

# MEMORANDUM

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**TO:** Joint Budget Committee Members  
**FROM:** JBC Staff  
**SUBJECT:** Bill Drafts for Discussion on March 17, 2016  
**DATE:** March 17, 2016

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This memo includes the following bill drafts for the Committee's consideration.

- LLS 16-0917.02: "Concerning the Supportive Residential Community Program Operated at the Fort Lyon Property, and, in Connection Therewith, Requiring a Longitudinal Evaluation of the Program; Repealing the Program on July 1, 2019; and Making an Appropriation." (Amanda Bickel)
- LLS 16-0924.01: "Concerning the Manner in Which the State Funds Driver and Vehicle Services by the Division of Motor Vehicles in the Department of Revenue." (Scott Thompson)
- LLS 16-1094.02: "Concerning Changes in the Disposition of Revenues Received From the Tobacco Master Settlement Agreement That Result From Refinancing Certain Programs with Marijuana Tax Cash Fund Revenues, and, in Connection Therewith, Eliminating Certain Programs From Tobacco Master Settlement Agreement Funding, Creating a New Program for Cancer Research Outreach and Genotyping for Clinical Research, and Making and Reducing Appropriations." (Megan Davisson)

Second Regular Session  
Seventieth General Assembly  
STATE OF COLORADO

REDRAFT

3.15.16

Double underlining  
denotes changes from  
prior draft

DRAFT

LLS NO. 16-0917.02 Ed DeCecco x4216

COMMITTEE BILL

Joint Budget Committee

**BILL TOPIC: "Fort Lyon Residential Community Study"**

**A BILL FOR AN ACT**

101 CONCERNING THE SUPPORTIVE RESIDENTIAL COMMUNITY PROGRAM  
102 OPERATED AT THE FORT LYON PROPERTY, AND, IN CONNECTION  
103 THEREWITH, REQUIRING A LONGITUDINAL EVALUATION OF THE  
104 PROGRAM; REPEALING THE PROGRAM ON JULY 1, 2019; AND  
105 MAKING AN APPROPRIATION.

**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)*

**Joint Budget Committee.** In 2013, the general assembly enacted legislation to create a supportive residential community for individuals

*Capital letters indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.*

who are homeless that is operated at the Fort Lyon property (program).  
The bill repeals the program on July 1, 2019.

Prior to the repeal, the bill requires a longitudinal evaluation of the program (study) to be undertaken. The state auditor, with the concurrence of the division of housing in the department of local affairs (division), is required to contract with an independent, 3rd party to conduct the study. The state director of housing is required to appoint 3 members to a Fort Lyon study advisory committee (committee) who are experts in evaluating similar programs. The committee is required to make recommendations about the request for proposals process and the contractor selection process, and along with the division, assist the state auditor in evaluating the contractor's progress on the study.

The bill also specifies what the contractor is required to include in the study. The study will include pre- and post-evaluation of the program and, to the extent possible, utilize a matched-comparison group. A contractor may use various program and administrative data sources and comparable studies or reports for the study. \_\_\_\_\_ The final report is due \_\_\_\_\_ by August 1, 2018, and the contractor will also prepare a preliminary report.

The division is authorized to solicit, accept, and expend gifts, grants, and donations for the study, and the state auditor may use this money to pay the contractor.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly  
3 hereby finds and declares that:

4 (a) On September 12, 2002, the state of Colorado received the  
5 Fort Lyon property, which is over five hundred acres and includes over  
6 one hundred buildings;

7 (b) The department of corrections operated a correctional facility  
8 on the property until it was decommissioned on March 1, 2012;

9 (c) In 2013, the general assembly enacted legislation to create a  
10 supportive residential community for individuals who are homeless at the  
11 property, which served two purposes: It provided ongoing preservation  
12 and use of the Fort Lyon property and it addressed chronic homelessness  
13 statewide;



1 **community - definitions - repeal.** (1) ~~As used in this section, "Fort~~  
2 ~~Lyon property" means the real property described in the quitclaim deed~~  
3 ~~of September 12, 2002, that the federal secretary of veterans affairs~~  
4 ~~conveyed to the state of Colorado for the purpose of operating a~~  
5 ~~correctional facility.~~

6 (2) (b) (I) The division of housing shall enter into a contract with  
7 a private contractor to establish the residential community AND OPERATE  
8 IT UNTIL JUNE 30, 2019. The contractor selected by the division must be  
9 experienced in providing statewide integrated housing, health care, and  
10 supportive service programs for homeless individuals.

11 (3) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2019.

12 **SECTION 4.** In Colorado Revised Statutes, **add** 24-32-725 as  
13 follows:

14 **24-32-725. Fort Lyon supportive residential community -**  
15 **study - advisory committee - creation - definitions - repeal.** (1) AS  
16 USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

17 (a) "COMMITTEE" MEANS THE FORT LYON STUDY ADVISORY  
18 COMMITTEE CREATED IN PARAGRAPH (a) OF SUBSECTION (5) OF THIS  
19 SECTION.

20 (b) "CONTRACTOR" MEANS THE FIRM OR PUBLIC ENTITY THAT THE  
21 STATE AUDITOR CONTRACTS WITH TO PERFORM THE STUDY UNDER THIS  
22 SECTION.

23 (c) "PARTICIPANT" MEANS AN INDIVIDUAL WHO ENTERED INTO THE  
24 PROGRAM, REGARDLESS OF WHETHER HE OR SHE COMPLETES IT.

25 (d) "PROGRAM" MEANS THE SUPPORTIVE RESIDENTIAL COMMUNITY  
26 FOR INDIVIDUALS WHO ARE HOMELESS OPERATED UNDER SECTION  
27 24-32-724 AT THE FORT LYON PROPERTY FOR THE PURPOSE OF PROVIDING

1 SUBSTANCE ABUSE SUPPORTIVE SERVICES, MEDICAL CARE, JOB TRAINING,  
2 AND SKILL DEVELOPMENT FOR THE RESIDENTS.

3 (e) "STUDY" MEANS THE LONGITUDINAL EVALUATION FOR WHICH  
4 THE STATE AUDITOR CONTRACTS IN ACCORDANCE WITH SUBSECTION (2)  
5 OF THIS SECTION.

6 (2) (a) SUBJECT TO AVAILABLE APPROPRIATIONS, THE STATE  
7 AUDITOR, WITH THE CONCURRENCE OF THE DIVISION, SHALL CONTRACT  
8 WITH AN INDEPENDENT, THIRD PARTY TO CONDUCT A LONGITUDINAL  
9 EVALUATION OF THE PROGRAM THAT COMPLIES WITH THE REQUIREMENTS  
10 OF THIS SECTION. THE STATE AUDITOR SHALL ADMINISTER A REQUEST FOR  
11 PROPOSALS PROCESS AND SOLICIT FIRMS OR PUBLIC ENTITIES WITH THE  
12 NECESSARY CREDENTIALS TO BID ON PERFORMING THE STUDY. THE STATE  
13 AUDITOR SHALL NOT ENTER INTO A CONTRACT WITH A FIRM OR PUBLIC  
14 ENTITY THAT IS INVOLVED IN THE OPERATION OF THE PROGRAM.

15 (b) IF, FOLLOWING GOOD-FAITH EFFORTS, THE STATE AUDITOR AND  
16 THE DIVISION DO NOT CONCUR REGARDING THE SELECTION OF THE FIRM OR  
17 FIRMS BY OCTOBER 1, 2016, THE STATE AUDITOR SHALL CONTRACT WITH  
18 THE FIRM OR FIRMS PREFERRED BY THE STATE AUDITOR. IN EITHER  
19 CIRCUMSTANCE, THE STATE AUDITOR SHALL ENTER INTO A CONTRACT BY  
20 OCTOBER 31, 2016.

21 (c) THE STATE AUDITOR SHALL NOTIFY THE JOINT BUDGET  
22 COMMITTEE OF THE GENERAL ASSEMBLY IF HE OR SHE DETERMINES THAT  
23 THE AMOUNT APPROPRIATED BY THE GENERAL ASSEMBLY TO CONDUCT  
24 THE STUDY IS INSUFFICIENT TO PROCURE A VENDOR TO COMPLETE THE  
25 SCOPE OF THE WORK REQUIRED. IF THIS OCCURS, THE STATE AUDITOR IS  
26 NOT REQUIRED TO ENTER INTO A CONTRACT FOR THE STUDY.

27 (3) A CONTRACTOR SHALL DESIGN THE STUDY TO INCLUDE A PRE-

1 AND POST-EVALUATION OF THE PROGRAM, WITH ONE TO TWO YEARS PRIOR  
2 TO AND AFTER THE PARTICIPANTS' TIME IN THE PROGRAM, AND TO THE  
3 EXTENT POSSIBLE TO UTILIZE A MATCHED-COMPARISON GROUP. A  
4 CONTRACTOR MAY USE VARIOUS PROGRAM AND ADMINISTRATIVE DATA  
5 SOURCES AND COMPARABLE STUDIES OR REPORTS FOR THE STUDY.

6 (4) IN THE STUDY, THE CONTRACTOR SHALL:

7 (a) DESCRIBE THE ANNUAL DIRECT COST OF THE PROGRAM;

8 (b) DESCRIBE ANY INDIRECT COSTS ASSOCIATED WITH THE  
9 PROGRAM, INCLUDING LIFE-CYCLE COSTS RELATED TO THE BUILDINGS AND  
10 GROUNDS;

11 (c) IDENTIFY THE ANNUAL AMOUNT SPENT ON THE PROGRAM BY  
12 THE DIVISION OR ANY OTHER STATE AGENCY; ANY MONEY SPENT ON THE  
13 PROGRAM FROM THE FEDERAL GOVERNMENT OR ANY LOCAL  
14 GOVERNMENT; ANY GIFTS, GRANTS, OR DONATIONS TO THE PROGRAM; AND  
15 THE VALUE OF ANY FREE PROGRAMS, WHETHER AT THE FACILITY OR  
16 OFF-SITE, PROVIDED FOR THE PROGRAM PARTICIPANTS;

17 (d) DESCRIBE ANY SAVINGS, INCLUDING COST AVOIDANCE, AND  
18 BENEFITS TO THE STATE AS A RESULT OF THE PROGRAM, INCLUDING  
19 REDUCTIONS FOR EXPENDITURES RELATED TO HEALTH CARE AND THE  
20 CRIMINAL JUSTICE SYSTEM;

21 (e) DESCRIBE ANY SAVINGS, INCLUDING COST AVOIDANCE, AND  
22 BENEFITS TO THE FEDERAL GOVERNMENT, ANY LOCAL GOVERNMENT, AND  
23 ANY SERVICE PROVIDERS SUPPORTED WITH PUBLIC FUNDS THAT CAN BE  
24 COMPARED WITH THE COSTS AND BENEFITS FROM OTHER PROGRAMS THAT  
25 SERVE A SIMILAR POPULATION;

26 (f) ANALYZE OUTCOMES FOR PARTICIPANTS FROM THE PROGRAM;

27 (g) ANALYZE OUTCOMES BASED ON THE PARTICIPANTS' LENGTH OF

1 TIME IN THE PROGRAM OR SEVERITY OF SUBSTANCE ABUSE HISTORY;

2 <{*This paragraph was reordered, but not otherwise changed.*}>

3 (h) COMPARE OUTCOMES, COSTS, AND BENEFITS FOR THE PROGRAM  
4 WITH A POPULATION THAT IS SIMILAR TO THE PARTICIPANTS AND THAT IS  
5 NOT RECEIVING ANY CARE; AND

6 (i) COMPARE OUTCOMES, COSTS, AND BENEFITS FOR THE PROGRAM  
7 WITH OTHER PROGRAMS THAT SERVE A SIMILAR CLIENT POPULATION AND  
8 HAVE SIMILAR GOALS FOR IMPROVING CLIENT WELL-BEING AND REDUCING  
9 CLIENT HOMELESSNESS OVER THE LONG-TERM. THIS REQUIREMENT MAY  
10 INCLUDE A COMPARISON WITH ONE OR MORE RESIDENTIAL PROGRAMS.

11 (5) (a) THE FORT LYON STUDY ADVISORY COMMITTEE IS CREATED  
12 WITHIN THE DEPARTMENT OF LOCAL AFFAIRS. THE STATE DIRECTOR OF  
13 HOUSING SHALL APPOINT AT LEAST THREE PEOPLE WHO ARE EXPERTS IN  
14 EVALUATING PROGRAMS FOR INDIVIDUALS WHO ARE HOMELESS TO SERVE  
15 ON THE COMMITTEE. MEMBERS SERVE AT THE PLEASURE OF THE STATE  
16 DIRECTOR AND SERVE WITHOUT COMPENSATION AND WITHOUT  
17 REIMBURSEMENT FOR EXPENSES. MEMBERS ARE NOT ELIGIBLE TO RESPOND  
18 TO THE STATE AUDITOR'S REQUEST FOR PROPOSALS NOR BE AFFILIATED  
19 WITH ANY CONTRACTOR RESPONDING TO THE REQUEST FOR PROPOSALS.

20 (b) THE COMMITTEE SHALL MAKE RECOMMENDATIONS TO THE  
21 STATE AUDITOR REGARDING THE REQUEST FOR PROPOSALS PROCESS AND  
22 TO THE STATE AUDITOR AND DIVISION IN REVIEWING EVALUATOR  
23 PROPOSALS. THE COMMITTEE AND THE DIVISION SHALL ASSIST THE STATE  
24 AUDITOR IN EVALUATING THE CONTRACTOR'S PROGRESS ON THE STUDY.

25 (c) NOTWITHSTANDING SECTION 2-3-1203, C.R.S., THE  
26 COMMITTEE IS NOT SUBJECT TO THE REVIEW REQUIRED IN SECTION  
27 2-3-1203, C.R.S., PRIOR TO REPEAL.



1                               
2           (6) THE CONTRACTOR SHALL SUBMIT A PRELIMINARY FINDINGS  
3 REPORT TO THE STATE AUDITOR ON OR BEFORE AUGUST 1, 2017, AND  
4 SHALL SUBMIT A FINAL REPORT TO THE STATE AUDITOR ON OR BEFORE  
5 AUGUST 1, 2018. AFTER REVIEW BY THE LEGISLATIVE AUDIT COMMITTEE  
6 IN ACCORDANCE WITH SECTION 2-3-103 (2), C.R.S., THE STATE AUDITOR  
7 SHALL PROVIDE COPIES OF THE REPORTS TO THE JOINT BUDGET  
8 COMMITTEE, THE LOCAL GOVERNMENT COMMITTEES OF THE HOUSE OF  
9 REPRESENTATIVES AND THE SENATE, OR THEIR SUCCESSOR COMMITTEES,  
10 THE HEALTH AND HUMAN SERVICES COMMITTEE OF THE SENATE, OR ITS  
11 SUCCESSOR COMMITTEE, THE HEALTH, INSURANCE, AND ENVIRONMENT  
12 COMMITTEE OF THE HOUSE OF REPRESENTATIVES, OR ITS SUCCESSOR  
13 COMMITTEE, THE OFFICE OF STATE PLANNING AND BUDGETING, AND THE  
14 DEPARTMENT OF LOCAL AFFAIRS.

15           (7) THE DIVISION MAY SOLICIT, ACCEPT, AND EXPEND GIFTS,  
16 GRANTS, OR DONATIONS TO BE USED TO PAY FOR THE REQUIRED PART OF  
17 THE STUDY        AND MAY TRANSFER THIS MONEY TO THE STATE AUDITOR  
18 WHO MAY USE IT TO PAY THE CONTRACTOR.

19           (8) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2019.

20           **SECTION 5. Appropriation.** (1) For the 2016-17 state fiscal  
21 year, \$200,000 is appropriated to the legislative department for use by the  
22 office of the state auditor. This appropriation is from the general fund. To  
23 implement this act, the office may use this appropriation to contract for  
24 a study of the Fort Lyon supportive residential community. Any money  
25 appropriated in this subsection (1) not expended prior to July 1, 2017, is  
26 further appropriated to the legislative department for use by the office for  
27 the 2017-18 state fiscal year for the same purpose.

1           (2) For the 2016-17 state fiscal year, \$11,875 is appropriated to  
2 the department of corrections. This appropriation is from the general  
3 fund. To implement this act, the department may use this appropriation  
4 for contract services related to the parole subprogram. Any money  
5 appropriated in this subsection (2) not expended prior to July 1, 2017, is  
6 further appropriated to the department for the 2017-18 state fiscal year for  
7 the same purpose.

8           **SECTION 6. Safety clause.** The general assembly hereby finds,  
9 determines, and declares that this act is necessary for the immediate  
10 preservation of the public peace, health, and safety.

# MEMORANDUM

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**TO:** Joint Budget Committee

**FROM:** Scott Thompson, JBC Staff, x4957

**SUBJECT:** DMV Fee Options

**DATE:** March 15, 2016

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On the following page there are two tables that provide estimates for new revenue if eight select fees administered by the Division of Motor Vehicles are increased to more closely approximate the amount it costs the Division to provide that service. During the meeting on March 10, 2016, staff presented the second table with *Options 1, 2, and 3*, for the Committee to discuss. At the end of that meeting, the Committee made a motion that resulted in fees being set at the amount included in *Option A* on the first table. These are the fees that are included in the current bill draft.

At the conclusion of that meeting, there was still some discussion over whether the certified driving record fee should be increased from \$3.20 to \$22.50, or if the fee should continue to be subsidized because people obtaining certified driving records are often individuals seeking careers that require a clean driving record or professional licensure. There was no clear consensus on what the final certified driving record fee should be. Therefore, staff provided *Options B and C*, which only differ in the fee for the certified driving record.

### *Cash Fund Reserve*

JBC staff discussed with the Department the possibility of incorporating a variable reserve amount based on projected activities of the Division for the year being budgeted for. The draft currently exempts the Licensing Services Cash Fund from the cash fund reserve requirement. If the Committee wants to adjust the allowable reserve amount each year for the Licensing Services Cash Fund, JBC staff believes that best process would be for the Department to include in its yearly budget request a request for the reserve the Department estimates it requires for the year being budgeted.

### *Mandatory Fee Increase in FY 2017-18 and FY 2018-19*

The Department expressed no desire to exercise its fee-setting authority to raise some or all of the fees charged by the Division in FY 2016-17 because it had just raised fees by up to 20 percent and due to the TABOR impact. The Committee has thus far discussed fees that still do not entirely pay for the cost to the Division to provide that service, specifically for the driver's license. If the goal of the Committee is to increase fees yearly to eventually reach the cost to provide, JBC staff recommends including an expiring mandate to raise the fees for driver's licenses from \$26 to \$27 in FY 2017-18 and from \$27 to \$28 in FY 2018-19, when it will exceed the estimated cost to provide. This should minimize the yearly TABOR impact of raising fees.

<b>Division of Motor Vehicle Fee Options New Options</b>									
<b>Fee Description</b>	<b>Current Fee</b>	<b>Cost to Provide<sup>1</sup></b>	<b>Option A Current Bill Draft</b>	<b>Option B</b>	<b>Option C</b>	<b>Volume in FY 2014-15</b>	<b>Option A New Revenue</b>	<b>Option B New Revenue</b>	<b>Option C New Revenue</b>
Driver's License	25.00	27.88	26.00	26.00	26.00	1,013,372	1,013,372	1,013,372	1,013,372
Duplicate License or Permit	9.00	12.33	12.00	12.00	12.00	36,855	110,565	110,565	110,565
Driver's License Extension	3.60	6.51	6.50	6.50	6.50	4160	12,064	12,064	12,064
Certified Driving Record	3.20	21.72	22.50	15.00	10.00	105,600	2,038,080	1,246,080	718,080
CDL Testing Unit License (Initial)	360.00	3,093.17	3,094.00	3,094.00	3,094.00	4	10,936	10,936	10,936
CDL Testing Unit License (Renewal)	120.00	1,051.49	1,052.00	1,052.00	1,052.00	89	82,948	82,948	82,948
CDL Tester License (Initial)	120.00	147.29	148.00	148.00	148.00	31	868	868	868
CDL Tester License (Renewal)	60.00	139.11	140.00	140.00	140.00	171	<u>13,680</u>	<u>13,680</u>	<u>13,680</u>
<b>Total</b>							<b>\$3,282,513</b>	<b>\$2,490,513</b>	<b>\$1,962,513</b>

<sup>1</sup>Cost to provide includes all fixed and variable costs to provide the service.

<b>Division of Motor Vehicle Fee Options Originally Presented March 10, 2015</b>									
<b>Fee Description</b>	<b>Current Fee</b>	<b>Cost to Provide<sup>1</sup></b>	<b>Option 1</b>	<b>Option 2</b>	<b>Option 3</b>	<b>Volume in FY 2014-15</b>	<b>Option 1 New Revenue</b>	<b>Option 2 New Revenue</b>	<b>Option 3 New Revenue</b>
Driver's License	25.00	27.88	28.00	27.00	30.00	1,013,372	3,040,116	2,026,744	5,066,860
Duplicate License or Permit	9.00	12.33	13.00	12.00	12.00	36,855	147,420	110,565	110,565
Driver's License Extension	3.60	6.51	7.00	5.00	7.00	4160	14,144	5,824	14,144
Certified Driving Record	3.20	21.72	22.00	5.00	22.00	105,600	1,985,280	190,080	1,985,280
CDL Testing Unit License (Initial)	360.00	3,093.17	3,094.00	3,000.00	3,100.00	4	10,936	10,560	10,960
CDL Testing Unit License (Renewal)	120.00	1,051.49	1,052.00	1,000.00	1,060.00	89	82,948	78,320	83,660
CDL Tester License (Initial)	120.00	147.29	148.00	140.00	150.00	31	868	620	930
CDL Tester License (Renewal)	60.00	139.11	140.00	120.00	140.00	171	<u>13,680</u>	<u>10,260</u>	<u>13,680</u>
<b>Total</b>							<b>\$5,295,392</b>	<b>\$2,432,973</b>	<b>\$7,286,079</b>

<sup>1</sup>Cost to provide includes all fixed and variable costs to provide the service.

Second Regular Session  
Seventieth General Assembly  
STATE OF COLORADO

REDRAFT

3.14.16

Double underlining  
denotes changes from  
prior draft

DRAFT

LLS NO. 16-0924.01 Ed DeCecco x4216

COMMITTEE BILL

Joint Budget Committee

**BILL TOPIC: "Funding For Driver & Motor Vehicle Services"**

**A BILL FOR AN ACT**

101 **CONCERNING THE MANNER IN WHICH THE STATE FUNDS DRIVER AND**  
102 **VEHICLE SERVICES BY THE DIVISION OF MOTOR VEHICLES IN**  
103 **THE DEPARTMENT OF REVENUE.**

**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)*

**Joint Budget Committee. Beginning July 1, 2016, section 2 of the bill increases fees related to driver's licenses. These fees, which were initially set in statute and increased by inflation, are further increased as follows:**

- **\$3.20 to \$22.50 for a certified driving record;**

*Capital letters indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.*

- \$25 to \$26 for a driver's license or minor driver's license;
- \$9 to \$12 for a duplicate permit or minor driver's license;
- \$3.60 to \$6.50 for a driver's license extension;
- \$360 to \$3,094 for licensing testing units for the initial license, and from \$120 to \$1,052 for each subsequent annual license renewal; and
- \$120 to \$148 for licensing driving testers for the initial license and from \$60 to \$140 for each subsequent annual license renewal.

The revenue from these fees is deposited in the licensing services cash fund (fund). Currently, the excess reserve in the \_\_\_\_\_ fund at the end of a fiscal year is transferred to the highway users tax fund (HUTF). Section 2 of the bill eliminates this transfer, and **section 1** exempts the \_\_\_\_\_ fund from the maximum reserve requirement that generally applies to cash funds.

For the next two fiscal years, **section 3** permits the general assembly to appropriate moneys from the HUTF to the department of revenue for use by the division of motor vehicles for expenses incurred in connection with the administration of driver and vehicle services. These appropriations are in addition to the existing off-the-top appropriations from the HUTF for the Colorado state patrol, which are subject to a 6% annual growth limit.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-75-402, **amend**  
3 (5) (hh) and (5) (ii); and **add** (5) (jj) as follows:

4 **24-75-402. Cash funds - limit on uncommitted reserves -**  
5 **reduction in amount of fees - exclusions - repeal.** (5) Notwithstanding  
6 any provision of this section to the contrary, the following cash funds are  
7 excluded from the limitations specified in this section:

8 (hh) The conveyance safety fund created in section 9-5.5-111 (2)  
9 (b), C.R.S., until this paragraph (hh) is repealed, effective July 1, 2017;  
10 **and**

11 (ii) The oil and gas conservation and environmental response fund  
12 created in section 34-60-122 (5), C.R.S.; AND

13 **Alternative 1**

1 (jj) THE LICENSING SERVICES CASH FUND CREATED IN SECTION  
2 42-2-114.5 (1), C.R.S.

3 **Alternative 2**

4 (jj) THE LICENSING SERVICES CASH FUND CREATED IN SECTION  
5 42-2-114.5 (1), C.R.S., UNTIL THIS PARAGRAPH (jj) IS REPEALED,  
6 EFFECTIVE JULY 1, 20\_\_.

7 **SECTION 2.** In Colorado Revised Statutes, 42-2-114.5, **amend**  
8 (1) as follows:

9 **42-2-114.5. Licensing services cash fund - fee setting**  
10 **procedures - rules.** (1) The licensing services cash fund is hereby  
11 created in the state treasury. The general assembly shall appropriate  
12 moneys in the fund to the department for the cost of implementing this  
13 article. ~~At the end of each fiscal year, the state treasurer shall credit the~~  
14 ~~money in the fund, less sixteen and one-half percent of the amount~~  
15 ~~appropriated from the fund for such operation in the fiscal year, to the~~  
16 ~~highway users tax fund.~~

17 **SECTION 3.** In Colorado Revised Statutes, 42-2-114.5, **amend**  
18 (2) (b), (2) (d), (2) (f), (2) (g), (2) (n), and (2) (o) as follows:

19 **42-2-114.5. Licensing services cash fund - fee setting**  
20 **procedures - rules.** (2) Except as provided in subsection (3) of this  
21 section, the following fees must be paid for the following functions:

22 (b) The fee for a certified driving record under section 42-1-206  
23 (2) is ~~two~~ TWENTY-TWO dollars and ~~seventy~~ FIFTY cents; <{*Should this*  
24 *be \$15 instead?*}>

25 (d) The fee for a driver's license or minor driver's license under  
26 section 42-2-114 (2) (a) or (4) (a), respectively, is ~~twenty-one~~  
27 TWENTY-SIX dollars;

1 (f) The fee for a duplicate permit or minor driver's license under  
2 section 42-2-117 (1) is ~~seven~~ TWELVE dollars and ~~fifty cents~~ for the first  
3 duplicate and fourteen dollars for a subsequent duplicate;

4 (g) The fee for a driver's license extension under section 42-2-118  
5 (1) (b) (I) is ~~three~~ SIX dollars AND FIFTY CENTS;

6 (n) The fee for licensing testing units under section 42-2-406 (4)  
7 is ~~three hundred~~ THREE THOUSAND NINETY-FOUR dollars for the initial  
8 license and ~~one hundred~~ ONE THOUSAND FIFTY-TWO dollars for each  
9 subsequent annual license renewal;

10 (o) The fee for licensing driving testers under section 42-2-406 (3)  
11 is ~~one hundred~~ FORTY-EIGHT dollars for the initial license and ~~fifty dollar~~  
12 ONE HUNDRED FORTY DOLLARS for each subsequent annual license  
13 renewal; and

14 **SECTION 4.** In Colorado Revised Statutes, 43-4-201, **amend** (3)  
15 (a) (I) (C) and (3) (a) (III) (C); and **repeal** (3) (a) (I.1) as follows:

16 **43-4-201. Highway users tax fund - created.** (3) (a) (I) The  
17 general assembly shall not make any annual appropriation (whether by  
18 regular, special, or supplementary appropriation) or any statutory  
19 distribution from the highway users tax fund for any purpose or purposes  
20 in a total amount that is:

21 \_\_\_\_\_  
22 (C) Commencing in the fiscal year 2013-14, \_\_\_\_\_ more than a  
23 six percent increase over the appropriation to the Colorado state patrol for  
24 the prior fiscal year, PLUS, FOR THE FISCAL YEAR 2016-17 AND 2017-18  
25 ONLY, THE AMOUNT APPROPRIATED TO THE DEPARTMENT OF REVENUE FOR  
26 USE BY THE DIVISION OF MOTOR VEHICLES PURSUANT TO  
27 SUB-SUBPARAGRAPH (C) OF SUBPARAGRAPH (III) OF THIS PARAGRAPH (a)



1             .

2           (I.1) ~~Commencing with the fiscal year 1995-96, the general~~  
3 ~~assembly shall not make any annual appropriation or statutory distribution~~  
4 ~~from the highway users tax fund pursuant to this paragraph (a), except to~~  
5 ~~the department of public safety for the Colorado state patrol or, through~~  
6 ~~the fiscal year 2011-12 only, to the department of revenue for the ports of~~  
7 ~~entry section, that exceeds the annual appropriation or statutory~~  
8 ~~distribution for all purposes except the Colorado state patrol and the ports~~  
9 ~~of entry division for the fiscal year 1994-95.~~

10           (III) (C) The general assembly shall not make any annual  
11 appropriation or statutory distribution from the highway users tax fund for  
12 the fiscal year 1997-98 or for any succeeding fiscal year authorized by  
13 subparagraph (II) of this paragraph (a), excluding the annual  
14 appropriation or statutory distribution to the Colorado state patrol and,  
15 through the fiscal year 2011-12 only, the ports of entry section and  
16 excluding any appropriation to the department of revenue for the fiscal  
17 years 2008-09, 2009-10, 2010-11, ~~and~~ 2011-12, 2016-17, AND 2017-18,  
18 for expenses incurred in connection with the administration of article 2  
19 of title 42, C.R.S., by the division of motor vehicles within the  
20 department.

21           **SECTION 5. Effective date. This act takes effect upon passage;**  
22 **except that section 3 of this act takes effect on July 1, 2016.**

23           **SECTION 6. Safety clause.** The general assembly hereby finds,  
24 determines, and declares that this act is necessary for the immediate  
25 preservation of the public peace, health, and safety.

Second Regular Session  
Seventieth General Assembly  
STATE OF COLORADO

DRAFT  
3.16.16

DRAFT

LLS NO. 16-1094.02 Jason Gelender x4330

COMMITTEE BILL

Joint Budget Committee

**BILL TOPIC:** "Mod Tobacco Litigation Settlement Money Allocation"

**A BILL FOR AN ACT**

101      **CONCERNING CHANGES IN THE DISPOSITION OF REVENUES RECEIVED**  
102           **FROM THE TOBACCO MASTER SETTLEMENT AGREEMENT THAT**  
103           **RESULT FROM REFINANCING CERTAIN PROGRAMS WITH**  
104           **MARIJUANA TAX CASH FUND REVENUES, AND, IN CONNECTION**  
105           **THEREWITH, ELIMINATING CERTAIN PROGRAMS FROM TOBACCO**  
106           **MASTER SETTLEMENT AGREEMENT FUNDING, CREATING A NEW**  
107           **PROGRAM FOR CANCER RESEARCH OUTREACH AND**  
108           **GENOTYPING FOR CLINICAL RESEARCH, AND MAKING AND**  
109           **REDUCING APPROPRIATIONS.**

**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that*

*Capital letters indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.*

*applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/bills/summaries>.)*

**Joint Budget Committee.** The bill modifies the allocation of revenues annually received by the state pursuant to the tobacco litigation settlement (settlement moneys) by replacing the current 2-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 making marijuana tax cash fund appropriations to replace settlement moneys funding for certain programs. The bill also repeals various obsolete statutory provisions relating to the allocation of settlement moneys and transfers to and from cash funds that occurred in the past.

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

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

4 **24-75-1104.5. Use of settlement moneys - programs - repeal.**

5 (1.3) (a) For the 2012-13 fiscal year, and for each fiscal year thereafter  
6 THROUGH THE 2015-16 FISCAL YEAR, the lesser of all settlement moneys  
7 received or the following amounts of settlement moneys shall be allocated  
8 in each fiscal year in which the state receives the moneys in the  
9 percentages or amounts specified and for the programs, services, and  
10 funds specified in subsections (1) and (1.5) of this section, AS SAID  
11 SUBSECTIONS EXISTED BEFORE JULY 1, 2016:

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

16 (II) For the 2013-14, 2014-15, ~~and 2016-17~~ AND 2015-16 fiscal  
17 years, ~~and for the 2018-19 fiscal year and for each fiscal year thereafter,~~  
18 the amount allocated pursuant to this subsection (1.3) for the prior fiscal

1 year less the amount of any disputed payments in the tobacco litigation  
2 settlement cash fund that were credited to the fund pursuant to  
3 subparagraph (I) of paragraph (a) of subsection (5) of this section and less  
4 the amount of unexpended and unencumbered moneys remaining in the  
5 tobacco litigation settlement cash fund at the end of the prior fiscal year.  
6 and

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

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

21 (I) FOR THE 2016-17 FISCAL YEAR, AND FOR THE 2018-19 FISCAL  
22 YEAR AND FOR EACH FISCAL YEAR THEREAFTER, THE AMOUNT ALLOCATED  
23 PURSUANT TO THIS SUBSECTION (1.3) FOR THE PRIOR FISCAL YEAR LESS  
24 THE AMOUNT OF ANY DISPUTED PAYMENTS IN THE TOBACCO LITIGATION  
25 SETTLEMENT CASH FUND THAT WERE CREDITED TO THE FUND PURSUANT  
26 TO SUBPARAGRAPH (I) OF PARAGRAPH (a) OF SUBSECTION (5) OF THIS  
27 SECTION AND LESS THE AMOUNT OF UNEXPENDED AND UNENCUMBERED

1 MONEYS REMAINING IN THE TOBACCO LITIGATION SETTLEMENT CASH FUND  
2 AT THE END OF THE PRIOR FISCAL YEAR; AND

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

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

20 (II) For ~~the 2013-14~~ THE 2016-17 fiscal year, and for each fiscal  
21 year thereafter, in addition to the amounts allocated pursuant to ~~paragraph~~  
22 ~~(a)~~ PARAGRAPH (a.5) of this subsection (1.3), disputed payments received  
23 are allocated in the year received up to the amounts necessary to meet the  
24 requirements of ~~subsections (1) and (1.5)~~ SUBSECTION (1.7) of this section  
25 in the percentages and amounts specified and for the programs, services,  
26 and funds specified in ~~said subsections (1) and (1.5)~~ THAT SUBSECTION.

27 (c) Notwithstanding the provisions of section 24-1-136, no later

1 than October 1, 2013, and no later than October 1 of each year thereafter,  
2 the state treasurer shall submit a written report to the joint budget  
3 committee that sets forth the total amount allocated pursuant to this  
4 subsection (1.3) during the prior fiscal year and the total amount  
5 anticipated to be allocated pursuant to this subsection (1.3) during the  
6 current fiscal year.

7 (1.7) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTIONS (1.3) AND  
8 (5) OF THIS SECTION, AND EXCEPT THAT DISPUTED PAYMENTS RECEIVED BY  
9 THE STATE IN THE 2015-16 FISCAL YEAR OR IN ANY YEAR THEREAFTER ARE  
10 EXCLUDED FROM THE CALCULATION OF ALLOCATIONS UNDER THIS  
11 SUBSECTION (1.7), FOR THE 2016-17 FISCAL YEAR AND FOR EACH FISCAL  
12 YEAR THEREAFTER, THE FOLLOWING PROGRAMS, SERVICES, AND FUNDS  
13 SHALL RECEIVE THE FOLLOWING SPECIFIED PERCENTAGES OF THE TOTAL  
14 AMOUNT OF SETTLEMENT MONEYS RECEIVED BY THE STATE IN THE  
15 PRECEDING FISCAL YEAR:

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

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

22 (c) THE UNIVERSITY OF COLORADO HEALTH SCIENCES CENTER  
23 SHALL RECEIVE A BASE AMOUNT OF FIFTEEN AND ONE-HALF PERCENT OF  
24 THE SETTLEMENT MONEYS AND AN ADDITIONAL AMOUNT OF TWO PERCENT  
25 OF THE SETTLEMENT MONEYS, AND THE STATE TREASURER SHALL CREDIT  
26 BOTH AMOUNTS TO THE TOBACCO LITIGATION SETTLEMENT MONEYS  
27 HEALTH EDUCATION FUND, WHICH IS HEREBY CREATED IN THE STATE

1 TREASURY. THE STATE TREASURER SHALL CREDIT ALL INTEREST AND  
2 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE  
3 FUND TO THE FUND. ALL MONEY IN THE FUND IS SUBJECT TO ANNUAL  
4 APPROPRIATION BY THE GENERAL ASSEMBLY TO THE HEALTH SCIENCES  
5 CENTER, BUT THE HEALTH SCIENCES CENTER SHALL USE THE ADDITIONAL  
6 AMOUNT OF SETTLEMENT MONEYS CREDITED TO THE FUND ONLY FOR  
7 TOBACCO-RELATED IN-STATE CANCER RESEARCH AS AUTHORIZED IN  
8 SECTION 24-75-1103 (7).

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

14 (e) THE TONY GRAMPAS YOUTH SERVICES PROGRAM CREATED IN  
15 ARTICLE 6.8 OF TITLE 26, C.R.S., SHALL RECEIVE SEVEN AND ONE-HALF  
16 PERCENT OF THE TOTAL AMOUNT OF SETTLEMENT MONEYS, WHICH THE  
17 STATE TREASURER SHALL TRANSFER TO THE YOUTH SERVICES PROGRAM  
18 FUND CREATED IN SECTION 26-6.8-102 (2) (d), C.R.S.;

19 (f) THE DRUG ASSISTANCE PROGRAM CREATED IN SECTION  
20 25-4-1411, C.R.S., SHALL RECEIVE FIVE PERCENT OF THE SETTLEMENT  
21 MONEYS;

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

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

1 OF THE SETTLEMENT MONEYS;

2 (i) THE TOBACCO SETTLEMENT DEFENSE ACCOUNT OF THE  
3 TOBACCO LITIGATION SETTLEMENT CASH FUND CREATED IN SECTION  
4 24-22-115 (2) (a) SHALL RECEIVE TWO AND ONE-HALF PERCENT OF THE  
5 SETTLEMENT MONEYS;

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

14 (k) THE COLORADO AUTISM TREATMENT FUND CREATED  
15 PURSUANT TO SECTION 25.5-6-805, C.R.S., SHALL RECEIVE TWO PERCENT  
16 OF THE SETTLEMENT MONEYS TO PAY A PORTION OF THE STATE'S SHARE OF  
17 THE ANNUAL FUNDING REQUIRED BY THE "HOME- AND  
18 COMMUNITY-BASED SERVICES FOR CHILDREN WITH AUTISM ACT", PART  
19 8 OF ARTICLE 6 OF TITLE 25.5, C.R.S.;

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

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

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



1 SETTLEMENT MONEYS.

2 (2) The general assembly shall appropriate or the state treasurer  
3 shall transfer, as provided by law, the amounts specified in ~~subsections~~  
4 ~~(1) and (1.5)~~ SUBSECTION (1.7) of this section from moneys credited to the  
5 tobacco litigation settlement cash fund created in section 24-22-115.  
6 ~~Except for moneys credited to the health care supplemental appropriations~~  
7 ~~and overexpenditures account of the cash fund pursuant to section~~  
8 ~~24-22-115 (4) (a),~~ All settlement moneys other than settlement moneys  
9 received and allocated by the state during the same fiscal year pursuant  
10 to ~~subsections (1) and (1.5)~~ SUBSECTION (1.7) of this section shall be  
11 credited to the specified funds or accounts on July 1 of the fiscal year for  
12 which they are transferred, and all settlement moneys received and  
13 allocated by the state during the same fiscal year pursuant to said  
14 ~~subsections (1) and (1.5)~~ SUBSECTION (1.7) shall be credited to the  
15 specified funds or accounts upon receipt by the state.

16 (3) Notwithstanding the provisions of ~~subsections (1) and (1.5)~~  
17 SUBSECTION (1.7) of this section, for purposes of sections ~~22-7-1210 (3),~~  
18 23-20-136 (3.5) (a), 25-4-1411 (6) (a), 25-4-1415 (2), 25-23-104 (2),  
19 25.5-6-805 (2), 25.5-8-105 (3), 26-6.4-107 (2) (d) (I), 26-6.8-102 (2) (d),  
20 27-67-106 (2) (b), and 28-5-709 (2) (a), C.R.S., settlement moneys  
21 received and allocated by the state pursuant to said ~~subsections (1) and~~  
22 ~~(1.5)~~ SUBSECTION (1.7) during the same fiscal year ~~shall be~~ ARE deemed  
23 to be moneys received for or during the preceding fiscal year.

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

26 **2-3-113. Programs that receive tobacco settlement moneys -**  
27 **program review.** (2) Beginning January 1, 2002, it is the duty of the

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

12 **SECTION 3.** In Colorado Revised Statutes, 23-20-136, **amend**  
13 (3.5) (a) as follows:

14 **23-20-136. Fitzsimons trust fund - creation - legislative**  
15 **declaration - repeal.** (3.5) (a) For ~~the 2006-07~~ THE 2016-17 fiscal year  
16 and for each fiscal year thereafter in which the state receives moneys  
17 pursuant to the master settlement agreement, and in which money is due  
18 to a lessor under a lease-purchase agreement authorized pursuant to  
19 section 3 of House Bill 03-1256, ~~as enacted at the first regular session of~~  
20 ~~the sixty-fourth general assembly,~~ IN 2003, the state treasurer shall  
21 transfer to the capital construction fund and the state controller shall  
22 transfer from the capital construction fund to the Fitzsimons trust fund,  
23 ~~the lesser of the amount due to any lessor during the fiscal year or,~~ except  
24 as otherwise provided in section 24-75-1104.5 (5), C.R.S., eight percent  
25 of the total amount received by the state pursuant to the master settlement  
26 agreement, other than attorney fees and costs, during the preceding fiscal  
27 year. ~~except that the amount transferred pursuant to this subsection (3.5)~~

1 ~~in any fiscal year shall not exceed eight million dollars.~~

2           **SECTION 4.** In Colorado Revised Statutes, 24-22-115, **amend**  
3 (1) and (2) (a) as follows:

4           **24-22-115. Tobacco litigation settlement cash fund - health**  
5 **care supplemental appropriations and overexpenditures account -**  
6 **creation.** (1) (a) There is hereby created in the state treasury the tobacco  
7 litigation settlement cash fund. The cash fund ~~shall consist~~ CONSISTS of  
8 all moneys transmitted to the state treasurer in accordance with the terms  
9 of the master settlement agreement, the smokeless tobacco master  
10 settlement agreement, and the consent decree approved and entered by the  
11 court in the case denominated *State of Colorado, ex rel. Gale A. Norton,*  
12 *Attorney General v. R.J. Reynolds Tobacco Co.; American Tobacco Co.,*  
13 *Inc.; Brown & Williamson Tobacco Corp.; Liggett & Myers, Inc.;*  
14 *Lorillard Tobacco Co., Inc.; Philip Morris, Inc.; United States Tobacco*  
15 *Co.; B.A.T. Industries, P.L.C.; The Council For Tobacco*  
16 *Research--U.S.A., Inc.; and Tobacco Institute, Inc.,* Case No. 97 CV  
17 3432, in the district court for the city and county of Denver. ~~other than~~  
18 ~~moneys credited to the tobacco litigation settlement trust fund pursuant~~  
19 ~~to section 24-22-115.5.~~ Except as provided in subsection (2) of this  
20 section, all interest derived from the deposit and investment of moneys in  
21 the cash fund shall be credited to the cash fund; except that, beginning  
22 with the fiscal year 2001-02, and each fiscal year thereafter, all interest  
23 derived from the deposit and investment of moneys in the cash fund shall  
24 be credited to the breast and cervical cancer prevention and treatment  
25 fund created pursuant to section 25.5-5-308, C.R.S. Except as provided  
26 in subsection (2) of this section, all moneys in the cash fund shall be  
27 subject to appropriation by the general assembly for such purposes as may

1 be authorized by law in accordance with the terms of the settlement  
2 agreements and the consent decree. Except as provided in subsection (2)  
3 of this section, at the end of the 2004-05 and 2005-06 fiscal years, but  
4 prior to the making of any transfer of moneys from the cash fund to the  
5 general fund at the end of the fiscal year as required by this paragraph (a),  
6 an amount needed, up to one million dollars, to pay the state's share of the  
7 annual funding required by the "Home- and Community-based Services  
8 for Children with Autism Act", part 8 of article 6 of title 25.5, C.R.S.,  
9 shall be transferred from the cash fund to the Colorado autism treatment  
10 fund created pursuant to section 25.5-6-805, C.R.S. Except as provided  
11 in subsection (2) of this section, at the end of any fiscal year commencing  
12 on or after July 1, 2004, but before July 1, 2006, all unexpended and  
13 unencumbered moneys in the cash fund, all moneys in the cash fund not  
14 appropriated for the following fiscal year, and all moneys in the cash fund  
15 not required for transfers pursuant to section 24-75-1104.5 (1) in the  
16 following fiscal year shall be transferred to the general fund.

17 (b) Except as provided in subsection (2) of this section, for the  
18 2006-07 fiscal year and the 2007-08 fiscal year, an amount needed, up to  
19 one million dollars, to pay the state's share of the annual funding required  
20 by the "Home- and Community-based Services for Children with Autism  
21 Act", part 8 of article 6 of title 25.5, C.R.S., shall be transferred from the  
22 tobacco litigation settlement cash fund to the Colorado autism treatment  
23 fund created pursuant to section 25.5-6-805, C.R.S. The amount to be  
24 transferred shall be taken into account when determining the amount of  
25 cash fund moneys available for allocation to tobacco settlement programs  
26 pursuant to section 24-75-1104.5 (1.5) and shall be transferred at the end  
27 of the 2006-07 fiscal year and at the end of the 2007-08 fiscal year. On

1 and after July 1, 2011, all unexpended and unencumbered moneys in the  
2 cash fund shall remain in the fund until expended in order to reduce the  
3 share of allocations made from current-year receipts of settlement moneys  
4 as required by section 24-75-1104.5 (1.3).

5 (2) (a) There is hereby created in the state treasury, as an account  
6 within the tobacco litigation settlement cash fund established pursuant to  
7 subsection (1) of this section, the tobacco settlement defense account,  
8 which shall be used by the department of law: To defend the state in  
9 lawsuits arising out of challenges to or arising under the provisions of the  
10 master settlement agreement, the smokeless tobacco master settlement  
11 agreement, and the consent decree approved and entered by the court in  
12 the case denominated *State of Colorado, ex rel. Gale A. Norton, Attorney*  
13 *General v. R.J. Reynolds Tobacco Co.; American Tobacco Co., Inc.;*  
14 *Brown & Williamson Tobacco Corp.; Liggett & Myers, Inc.; Lorillard*  
15 *Tobacco Co., Inc.; Philip Morris, Inc.; United States Tobacco Co.; B.A.T.*  
16 *Industries, P.L.C.; The Council For Tobacco Research--U.S.A., Inc.; and*  
17 *Tobacco Institute, Inc.*, Case No. 97 CV 3432, in the district court for the  
18 city and county of Denver, or duly enacted Colorado laws related to the  
19 tobacco litigation settlement, including, but without limitation, this  
20 section, ~~sections 24-22-115.5 and~~ SECTION 24-22-116, and parts 2 and 3  
21 of article 28 of title 39, C.R.S.; to defend the state against claims of  
22 entitlement to tobacco litigation settlement moneys by any person, as  
23 defined in section 2-4-401 (8), C.R.S.; to enforce and defend all rights  
24 and obligations of the state under said settlement agreements, decree, or  
25 laws; and to resolve any dispute with any participating manufacturer, as  
26 defined in section 39-28-302 (6), C.R.S., or nonparticipating  
27 manufacturer, as defined in section 39-28-302 (5), C.R.S., that arises

1 under the provisions of said settlement agreements, decree, or laws. The  
2 tobacco settlement defense account may also be used by the department  
3 of revenue to help administer, coordinate, and support the activities of the  
4 department of revenue and the department of law, including the  
5 investigation of and response to settlement agreement manufacture and  
6 distribution reporting irregularities identified by the department of law.  
7 Notwithstanding the provisions of subsection (1) of this section, ~~and~~  
8 ~~section 24-22-115.5~~, the tobacco settlement defense account consists of  
9 all tobacco litigation settlement moneys received by the attorney general  
10 and transmitted to the state treasurer to compensate the state for attorney  
11 fees, court costs, or other expenses incurred by the state in obtaining the  
12 tobacco litigation settlement, all tobacco litigation settlement moneys  
13 transferred to the account as required by ~~section 24-75-1104.5 (1) (a) and~~  
14 ~~(1) (n)~~, SECTION 24-75-1104.5 (1.7) (i), and all interest derived from the  
15 deposit and investment of moneys in the tobacco settlement defense  
16 account. Any moneys received by the state treasurer to compensate the  
17 state for attorney fees, court costs, or other expenses, including all interest  
18 derived from the deposit and investment of such moneys after receipt by  
19 the state treasurer, shall be transferred to the tobacco settlement defense  
20 account for use in accordance with the provisions of this subsection (2).

21 **SECTION 5.** In Colorado Revised Statutes, 24-22-115.6, **amend**  
22 (1) as follows:

23 **24-22-115.6. Miscellaneous tobacco litigation settlement**  
24 **moneys.** (1) Notwithstanding the provisions of ~~sections 24-22-115 and~~  
25 ~~24-22-115.5~~ SECTION 24-22-115, any tobacco litigation settlement moneys  
26 received by the state ~~shall be~~ ARE subject to appropriation by the general  
27 assembly if the purpose for which ~~such~~ THE moneys may be expended is

1 not specified or approved by a court or other non-Colorado authority.

2 **SECTION 6.** In Colorado Revised Statutes, 24-22-116, **amend**  
3 (1) (i), (2) (a) (I), and (2) (b) as follows:

4 **24-22-116. Legislative declaration - exclusion of revenue in**  
5 **tobacco litigation settlement funds from fiscal year spending.** (1) The  
6 general assembly hereby finds and declares that:

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

24 (2) (a) (I) For purposes of section 20 of article X of the state  
25 constitution and article 77 of this title, any moneys credited to the tobacco  
26 litigation settlement cash fund in accordance with section 24-22-115 (1),  
27 including moneys transferred to the tobacco settlement defense account

1 created in said cash fund pursuant to section 24-22-115 (2), ~~or the tobacco~~  
2 ~~litigation settlement trust fund in accordance with section 24-22-115.5~~ are  
3 damage awards, as defined in section 24-77-102 (2), or interest accruing  
4 on such damage awards. Any moneys credited to or expended from the  
5 tobacco litigation settlement cash fund, including the tobacco settlement  
6 defense account, ~~or the tobacco litigation settlement trust fund~~, are not  
7 included in state fiscal year spending, as defined in section 24-77-102  
8 (17), for any state fiscal year.

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

18 **SECTION 7.** In Colorado Revised Statutes, 24-31-108, **amend**  
19 (4) (b) introductory portion and (4) (b) (I); and **repeal** (4) (b) (II) as  
20 follows:

21 **24-31-108. Receipt of moneys - subject to appropriation -**  
22 **exception for custodial moneys - legal services cash fund - creation -**  
23 **definition.** (4) (b) Notwithstanding the provisions of paragraph (a) of  
24 this subsection (4), custodial moneys ~~shall~~ DO not include the following:

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

27 (II) ~~Moneys in the tobacco litigation settlement trust fund created~~



1 in section ~~24-22-115.5~~; and

2 **SECTION 8.** In Colorado Revised Statutes, 24-50-609, **amend**  
3 (5) as follows:

4 **24-50-609. State contributions - supplemental state**  
5 **contribution fund - creation.** (5) The supplemental state contribution  
6 fund is hereby created in the state treasury. The principal of the fund ~~shall~~  
7 ~~consist~~ CONSISTS of tobacco litigation settlement moneys transferred by  
8 the state treasurer to the fund pursuant to ~~section 24-75-1104.5 (1.5) (a)~~  
9 ~~(VI)~~ SECTION 24-75-1104.5 (1.7) (j). The principal of the fund is hereby  
10 continuously appropriated to the department of personnel and shall be  
11 expended in its entirety in each fiscal year by the department to pay the  
12 costs of increased nonsupplemental state contributions, as defined in  
13 section 24-50-609.5 (3) (c) (II), and supplement the state contribution, as  
14 defined in section 24-50-609.5 (2) (d), for each eligible state employee,  
15 as defined in section 24-50-609.5 (2) (a), enrolled in a qualifying group  
16 benefit plan, as defined in section 24-50-609.5 (2) (c), as required by  
17 section 24-50-609.5; except that the department shall expend no more  
18 than the amount needed to pay the costs of increased nonsupplemental  
19 state contributions and reduce the employee contribution, as defined in  
20 section 24-50-609.5 (2) (b), of each eligible state employee for all  
21 qualifying group benefit plans to zero. The principal of the fund ~~shall~~  
22 ~~remain~~ REMAINS in the fund until expended and shall not be transferred  
23 to the general fund or any other fund. Interest and income earned on the  
24 deposit and investment of moneys in the fund shall be credited to the  
25 fund, shall not be transferred to the general fund or to any other fund, and  
26 shall be used by the department, subject to annual appropriation, solely  
27 to pay the costs of the department related to the supplementation of the

1 state contribution for each eligible state employee required by section  
2 24-50-609.5.

3 **SECTION 9.** In Colorado Revised Statutes, 24-75-111, **amend**  
4 (1) (b) as follows:

5 **24-75-111. Additional authority for controller to allow**  
6 **expenditures in excess of appropriations - limitations -**  
7 **appropriations for subsequent fiscal year restricted.** (1) For fiscal  
8 years commencing on or after July 1, 1997, in addition to any  
9 overexpenditure allowed pursuant to section 24-75-109, the controller  
10 may allow any department, institution, or agency of the state, including  
11 any institution of higher education, to make an expenditure in excess of  
12 the amount authorized by an item of appropriation for such fiscal year if:

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

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

20 **SECTION 10.** In Colorado Revised Statutes, 24-75-201.5,  
21 **amend** (1) (a) as follows:

22 **24-75-201.5. Revenue shortfalls - required actions by the**  
23 **governor with respect to the reserve.** (1) (a) ~~Except as provided in~~  
24 ~~paragraphs (c) and (d) of this subsection (1);~~ Whenever the revenue  
25 estimate for the current fiscal year, prepared in accordance with section  
26 24-75-201.3 (2), indicates that general fund expenditures for such fiscal  
27 year based on appropriations then in effect will result in the use of

1 one-half or more of the reserve required by section 24-75-201.1 (1) (d),  
2 the governor shall formulate a plan for reducing such general fund  
3 expenditures so that said reserve, as of the close of the fiscal year, will be  
4 at least one-half of the amount required by said section 24-75-201.1 (1)  
5 (d). The governor shall promptly notify the general assembly of ~~such~~ THE  
6 plan. ~~Such~~ THE plan shall be promptly implemented by the governor,  
7 using the procedures set forth in section 24-2-102 (4) or 24-50-109.5 or  
8 any other lawful means.

9 **SECTION 11.** In Colorado Revised Statutes, 25-1-512, **amend**  
10 (2) as follows:

11 **25-1-512. Allocation of moneys - public health services support**  
12 **fund - created - repeal.** (2) (a) The public health services support fund  
13 is hereby created in the state treasury and shall be known in this section  
14 as the "fund". The principal of the fund consists of tobacco litigation  
15 settlement moneys transferred by the state treasurer to the fund pursuant  
16 to section 24-75-1104.5 (1.5) (a) (IV), C.R.S., and shall, subject to annual  
17 appropriation by the general assembly to the state department, be  
18 allocated by the state department to all agencies authorized pursuant to  
19 this part 5 as specified in subsection (1) of this section. ~~The lesser of All~~  
20 ~~unexpended and unencumbered moneys in the fund at the end of any~~ THE  
21 ~~2015-16 fiscal year or an amount of such moneys equal to five percent of~~  
22 ~~the amount appropriated from the fund for the fiscal year remain in the~~  
23 ~~fund and shall not be transferred to the general fund or any other fund.~~  
24 ~~Any additional unexpended and unencumbered moneys in the fund at the~~  
25 ~~end of any fiscal year~~ shall be transferred to the tobacco litigation  
26 settlement cash fund created in section 24-22-115, C.R.S.

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

1           **SECTION 12.** In Colorado Revised Statutes, 25-1.5-506, **amend**  
2 (1) (c) as follows:

3           **25-1.5-506. Colorado health service corps fund - created -**  
4 **acceptance of grants and donations.** (1) The Colorado health service  
5 corps fund is hereby created in the state treasury, which fund consists of:

6           (c) For ~~the 2011-12~~ THE 2016-17 fiscal year and each fiscal year  
7 thereafter, ~~two hundred fifty thousand dollars~~ TOBACCO LITIGATION  
8 SETTLEMENT MONEYS transferred TO THE FUND BY THE STATE TREASURER  
9 pursuant to ~~section 24-75-1104.5 (1.5) (a) (XI)~~ SECTION 24-75-1104.5  
10 (1.7) (n), C.R.S.

11           **SECTION 13.** In Colorado Revised Statutes, 25-4-1411, **amend**  
12 (6) (a) as follows:

13           **25-4-1411. Drug assistance program - program fund - created**  
14 **- legislative declaration - no entitlement created.** (6) (a) The drug  
15 assistance program fund is created in the state treasury. The principal of  
16 the fund consists of tobacco litigation settlement moneys transferred by  
17 the state treasurer to the fund pursuant to ~~section 24-75-1104.5 (1) (j)~~  
18 SECTION 24-75-1104.5 (1.7) (f), C.R.S. Subject to annual appropriation by  
19 the general assembly, the department of public health and environment  
20 may expend moneys from the fund for the state program. ~~Any~~  
21 ~~unexpended or unencumbered money remaining in the fund at the end of~~  
22 ~~any fiscal year commencing on or after July 1, 2014, remains in the fund~~  
23 ~~and shall not be credited or transferred to the general fund or any other~~  
24 ~~fund.~~

25           **SECTION 14.** In Colorado Revised Statutes, 25-4-1415, **amend**  
26 (2) as follows:

27           **25-4-1415. Cash fund - administration - limitation.**

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

13 **SECTION 15.** In Colorado Revised Statutes, **amend** 25-4-2301  
14 as follows:

15 **25-4-2301. Colorado immunization fund - supplemental**  
16 **tobacco litigation settlement moneys account - creation.** There are  
17 hereby created in the state treasury the Colorado immunization fund and  
18 an account within the fund to be known as the supplemental tobacco  
19 litigation settlement moneys account. The principal of the portion of the  
20 fund that is not the account consists of general fund appropriations made  
21 by the general assembly to the fund and gifts, grants, or awards received  
22 by the department of public health and environment from the federal  
23 government or private sources for the fund. The principal of the account  
24 consists of tobacco litigation settlement moneys transferred by the state  
25 treasurer to the account in accordance with ~~section 24-75-1104.5 (1.5) (a)~~  
26 ~~(VII)~~ SECTION 24-75-1104.5 (1.7) (h), C.R.S. All interest and income  
27 earned on the deposit and investment of moneys in the portion of the fund

1 that is not the account shall be credited to that portion of the fund. All  
2 interest and income earned on the deposit and investment of moneys in  
3 the account shall be credited to and remain in the account until transferred  
4 as required by this section. Except as otherwise provided in this section,  
5 and subject to annual appropriation by the general assembly to the  
6 department, the department shall expend the principal of the fund and the  
7 account only for the purpose of immunization and immunization  
8 strategies; except that, at the end of the 2007-08 fiscal year and at the end  
9 of any fiscal year thereafter, any unexpended and unencumbered moneys  
10 in the portion of the fund that is not the account shall remain in that  
11 portion of the fund and may be used by the department through the state  
12 immunization program to support infant, child, and adolescent  
13 vaccination. ~~and, at the end of the 2011-12 fiscal year only, any~~  
14 ~~unexpended and unencumbered moneys in the account shall be~~  
15 ~~transferred to the general fund, in accordance with section 24-75-1104.5~~  
16 ~~(1.5)(b), C.R.S.~~ The lesser of all unexpended and unencumbered moneys  
17 in the account at the end of any fiscal year ~~other than the 2011-12 fiscal~~  
18 ~~year~~ or an amount of such moneys equal to five percent of the amount  
19 appropriated from the account for the fiscal year remain in the account  
20 and shall not be transferred to the general fund or any other fund. Any  
21 additional unexpended and unencumbered moneys in the account at the  
22 end of any fiscal year shall be transferred to the tobacco litigation  
23 settlement cash fund created in section 24-22-115, C.R.S.

24 **SECTION 16.** In Colorado Revised Statutes, 25-23-104, **amend**  
25 (2) as follows:

26 **25-23-104. Dental loan repayment fund - acceptance of grants**  
27 **and donations.** (2) Pursuant to ~~section 24-75-1104.5 (1) (d) C.R.S.,~~

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

14 **SECTION 17.** In Colorado Revised Statutes, 25.5-6-805, **amend**  
15 (2) as follows:

16 **25.5-6-805. Colorado autism treatment fund.** (2) Pursuant to  
17 ~~section 24-75-1104.5 (1) (l), C.R.S., beginning in the 2008-09~~ SECTION  
18 24-75-1104.5 (1.7) (k), C.R.S., FOR THE 2016-17 fiscal year and ~~in~~ FOR  
19 each fiscal year thereafter so long as the state receives moneys pursuant  
20 to the master settlement agreement, the state treasurer shall annually  
21 transfer to the fund ~~the amount of moneys to be received by the fund~~  
22 ~~pursuant to section 24-75-1104.5 (1) (l), C.R.S.~~ TWO PERCENT OF THE  
23 MONEYS RECEIVED BY THE STATE PURSUANT TO THE MASTER SETTLEMENT  
24 AGREEMENT FOR THE PRECEDING FISCAL YEAR. The state treasurer shall  
25 transfer the amount specified in this subsection (2) from moneys credited  
26 to the tobacco litigation settlement cash fund created in section  
27 24-22-115, C.R.S.

1           **SECTION 18.** In Colorado Revised Statutes, 25.5-8-105, **amend**  
2 (3) (a) as follows:

3           **25.5-8-105. Trust - created.** (3) (a) Pursuant to ~~section~~  
4 ~~24-75-1104.5 (1) (c)~~ SECTION 24-75-1104.5 (1.7) (b), C.R.S., and except  
5 as otherwise provided in section 24-75-1104.5 (5), C.R.S., beginning in  
6 ~~the 2006-07~~ THE 2016-17 fiscal year and in each fiscal year thereafter so  
7 long as the state receives moneys pursuant to the master settlement  
8 agreement, the state treasurer shall transfer to the trust ~~twenty-four~~  
9 EIGHTEEN percent of the total amount of the moneys annually received by  
10 the state pursuant to the master settlement agreement, not including  
11 attorney fees and costs, during the preceding fiscal year. ~~except that the~~  
12 ~~amount so transferred to the trust shall not exceed thirty million dollars~~  
13 ~~in any fiscal year. Except as otherwise provided in sections 24-22-115.5~~  
14 ~~(2) (a.7) and 24-75-1104.5 (1) (c), C.R.S.,~~ The state treasurer shall  
15 transfer the amount specified in this subsection (3) from moneys credited  
16 to the tobacco litigation settlement cash fund created in section  
17 24-22-115, C.R.S. The amount transferred pursuant to this subsection (3)  
18 ~~shall be~~ IS in addition to and not in replacement of any general fund  
19 moneys appropriated to the trust.

20           **SECTION 19.** In Colorado Revised Statutes, 26-6.4-107, **amend**  
21 (2) (d) (I) as follows:

22           **26-6.4-107. Selection of entities to administer the program -**  
23 **grants - nurse home visitor program fund - created.**  
24 (2) (d) (I) Pursuant to ~~section 24-75-1104.5 (1) (a)~~ SECTION 24-75-1104.5  
25 (1.7) (a), C.R.S., and except as otherwise provided in section  
26 24-75-1104.5 (5), C.R.S., ~~beginning with the 2006-07~~ FOR THE 2016-17  
27 fiscal year and for each fiscal year thereafter so long as the state receives



1 moneys pursuant to the master settlement agreement, the state treasurer  
2 shall transfer to the fund ~~the amounts specified in subparagraph (H) of~~  
3 ~~this paragraph (d) from~~ TWENTY-SIX AND SEVEN-TENTHS OF the master  
4 settlement agreement moneys received by the state, other than attorney  
5 fees and costs, during the preceding fiscal year. ~~not to exceed nineteen~~  
6 ~~million dollars in any fiscal year.~~ The transfer shall be from moneys  
7 credited to the tobacco litigation settlement cash fund created in section  
8 24-22-115, C.R.S.

9 **SECTION 20.** In Colorado Revised Statutes, 26-6.8-102, **amend**  
10 (2) (d) (I) as follows:

11 **26-6.8-102. Tony Grampas youth services program - creation**  
12 **- standards - applications.** (2) (d) (I) The youth services program fund  
13 is created in the state treasury. The principal of the fund consists of  
14 tobacco litigation settlement moneys transferred by the state treasurer to  
15 the fund pursuant to ~~section 24-75-1104.5 (1) (i)~~ SECTION 24-75-1104.5  
16 (1.7)(e), C.R.S. Subject to annual appropriation by the general assembly,  
17 the state department may expend moneys from the fund for the Tony  
18 Grampas youth services program, including the compensation of youth  
19 members of the Tony Grampas youth services board, as described in  
20 section 26-6.8-103 (1) (e) (II). The lesser of all unexpended and  
21 unencumbered moneys in the fund at the end of any fiscal year or an  
22 amount of such moneys equal to five percent of the amount appropriated  
23 from the fund for the fiscal year remain in the fund and shall not be  
24 transferred to the general fund or any other fund. Any additional  
25 unexpended and unencumbered moneys in the fund at the end of any  
26 fiscal year shall be transferred to the tobacco litigation settlement cash  
27 fund created in section 24-22-115, C.R.S.

1           **SECTION 21.** In Colorado Revised Statutes, 27-66-104, **amend**  
2 (4) (a) as follows:

3           **27-66-104. Types of services purchased - limitation on**  
4 **payments - offender mental health services fund.** (4) (a) The offender  
5 mental health services fund, referred to in this subsection (4) as the  
6 "fund", is hereby created in the state treasury. ON AND AFTER JULY 1,  
7 2016, the principal of the fund consists of ~~tobacco litigation settlement~~  
8 ~~moneys transferred by the state treasurer to the fund in accordance with~~  
9 ~~section 24-75-1104.5 (1.5) (a) (H), C.R.S., ANY MONEY THAT THE~~  
10 GENERAL ASSEMBLY MAY APPROPRIATE TO THE FUND for the purchase of  
11 mental health services for juvenile and adult offenders who have mental  
12 health problems and are involved in the criminal justice system. ~~The unit,~~  
13 Subject to annual appropriation by the general assembly, THE UNIT shall  
14 distribute the principal of the fund to the community mental health  
15 centers. ~~The lesser of all ANY unexpended and unencumbered moneys in~~  
16 ~~the fund at the end of any THE 2015-16 fiscal year or an amount of such~~  
17 ~~moneys equal to five percent of the amount appropriated from the fund~~  
18 ~~for the fiscal year remain in the fund and shall not be transferred to the~~  
19 ~~general fund or any other fund. Any additional unexpended and~~  
20 ~~unencumbered moneys in the fund at the end of any fiscal year shall be~~  
21 transferred to the tobacco litigation settlement cash fund created in  
22 section 24-22-115, C.R.S.

23           **SECTION 22.** In Colorado Revised Statutes, 27-67-106, **amend**  
24 (2) (a) as follows:

25           **27-67-106. Funding - rules.** (2) (a) If neither the family's private  
26 insurance nor federal medicaid funding cover all of the costs associated  
27 with the services provided to a child at risk of out-of-home placement

1 pursuant to this article, then the family ~~shall be~~ IS responsible for paying  
2 that portion that is not covered by private insurance or federal medicaid  
3 funding on a sliding scale basis as set forth in subsection (3) of this  
4 section. Any remaining portion of the services not covered by private  
5 insurance, federal medicaid funding, or the family's share, shall be paid  
6 for from ANY moneys appropriated BY THE GENERAL ASSEMBLY for ~~such~~  
7 THAT purpose. ~~pursuant to paragraph (b) of this subsection (2) or from~~  
8 ~~general fund moneys, subject to available appropriations.~~

9 **SECTION 23.** In Colorado Revised Statutes, 28-5-709, **amend**  
10 (1) (a), (1) (c), and (2) (a) as follows:

11 **28-5-709. Colorado state veterans trust fund - created - report.**

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

20 (c) The division may retain up to five percent of the amount  
21 annually appropriated from the trust fund for the actual costs incurred by  
22 the division and the board in implementing the provisions of this article.  
23 Notwithstanding the provisions of section 24-36-114, C.R.S., all interest  
24 derived from the deposit and investment of moneys in the trust fund shall  
25 be credited to the trust fund. ~~All unexpended and unencumbered moneys~~  
26 ~~remaining in the trust fund at the end of any fiscal year shall remain in the~~  
27 ~~trust fund and shall neither revert to the general fund nor be transferred~~

1 ~~to the tobacco litigation settlement trust fund created in section~~  
2 ~~24-22-115.5, C.R.S., nor be transferred or credited to any other fund.~~

3 (2) (a) Pursuant to ~~section 24-75-1104.5 (1) (g)~~ SECTION  
4 24-75-1104.5 (1.7) (l), C.R.S., and except as otherwise provided in  
5 section 24-75-1104.5 (5), C.R.S., beginning in ~~the 2006-07~~ THE 2016-17  
6 fiscal year, and for each fiscal year thereafter so long as the state receives  
7 moneys pursuant to the master settlement agreement, the state treasurer  
8 shall annually transfer to the trust fund one percent of the total amount  
9 received by the state pursuant to the provisions of the master settlement  
10 agreement, other than attorney fees and costs, during the preceding fiscal  
11 year. ~~except that the amount so transferred to the trust fund in any fiscal~~  
12 ~~year shall not exceed one million dollars.~~ The state treasurer shall transfer  
13 the amount specified in this subsection (2) from moneys credited to the  
14 tobacco litigation settlement cash fund created in section 24-22-115,  
15 C.R.S.

16 **SECTION 24.** In Colorado Revised Statutes, **repeal** 2-3-113 (7),  
17 8-20.5-103 (2) (b), 22-7-1210 (1) (b) and (3), 23-20-136 (3) (b), part 2 of  
18 article 20 of title 23, 24-22-115 (2) (c), (2) (d), (2) (e), (2) (f), and (4),  
19 24-22-115.5, 24-36-113 (7), 24-75-201.1 (1) (d) (VII) and (1) (d) (VIII),  
20 24-75-201.5 (1) (c), (1) (d), (1) (e), (1) (f), and (1) (g), 24-75-217,  
21 24-75-1103 (4), 24-75-1104.5 (1), (1.5), (4), (5) (a) (II) (E), and (5) (b),  
22 25-4-2504 (3) (b), 25-16-104.6 (1) (b), 25.5-8-105 (3) (b), 26-6.4-107 (2)  
23 (d) (II), 27-66-104 (4) (b), 27-67-106 (2) (b), and 28-5-709 (3.5).

24 **SECTION 25. Effective date.** This act takes effect July 1, 2016;  
25 except that section 25-1-512 (2), Colorado Revised Statutes, as amended  
26 in section 11 of this act, and section 27-66-104 (4) (a), Colorado Revised  
27 Statutes, as amended in section 21 of this act, take effect upon passage of

1 this act.

2           **SECTION 26. Safety clause.** The general assembly hereby finds,  
3 determines, and declares that this act is necessary for the immediate  
4 preservation of the public peace, health, and safety.