to eligible children, ~~and for EARLY AND PERIODIC SCREENING/DIAGNOSIS AND TREATMENT SERVICES REQUIRED BY SECTION 25.5-5-102 (1) (g), AND participant and program evaluations pursuant to this part 8. Such~~ THE fund ~~shall be~~ IS comprised of tobacco settlement moneys allocated to ~~such~~ THE fund. Moneys in the fund ~~shall be~~ ARE subject to annual appropriation by the general assembly for the purposes of this part 8. At the end of any fiscal year, all unexpended and unencumbered moneys in the fund shall remain therein and shall not be credited or transferred to the general fund or any other fund. Any moneys in the fund not expended for the purpose of this part 8 may be invested by the state treasurer as provided by law. All interest and income derived from the investment and deposit of moneys in the fund shall be credited to the fund.

(2) Pursuant to ~~section 24-75-1104.5 (1) (l), C.R.S., beginning in the 2008-09~~ SECTION 24-75-1104.5 (1.7) (k), C.R.S., FOR THE 2016-17 fiscal year and ~~in~~ FOR each fiscal year thereafter so long as the state receives moneys pursuant to the master settlement agreement, the state treasurer shall annually transfer to the fund ~~the amount of moneys to be received by the fund pursuant to section 24-75-1104.5 (1) (l), C.R.S.~~ TWO PERCENT OF THE MONEYS RECEIVED BY THE STATE PURSUANT TO THE MASTER SETTLEMENT AGREEMENT FOR THE PRECEDING FISCAL YEAR. The state treasurer shall transfer the amount specified in this subsection (2) from moneys credited to the tobacco litigation settlement cash fund created in section 24-22-115, C.R.S.

**SECTION 20.** In Colorado Revised Statutes, 25.5-8-105, **amend** (3) (a) and (8) as follows:

**25.5-8-105. Trust - created.** (3) (a) Pursuant to ~~section 24-75-1104.5 (1) (e)~~ SECTION 24-75-1104.5 (1.7) (b), C.R.S., and except as otherwise provided in section 24-75-1104.5 (5), C.R.S., beginning in ~~the 2006-07~~ THE 2016-17 fiscal year and in each fiscal year thereafter so long as the state receives moneys pursuant to the master settlement agreement, the state treasurer shall transfer to the trust ~~twenty-four~~ EIGHTEEN percent of the total amount of the moneys annually received by the state pursuant to the master settlement agreement, not including attorney fees and costs, during the preceding fiscal year. ~~except that the amount so transferred to the trust shall not exceed thirty million dollars in any fiscal year. Except as otherwise provided in sections 24-22-115.5 (2) (a.7) and 24-75-1104.5 (1) (c), C.R.S.,~~ The state treasurer shall transfer the amount specified in this subsection (3) from moneys credited to the tobacco litigation settlement cash fund created in section 24-22-115, C.R.S. The amount transferred pursuant to this subsection (3) ~~shall be~~ IS in addition to and not in replacement of any general fund moneys appropriated to the trust.

(8) (a) Beginning in the 2011-2012 fiscal year and for each fiscal year thereafter, moneys in the trust may be used for costs associated with children enrolled in the medical assistance program, articles 4, 5, and 6 of this title, whose family income is more than one hundred percent but does not exceed one hundred thirty-three percent of the federal poverty line and who would have been eligible for enrollment in the children's basic health plan prior to September 1, 2011.

(b) ON JULY 1, 2016, THE STATE TREASURER SHALL TRANSFER TWENTY MILLION DOLLARS FROM THE CHILDREN'S BASIC HEALTH PLAN TRUST TO THE PRIMARY CARE

PROVIDER SUSTAINABILITY FUND CREATED IN SECTION 25.5-5-418.

**SECTION 21.** In Colorado Revised Statutes, 26-6.4-107, **amend** (2) (b) and (2) (d) (I) as follows:

**26-6.4-107. Selection of entities to administer the program - grants - nurse home visitor program fund - created.** (2) (b) Grants awarded pursuant to paragraph (a) of this subsection (2) are payable from the nurse home visitor program fund, which fund is hereby created in the state treasury. The nurse home visitor program fund, referred to in this section as the "fund", is administered by the state department and consists of moneys transferred thereto by the state treasurer from moneys received pursuant to the master settlement agreement in the amount described in paragraph (d) of this subsection (2). In addition, the state treasurer shall credit to the fund any public or private gifts, grants, or donations received by the state department to implement the program, including any moneys received from the United States federal government for the program. The fund is subject to annual appropriation by the general assembly to the state department for grants to entities for operation of the program. The state department may retain a total of up to five percent of the amount annually appropriated from the fund for the program, in order to compensate the health sciences facility pursuant to section 26-6.4-105 (3), as set forth in the scope of work in the agreement between the state department and the health sciences facility, and to compensate the state department for the actual costs the state department incurs in implementing the provisions of paragraph (a.5) of this subsection (2), as determined by the state department; except that the portion of the costs to compensate the state department for implementing the provisions of paragraph (a.5) of this subsection (2) shall not exceed two percent of the amount annually appropriated from the fund for the program, and the portion of such costs to compensate the health sciences facility under section 26-6.4-105 (3), as set forth in the scope of work in the contract between the state department and the health sciences facility, shall not exceed three percent of the amount annually appropriated from the fund for the program. In addition, if the total amount annually appropriated from the fund for the program exceeds nineteen million dollars, the state department and the health sciences facility shall assess whether a smaller percentage of the appropriated funds exceeding nineteen million dollars is adequate to cover their actual costs and shall jointly submit to the general assembly a report articulating their conclusions on this subject. The actual costs of the state department include state department personnel and operating costs and any necessary transfers to the department of health care policy and financing for administrative costs incurred for the medicaid program associated with the program. The actual costs of the health sciences facility include the facility's own actual program costs and those of its contractors and subcontractors. Any costs for time studies required to obtain medicaid reimbursement for the program may be paid from program funds and are not subject to the five percent limit in this section. Notwithstanding section 24-36-114, C.R.S., all interest derived from the deposit and investment of moneys in the fund shall be credited to the fund. ~~The lesser of All unexpended and unencumbered moneys in the fund at the end of any fiscal year or an amount of such moneys equal to five percent of the amount appropriated from the fund for the fiscal year remain in the fund and shall not be transferred to the general fund or any other fund. Any additional unexpended and unencumbered moneys in the fund at the end of any fiscal year shall be transferred to the tobacco litigation settlement cash fund created in section 24-22-115, C.R.S.~~

(d) (I) Pursuant to ~~section 24-75-1104.5 (1) (a)~~ SECTION 24-75-1104.5 (1.7) (a), C.R.S., and except as otherwise provided in section 24-75-1104.5 (5), C.R.S., ~~beginning with the 2006-07~~ FOR THE 2016-17 fiscal year and for each fiscal year thereafter so long as the state receives moneys pursuant to the master settlement agreement, the state treasurer shall transfer to the fund ~~the amounts specified in subparagraph (H) of this paragraph (d) from~~ TWENTY-SIX AND SEVEN-TENTHS OF the master settlement agreement moneys received by the state, other than attorney fees and costs, during the preceding fiscal year. ~~not to exceed nineteen million dollars in any fiscal year.~~ The transfer shall be from moneys credited to the tobacco litigation settlement cash fund created in section 24-22-115, C.R.S.

**SECTION 22.** In Colorado Revised Statutes, 26-6.8-102, **amend** (2) (d) (I) as follows:

**26-6.8-102. Tony Grampsas youth services program - creation - standards - applications.** (2) (d) (I) The youth services program fund is created in the state treasury. The principal of the fund consists of tobacco litigation settlement moneys transferred by the state treasurer to the fund pursuant to ~~section 24-75-1104.5 (1) (i)~~ SECTION 24-75-1104.5 (1.7) (e), C.R.S. Subject to annual appropriation by the general assembly, the state department may expend moneys from the fund for the Tony Grampsas youth services program, including the compensation of youth members of the Tony Grampsas youth services board, as described in section 26-6.8-103 (1) (e) (II). ~~The lesser of~~ All unexpended and unencumbered moneys in the fund at the end of any fiscal year ~~or an amount of such moneys equal to five percent of the amount appropriated from the fund for the fiscal year~~ remain in the fund and shall not be transferred to the general fund or any other fund. ~~Any additional unexpended and unencumbered moneys in the fund at the end of any fiscal year shall be transferred to the tobacco litigation settlement cash fund created in section 24-22-115, C.R.S.~~

**SECTION 23.** In Colorado Revised Statutes, 27-66-104, **amend** (4) (a) as follows:

**27-66-104. Types of services purchased - limitation on payments - offender mental health services fund.** (4) (a) The offender mental health services fund, referred to in this subsection (4) as the "fund", is hereby created in the state treasury. ~~ON AND AFTER JULY 1, 2016, the principal of the fund consists of tobacco litigation settlement moneys transferred by the state treasurer to the fund in accordance with section 24-75-1104.5 (1.5) (a) (II), C.R.S.,~~ ANY MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE TO THE FUND for the purchase of mental health services for juvenile and adult offenders who have mental health problems and are involved in the criminal justice system. ~~The unit,~~ Subject to annual appropriation by the general assembly, ~~THE UNIT~~ shall distribute the principal of the fund to the community mental health centers. ~~The lesser of all~~ ANY unexpended and unencumbered moneys in the fund at the end of ~~any~~ THE 2015-16 fiscal year ~~or an amount of such moneys equal to five percent of the amount appropriated from the fund for the fiscal year~~ remain in the fund and shall not be transferred to the general fund or any other fund. ~~Any additional unexpended and unencumbered moneys in the fund at the end of any fiscal year shall be transferred to the tobacco litigation settlement cash fund created in section 24-22-115, C.R.S.~~

**SECTION 24.** In Colorado Revised Statutes, 27-67-106, **amend** (2) (a) as follows:

**27-67-106. Funding - rules.** (2) (a) If neither the family's private insurance nor federal medicaid funding cover all of the costs associated with the services provided to a child at risk of out-of-home placement pursuant to this article, then the family ~~shall be~~ is responsible for paying that portion that is not covered by private insurance or federal medicaid funding on a sliding scale basis as set forth in subsection (3) of this section. Any remaining portion of the services not covered by private insurance, federal medicaid funding, or the family's share, shall be paid for from ANY moneys appropriated BY THE GENERAL ASSEMBLY for ~~such THAT~~ purpose. ~~pursuant to paragraph (b) of this subsection (2) or from general fund moneys, subject to available appropriations.~~

**SECTION 25.** In Colorado Revised Statutes, 28-5-709, **amend** (1) (a) and (2) (a) as follows:

**28-5-709. Colorado state veterans trust fund - created - report.** (1) (a) There is hereby created in the state treasury the Colorado state veterans trust fund, ~~that shall consist~~ WHICH CONSISTS of the moneys transferred thereto pursuant to subsection (2) of this section. In addition, the state treasurer may credit to the trust fund any public or private gifts, grants, or donations received prior to July 1, 2002, by the department of human services or, on or after July 1, 2002, by the department of military and veterans affairs for implementation of the purposes specified in this subsection (1).

(2) (a) Pursuant to ~~section 24-75-1104.5 (1) (g)~~ SECTION 24-75-1104.5 (1.7) (l), C.R.S., and except as otherwise provided in section 24-75-1104.5 (5), C.R.S., beginning in ~~the 2006-07~~ THE 2016-17 fiscal year, and for each fiscal year thereafter so long as the state receives moneys pursuant to the master settlement agreement, the state treasurer shall annually transfer to the trust fund one percent of the total amount received by the state pursuant to the provisions of the master settlement agreement, other than attorney fees and costs, during the preceding fiscal year. ~~except that the amount so transferred to the trust fund in any fiscal year shall not exceed one million dollars.~~ The state treasurer shall transfer the amount specified in this subsection (2) from moneys credited to the tobacco litigation settlement cash fund created in section 24-22-115, C.R.S.

**SECTION 26.** In Colorado Revised Statutes, **repeal** 2-3-113 (7), 8-20.5-103 (2) (b), 22-7-1210 (1) (b) and (3), 23-20-136 (3) (b), part 2 of article 20 of title 23, 24-22-115 (2) (c), (2) (d), (2) (e), (2) (f), and (4), 24-22-115.5, 24-36-113 (7), 24-75-201.1 (1) (d) (VII) and (1) (d) (VIII), 24-75-201.5 (1) (c), (1) (d), (1) (e), (1) (f), and (1) (g), 24-75-217, 24-75-1103 (4), 24-75-1104.5 (1), (1.5), (4), (5) (a) (II) (E), and (5) (b), 25-4-2504 (3) (b), 25-16-104.6 (1) (b), 25.5-8-105 (3) (b), 26-6.4-107 (2) (d) (II), 27-66-104 (4) (b), 27-67-106 (2) (b), and 28-5-709 (3.5).

**SECTION 27. Appropriation - adjustments to 2016 long bill.** (1) To implement this act, the cash funds appropriation from the early literacy fund created in section 22-7-1210 (1), C.R.S., made in the annual general appropriation act for the 2016-17 state fiscal year to the department of education for the early literacy competitive grant program is decreased by \$4,378,678.



(2) For the 2016-17 state fiscal year, \$4,378,678 is appropriated to the department of education. This appropriation is from the marijuana tax cash fund created in section 39-28.8-501 (1), C.R.S. To implement this act, the department may use this appropriation for the early literacy competitive grant program.

**SECTION 28. Appropriation - adjustments to 2016 long bill.** (1) To implement this act, appropriations made in the annual general appropriation act for the 2016-17 state fiscal year to the department of human services are adjusted as follows:

(a) The cash funds appropriation from the offender mental health services fund created in section 27-66-104 (4) (a), C.R.S., for mental health services for juvenile and adult offenders is decreased by \$3,025,192.

(b) The cash funds appropriation from the tobacco litigation settlement cash fund created in section 24-22-115 (1) (a), C.R.S., for mental health treatment services for youth (H.B. 99-1116) is decreased by \$300,000.

(c) The cash funds appropriation from the alcohol and drug abuse community prevention and treatment fund created in section 24-75-1104.5 (1.5) (a) (VIII) (A), C.R.S., for community prevention and treatment related to substance use treatment and prevention is decreased by \$756,298.

(2) For the 2016-17 state fiscal year, \$4,081,490 is appropriated to the department of human services. This appropriation is from the marijuana tax cash fund created in section 39-28.8-501 (1), C.R.S. To implement this act, the division may use this appropriation as follows:

(a) \$3,025,192 for mental health services for juvenile and adult offenders;

(b) \$300,000 for mental health treatment services for youth (H.B. 99-1116); and

(c) \$756,298 for community prevention and treatment related to the substance use treatment and prevention.

**SECTION 29. Appropriation - adjustments to 2016 long bill.** (1) To implement this act, the cash funds appropriation from the public health services support fund created in section 25-1-512 (2), C.R.S., made in the annual general appropriation act for the 2016-17 state fiscal year to the department of public health and environment for distributions to local public health agencies is decreased by \$1,767,584.

(2) For the 2016-17 state fiscal year, \$1,767,584 is appropriated to the department of public health and environment. This appropriation is from the marijuana tax cash fund created in section 39-28.8-501 (1), C.R.S. To implement this act, the department may use this appropriation for distributions to local public health agencies.

**SECTION 30. Appropriation - adjustments to 2016 long bill.** (1) To implement this act, the cash funds appropriation from the marijuana tax cash fund created in section 39-28.8-501 (1), C.R.S., made in the annual general appropriation

act for the 2016-17 state fiscal year to the department of human services for the Tony Grampsas youth services program is decreased by \$2,626,328.

(2) For the 2016-17 state fiscal year, \$2,626,328 is appropriated to the department of human services for use by the division of child welfare. This appropriation is from the youth services program fund created in section 26-6.8-102 (2) (d), C.R.S. To implement this act, the division may use this appropriation for the Tony Grampsas youth services program.

**SECTION 31. Appropriation - adjustments to 2016 long bill.** (1) To implement this act, the general fund appropriation made in the annual general appropriation act for the 2016-17 state fiscal year to the department of health care policy and financing for medical services premiums is decreased by \$6,451,471.

(2) For the 2016-17 state fiscal year, \$6,451,471 is appropriated to the department of health care policy and financing. This appropriation is from the Colorado autism treatment fund created in section 25.5-6-805 (1), C.R.S. To implement this act, the department may use this appropriation for medical services premiums.

**SECTION 32. Appropriation.** (1) For the 2016-17 state fiscal year, \$2,972,504 is appropriated to the department of higher education for use by the regents of the university of Colorado. This appropriation is from the tobacco litigation settlement moneys health education fund created in section 24-75-1104.5 (1.7) (c), C.R.S. To implement this act, the regents may use this appropriation as follows:

- (a) \$1,751,471 for a cancer program at the health sciences center; and
- (b) \$1,221,033 for other health sciences center programs.

**SECTION 33. Appropriation.** For the 2016-17 state fiscal year, \$6,743,164 is appropriated to the department of human services for use by the office of early childhood. This appropriation is from the nurse home visitor program fund created in section 26-6.4-107 (2) (b), C.R.S. To implement this act, the office may use this appropriation for the nurse home visitor program.

**SECTION 34. Appropriation.** For the 2016-17 state fiscal year, \$879,745 is appropriated to the department of personnel for use by the division of human resources. This appropriation is from the supplemental state contribution fund created in section 24-50-609 (5), C.R.S. To implement this act, the division may use this appropriation for the H.B. 07-1335 supplemental state contribution fund.

**SECTION 35. Appropriation.** For the 2016-17 state fiscal year, \$1,313,603 is appropriated to the department of public health and environment for use by the disease control and environmental epidemiology division. This appropriation is from the drug assistance program fund created in section 25-4-1411 (6) (a), C.R.S. To implement this act, the division may use this appropriation for Ryan White act operating expenses.

**SECTION 36. Appropriation.** For the 2016-17 state fiscal year, \$1,313,604 is appropriated to the department of public health and environment for use by the disease control and environmental epidemiology division. This appropriation is from

the AIDS and HIV prevention fund created in section 25-4-1415 (1), C.R.S. To implement this act, the division may use this appropriation for sexually transmitted infections, HIV, and AIDS operating expenses.

**SECTION 37. Appropriation.** For the 2016-17 state fiscal year, \$1,180,942 is appropriated to the department of public health and environment for use by the disease control and environmental epidemiology division. This appropriation is from the supplemental tobacco litigation settlement moneys account of the Colorado immunization fund created in section 25-4-2301, C.R.S. To implement this act, the division may use this appropriation for immunization operating expenses.

**SECTION 38. Appropriation.** For the 2016-17 state fiscal year, \$675,736 is appropriated to the department of public health and environment for use by the prevention services division. This appropriation is from the state dental loan repayment fund created in section 25-23-104 (1), C.R.S. To implement this act, the division may use this appropriation for oral health programs.

**SECTION 39. Appropriation.** For the 2016-17 state fiscal year, \$625,736 is appropriated to the department of public health and environment for use by the prevention services division. This appropriation is from the Colorado health services corps fund created in section 25-1.5-506 (1), C.R.S. To implement this act, the division may use this appropriation for the primary care office.

**SECTION 40. Appropriation.** (1) For the 2016-17 state fiscal year, \$20,556,859 is appropriated to the department of health care policy and financing. This appropriation consists of \$20,000,000 from the primary care provider sustainability fund created in section 25.5-5-418, C.R.S., and \$556,859 from the hospital provider fee cash fund created in section 25.5-4-402.3 (4) (a), C.R.S. To implement this act, the department may use this appropriation for medical services premiums.

(2) For the 2016-17 state fiscal year, the general assembly anticipates that the department of health care policy and financing will receive \$35,137,377 in federal funds for medical services premiums. The appropriation in subsection (1) of this section is based on the assumption that the department will receive this amount of federal funds.

**SECTION 41. Effective date.** This act takes effect July 1, 2016; except that section 25-1-512 (2), Colorado Revised Statutes, as amended in section 12 of this act, and section 27-66-104 (4) (a), Colorado Revised Statutes, as amended in section 23 of this act, take effect upon passage of this act.

**SECTION 42. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 4, 2016