

Second Regular Session  
Seventieth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 16-1094.02 Jason Gelender x4330

HOUSE BILL 16-1408

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HOUSE SPONSORSHIP

**Rankin**, Hamner, Young

SENATE SPONSORSHIP

**Steadman**, Grantham, Lambert

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**House Committees**  
Appropriations

**Senate Committees**

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A BILL FOR AN ACT

101 CONCERNING THE ALLOCATION OF CASH FUND REVENUES TO  
102 HEALTH-RELATED PROGRAMS, AND, IN CONNECTION  
103 THEREWITH, MODIFYING AND STREAMLINING THE ALLOCATION  
104 OF TOBACCO LITIGATION SETTLEMENT MONEYS BY REPLACING  
105 THE CURRENT TWO-TIER ALLOCATION SYSTEM THAT INCLUDES  
106 BOTH PERCENTAGE-BASED AND FIXED AMOUNT ALLOCATIONS OF  
107 SETTLEMENT MONEYS WITH A SINGLE SET OF EXCLUSIVELY  
108 PERCENTAGE-BASED ALLOCATIONS AND REPLACING  
109 SETTLEMENT MONEYS FUNDING FOR SPECIFIED PROGRAMS WITH  
110 MARIJUANA TAX CASH FUND FUNDING; ALLOCATING  
111 ADDITIONAL SETTLEMENT MONEYS TO THE UNIVERSITY OF  
112 COLORADO HEALTH SCIENCES CENTER FOR CANCER RESEARCH  
113 ONLY; TRANSFERRING A SPECIFIED AMOUNT FROM THE

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

101 CHILDREN'S BASIC HEALTH PLAN TRUST TO A NEWLY CREATED  
102 ACCOUNTABLE CARE COLLABORATIVE FUND ON JULY 1, 2016;  
103 AND MAKING AND REDUCING APPROPRIATIONS.

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**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.** The bill modifies the allocation of cash fund revenues to various health-related programs as follows:

- ! The allocation of revenues annually received by the state pursuant to the tobacco litigation settlement (settlement moneys) is modified and streamlined 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 replacing settlement moneys funding for specified programs with marijuana tax cash fund funding;
- ! An additional allocation of settlement moneys is made to the university of Colorado health sciences center for the sole purpose of funding cancer research; and
- ! On July 1, 2016, \$20 million is transferred from the children's basic health plan trust to a newly created accountable care collaborative fund on July 1, 2016, for the purpose of funding department of health care policy and financing (HCPF) rate incentives for primary care medical providers, other than providers who are reimbursed on a cost-basis, in the accountable care collaborative established by HCPF.

The bill also makes and reduces various appropriations in order to accomplish its purposes and repeals various obsolete statutory provisions relating to the past allocation of settlement moneys and past transfers to and from cash funds.

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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,

1       **amend** (1.3), (2), and (3); and **add** (1.7) as follows:

2               **24-75-1104.5. Use of settlement moneys - programs - repeal.**

3       (1.3) (a) For the 2012-13 fiscal year, and for each fiscal year thereafter  
4       THROUGH THE 2015-16 FISCAL YEAR, the lesser of all settlement moneys  
5       received or the following amounts of settlement moneys shall be allocated  
6       in each fiscal year in which the state receives the moneys in the  
7       percentages or amounts specified and for the programs, services, and  
8       funds specified in subsections (1) and (1.5) of this section, AS SAID  
9       SUBSECTIONS EXISTED BEFORE JULY 1, 2016:

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

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

22       **and**

23           (III) ~~For the 2017-18 fiscal year, the amount allocated pursuant to~~  
24           ~~this subsection (1.3) for the 2016-17 fiscal year less fifteen million~~  
25           ~~dollars, less the amount of any disputed payments in the tobacco litigation~~  
26           ~~settlement cash fund that were credited to the fund pursuant to~~  
27           ~~subparagraph (I) of paragraph (a) of subsection (5) of this section, and~~

1    ~~less the amount of unexpended and unencumbered moneys remaining in~~  
2    ~~the tobacco litigation settlement cash fund at the end of the 2016-17 fiscal~~  
3    ~~year.~~

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

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

19           (II) FOR THE 2017-18 FISCAL YEAR, THE AMOUNT ALLOCATED  
20    PURSUANT TO SUBPARAGRAPH (I) OF THIS PARAGRAPH (a.5) FOR THE  
21    2016-17 FISCAL YEAR LESS FIFTEEN MILLION DOLLARS, LESS THE AMOUNT  
22    OF ANY DISPUTED PAYMENTS IN THE TOBACCO LITIGATION SETTLEMENT  
23    CASH FUND THAT WERE CREDITED TO THE FUND PURSUANT TO  
24    SUBPARAGRAPH (I) OF PARAGRAPH (a) OF SUBSECTION (5) OF THIS  
25    SECTION, AND LESS THE AMOUNT OF UNEXPENDED AND UNENCUMBERED  
26    MONEYS REMAINING IN THE TOBACCO LITIGATION SETTLEMENT CASH FUND  
27    AT THE END OF THE 2016-17 FISCAL YEAR.

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

9 (II) For ~~the 2013-14~~ THE 2016-17 fiscal year, and for each fiscal  
10 year thereafter, in addition to the amounts allocated pursuant to ~~paragraph~~  
11 ~~(a)~~ PARAGRAPH (a.5) of this subsection (1.3), disputed payments received  
12 are allocated in the year received up to the amounts necessary to meet the  
13 requirements of ~~subsections (1) and (1.5)~~ SUBSECTION (1.7) of this section  
14 in the percentages ~~and amounts~~ specified and for the programs, services,  
15 and funds specified in ~~said subsections (1) and (1.5)~~ SAID SUBSECTION  
16 (1.7).

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

24 (1.7) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTIONS (1.3) AND  
25 (5) OF THIS SECTION, AND EXCEPT THAT DISPUTED PAYMENTS RECEIVED BY  
26 THE STATE IN THE 2015-16 FISCAL YEAR OR IN ANY YEAR THEREAFTER ARE  
27 EXCLUDED FROM THE CALCULATION OF ALLOCATIONS UNDER THIS

1 SUBSECTION (1.7), FOR THE 2016-17 FISCAL YEAR AND FOR EACH FISCAL  
2 YEAR THEREAFTER, THE FOLLOWING PROGRAMS, SERVICES, AND FUNDS  
3 SHALL RECEIVE THE FOLLOWING SPECIFIED PERCENTAGES OF THE TOTAL  
4 AMOUNT OF SETTLEMENT MONEYS RECEIVED BY THE STATE IN THE  
5 PRECEDING FISCAL YEAR:

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

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

12 (c) THE UNIVERSITY OF COLORADO HEALTH SCIENCES CENTER  
13 SHALL RECEIVE A BASE AMOUNT OF FIFTEEN AND ONE-HALF PERCENT OF  
14 THE SETTLEMENT MONEYS AND AN ADDITIONAL AMOUNT OF TWO PERCENT  
15 OF THE SETTLEMENT MONEYS, AND THE STATE TREASURER SHALL CREDIT  
16 BOTH AMOUNTS TO THE TOBACCO LITIGATION SETTLEMENT MONEYS  
17 HEALTH EDUCATION FUND, WHICH IS HEREBY CREATED IN THE STATE  
18 TREASURY. THE STATE TREASURER SHALL CREDIT ALL INTEREST AND  
19 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE  
20 FUND TO THE FUND. ALL MONEY IN THE FUND IS SUBJECT TO ANNUAL  
21 APPROPRIATION BY THE GENERAL ASSEMBLY TO THE HEALTH SCIENCES  
22 CENTER, BUT THE HEALTH SCIENCES CENTER SHALL USE THE ADDITIONAL  
23 AMOUNT OF SETTLEMENT MONEYS CREDITED TO THE FUND ONLY FOR  
24 TOBACCO-RELATED IN-STATE CANCER RESEARCH AS AUTHORIZED IN  
25 SECTION 24-75-1103 (7).

26 (d) THE FITZSIMONS TRUST FUND CREATED IN SECTION 23-20-136  
27 (3), C.R.S., SHALL RECEIVE EIGHT PERCENT OF THE SETTLEMENT MONEYS.

1 SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, THE  
2 SETTLEMENT MONEYS SHALL BE USED AS SPECIFIED IN SECTION 23-20-136  
3 (5), C.R.S.

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

9 (f) THE DRUG ASSISTANCE PROGRAM CREATED IN SECTION  
10 25-4-1411, C.R.S., SHALL RECEIVE FIVE PERCENT OF THE SETTLEMENT  
11 MONEYS;

12 (g) THE AIDS AND HIV PREVENTION FUND CREATED IN SECTION  
13 25-4-1415, C.R.S., SHALL RECEIVE THREE AND ONE-HALF PERCENT OF THE  
14 SETTLEMENT MONEYS;

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

19 (i) THE TOBACCO SETTLEMENT DEFENSE ACCOUNT OF THE  
20 TOBACCO LITIGATION SETTLEMENT CASH FUND CREATED IN SECTION  
21 24-22-115 (2) (a) SHALL RECEIVE TWO AND ONE-HALF PERCENT OF THE  
22 SETTLEMENT MONEYS;

23 (j) THE SUPPLEMENTAL STATE CONTRIBUTION FUND CREATED IN  
24 SECTION 24-50-609 (5) SHALL RECEIVE TWO AND THREE-TENTHS PERCENT  
25 OF THE SETTLEMENT MONEYS, WHICH, SUBJECT TO ANNUAL  
26 APPROPRIATION BY THE GENERAL ASSEMBLY, SHALL BE USED TO PAY THE  
27 COSTS OF INCREASED NONSUPPLEMENTAL STATE CONTRIBUTIONS AND TO

1 PROVIDE SUPPLEMENTS TO THE STATE CONTRIBUTION FOR STATE  
2 EMPLOYEE GROUP BENEFIT PLANS FOR EACH ELIGIBLE STATE EMPLOYEE AS  
3 REQUIRED BY SECTION 24-50-609.5;

4 (k) THE COLORADO AUTISM TREATMENT FUND CREATED  
5 PURSUANT TO SECTION 25.5-6-805, C.R.S., SHALL RECEIVE TWO PERCENT  
6 OF THE SETTLEMENT MONEYS TO PAY A PORTION OF THE STATE'S SHARE OF  
7 THE ANNUAL FUNDING REQUIRED BY THE "HOME- AND  
8 COMMUNITY-BASED SERVICES FOR CHILDREN WITH AUTISM ACT", PART  
9 8 OF ARTICLE 6 OF TITLE 25.5, C.R.S.;

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

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

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

19 (2) The general assembly shall appropriate or the state treasurer  
20 shall transfer, as provided by law, the amounts specified in ~~subsections~~  
21 ~~(1) and (1.5)~~ SUBSECTION (1.7) of this section from moneys credited to the  
22 tobacco litigation settlement cash fund created in section 24-22-115.  
23 ~~Except for moneys credited to the health care supplemental appropriations~~  
24 ~~and overexpenditures account of the cash fund pursuant to section~~  
25 ~~24-22-115 (4) (a)~~, All settlement moneys other than settlement moneys  
26 received and allocated by the state during the same fiscal year pursuant  
27 to ~~subsections (1) and (1.5)~~ SUBSECTION (1.7) of this section shall be



1 credited to the specified funds or accounts on July 1 of the fiscal year for  
2 which they are transferred, and all settlement moneys received and  
3 allocated by the state during the same fiscal year pursuant to said  
4 ~~subsections (1) and (1.5)~~ SUBSECTION (1.7) shall be credited to the  
5 specified funds or accounts upon receipt by the state.

6 (3) Notwithstanding the provisions of ~~subsections (1) and (1.5)~~  
7 SUBSECTION (1.7) of this section, for purposes of sections ~~22-7-1210 (3),~~  
8 23-20-136 (3.5) (a), 25-4-1411 (6) (a), 25-4-1415 (2), 25-23-104 (2),  
9 25.5-6-805 (2), 25.5-8-105 (3), 26-6.4-107 (2) (d) (I), 26-6.8-102 (2) (d),  
10 27-67-106 (2) (b), and 28-5-709 (2) (a), C.R.S., settlement moneys  
11 received and allocated by the state pursuant to said ~~subsections (1) and~~  
12 ~~(1.5)~~ SUBSECTION (1.7) during the same fiscal year ~~shall be~~ ARE deemed  
13 to be moneys received for or during the preceding fiscal year.

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

16 **2-3-113. Programs that receive tobacco settlement moneys -**  
17 **program review.** (2) Beginning January 1, 2002, it is the duty of the  
18 state auditor to conduct or cause to be conducted program reviews and  
19 evaluations of the performance of each tobacco settlement program to  
20 determine whether the program is effectively and efficiently meeting its  
21 stated goals. ~~The entity conducting the reviews, in measuring the~~  
22 ~~effectiveness of a program, shall apply, at a minimum, the evaluative~~  
23 ~~research data received pursuant to the tobacco-related and~~  
24 ~~tobacco-focused research grant program created pursuant to part 2 of~~  
25 ~~article 20 of title 23, C.R.S.~~ The program reviews and evaluations shall  
26 subject all tobacco settlement programs to audit, whether operated  
27 directly by a state agency or by a private entity or by a local government

1 agency.

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

4 **23-20-136. Fitzsimons trust fund - creation - legislative**  
5 **declaration - repeal.** (3.5) (a) For ~~the 2006-07~~ THE 2016-17 fiscal year  
6 and for each fiscal year thereafter in which the state receives moneys  
7 pursuant to the master settlement agreement, and in which money is due  
8 to a lessor under a lease-purchase agreement authorized pursuant to  
9 section 3 of House Bill 03-1256, ~~as enacted at the first regular session of~~  
10 ~~the sixty-fourth general assembly,~~ IN 2003, the state treasurer shall  
11 transfer to the capital construction fund and the state controller shall  
12 transfer from the capital construction fund to the Fitzsimons trust fund,  
13 ~~the lesser of the amount due to any lessor during the fiscal year or,~~ except  
14 as otherwise provided in section 24-75-1104.5 (5), C.R.S., eight percent  
15 of the total amount received by the state pursuant to the master settlement  
16 agreement, other than attorney fees and costs, during the preceding fiscal  
17 year. ~~except that the amount transferred pursuant to this subsection (3.5)~~  
18 ~~in any fiscal year shall not exceed eight million dollars.~~

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

21 **24-22-115. Tobacco litigation settlement cash fund - health**  
22 **care supplemental appropriations and overexpenditures account -**  
23 **creation.** (1) (a) There is hereby created in the state treasury the tobacco  
24 litigation settlement cash fund. The cash fund ~~shall consist~~ CONSISTS of  
25 all moneys transmitted to the state treasurer in accordance with the terms  
26 of the master settlement agreement, the smokeless tobacco master  
27 settlement agreement, and the consent decree approved and entered by the

1 court in the case denominated *State of Colorado, ex rel. Gale A. Norton,*  
2 *Attorney General v. R.J. Reynolds Tobacco Co.; American Tobacco Co.,*  
3 *Inc.; Brown & Williamson Tobacco Corp.; Liggett & Myers, Inc.;*  
4 *Lorillard Tobacco Co., Inc.; Philip Morris, Inc.; United States Tobacco*  
5 *Co.; B.A.T. Industries, P.L.C.; The Council For Tobacco*  
6 *Research--U.S.A., Inc.; and Tobacco Institute, Inc.,* Case No. 97 CV  
7 3432, in the district court for the city and county of Denver. ~~other than~~  
8 ~~moneys credited to the tobacco litigation settlement trust fund pursuant~~  
9 ~~to section 24-22-115.5.~~ Except as provided in subsection (2) of this  
10 section, all interest derived from the deposit and investment of moneys in  
11 the cash fund shall be credited to the cash fund; except that, beginning  
12 with the fiscal year 2001-02, and each fiscal year thereafter, all interest  
13 derived from the deposit and investment of moneys in the cash fund shall  
14 be credited to the breast and cervical cancer prevention and treatment  
15 fund created pursuant to section 25.5-5-308, C.R.S. Except as provided  
16 in subsection (2) of this section, all moneys in the cash fund shall be  
17 subject to appropriation by the general assembly for such purposes as may  
18 be authorized by law in accordance with the terms of the settlement  
19 agreements and the consent decree. ~~Except as provided in subsection (2)~~  
20 ~~of this section, at the end of the 2004-05 and 2005-06 fiscal years, but~~  
21 ~~prior to the making of any transfer of moneys from the cash fund to the~~  
22 ~~general fund at the end of the fiscal year as required by this paragraph (a),~~  
23 ~~an amount needed, up to one million dollars, to pay the state's share of the~~  
24 ~~annual funding required by the "Home- and Community-based Services~~  
25 ~~for Children with Autism Act", part 8 of article 6 of title 25.5, C.R.S.,~~  
26 ~~shall be transferred from the cash fund to the Colorado autism treatment~~  
27 ~~fund created pursuant to section 25.5-6-805, C.R.S. Except as provided~~

1 in subsection (2) of this section, at the end of any fiscal year commencing  
2 on or after July 1, 2004, but before July 1, 2006, all unexpended and  
3 unencumbered moneys in the cash fund, all moneys in the cash fund not  
4 appropriated for the following fiscal year, and all moneys in the cash fund  
5 not required for transfers pursuant to section 24-75-1104.5 (1) in the  
6 following fiscal year shall be transferred to the general fund.

7 (b) Except as provided in subsection (2) of this section, for the  
8 2006-07 fiscal year and the 2007-08 fiscal year, an amount needed, up to  
9 one million dollars, to pay the state's share of the annual funding required  
10 by the "Home- and Community-based Services for Children with Autism  
11 Act", part 8 of article 6 of title 25.5, C.R.S., shall be transferred from the  
12 tobacco litigation settlement cash fund to the Colorado autism treatment  
13 fund created pursuant to section 25.5-6-805, C.R.S. The amount to be  
14 transferred shall be taken into account when determining the amount of  
15 cash fund moneys available for allocation to tobacco settlement programs  
16 pursuant to section 24-75-1104.5 (1.5) and shall be transferred at the end  
17 of the 2006-07 fiscal year and at the end of the 2007-08 fiscal year. On  
18 and after July 1, 2011, all unexpended and unencumbered moneys in the  
19 cash fund shall remain in the fund until expended in order to reduce the  
20 share of allocations made from current-year receipts of settlement moneys  
21 as required by section 24-75-1104.5 (1.3).

22 (2) (a) There is hereby created in the state treasury, as an account  
23 within the tobacco litigation settlement cash fund established pursuant to  
24 subsection (1) of this section, the tobacco settlement defense account,  
25 which shall be used by the department of law: To defend the state in  
26 lawsuits arising out of challenges to or arising under the provisions of the  
27 master settlement agreement, the smokeless tobacco master settlement

1 agreement, and the consent decree approved and entered by the court in  
2 the case denominated *State of Colorado, ex rel. Gale A. Norton, Attorney*  
3 *General v. R.J. Reynolds Tobacco Co.; American Tobacco Co., Inc.;*  
4 *Brown & Williamson Tobacco Corp.; Liggett & Myers, Inc.; Lorillard*  
5 *Tobacco Co., Inc.; Philip Morris, Inc.; United States Tobacco Co.; B.A.T.*  
6 *Industries, P.L.C.; The Council For Tobacco Research--U.S.A., Inc.; and*  
7 *Tobacco Institute, Inc.*, Case No. 97 CV 3432, in the district court for the  
8 city and county of Denver, or duly enacted Colorado laws related to the  
9 tobacco litigation settlement, including, but without limitation, this  
10 section, ~~sections 24-22-115.5~~ and SECTION 24-22-116, and parts 2 and 3  
11 of article 28 of title 39, C.R.S.; to defend the state against claims of  
12 entitlement to tobacco litigation settlement moneys by any person, as  
13 defined in section 2-4-401 (8), C.R.S.; to enforce and defend all rights  
14 and obligations of the state under said settlement agreements, decree, or  
15 laws; and to resolve any dispute with any participating manufacturer, as  
16 defined in section 39-28-302 (6), C.R.S., or nonparticipating  
17 manufacturer, as defined in section 39-28-302 (5), C.R.S., that arises  
18 under the provisions of said settlement agreements, decree, or laws. The  
19 tobacco settlement defense account may also be used by the department  
20 of revenue to help administer, coordinate, and support the activities of the  
21 department of revenue and the department of law, including the  
22 investigation of and response to settlement agreement manufacture and  
23 distribution reporting irregularities identified by the department of law.  
24 Notwithstanding the provisions of subsection (1) of this section, ~~and~~  
25 ~~section 24-22-115.5~~, the tobacco settlement defense account consists of  
26 all tobacco litigation settlement moneys received by the attorney general  
27 and transmitted to the state treasurer to compensate the state for attorney

1 fees, court costs, or other expenses incurred by the state in obtaining the  
2 tobacco litigation settlement, all tobacco litigation settlement moneys  
3 transferred to the account as required by ~~section 24-75-1104.5 (1) (a) and~~  
4 ~~(1) (n)~~, SECTION 24-75-1104.5 (1.7) (i), and all interest derived from the  
5 deposit and investment of moneys in the tobacco settlement defense  
6 account. Any moneys received by the state treasurer to compensate the  
7 state for attorney fees, court costs, or other expenses, including all interest  
8 derived from the deposit and investment of such moneys after receipt by  
9 the state treasurer, shall be transferred to the tobacco settlement defense  
10 account for use in accordance with the provisions of this subsection (2).

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

13 **24-22-115.6. Miscellaneous tobacco litigation settlement**  
14 **moneys.** (1) Notwithstanding the provisions of ~~sections 24-22-115 and~~  
15 ~~24-22-115.5~~ SECTION 24-22-115, any tobacco litigation settlement moneys  
16 received by the state ~~shall be~~ ARE subject to appropriation by the general  
17 assembly if the purpose for which ~~such~~ THE moneys may be expended is  
18 not specified or approved by a court or other non-Colorado authority.

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

21 **24-22-116. Legislative declaration - exclusion of revenue in**  
22 **tobacco litigation settlement funds from fiscal year spending.** (1) The  
23 general assembly hereby finds and declares that:

24 (i) All of the moneys received by the state in accordance with the  
25 terms of the master settlement agreement, the smokeless tobacco master  
26 settlement agreement, and the consent decree entered by the court in the  
27 case denominated *State of Colorado, ex rel. Gale A. Norton, Attorney*

1 *General v. R.J. Reynolds Tobacco Co.; American Tobacco Co., Inc.;*  
2 *Brown & Williamson Tobacco Corp.; Liggett & Myers, Inc.; Lorillard*  
3 *Tobacco Co., Inc.; Philip Morris, Inc.; United States Tobacco Co.; B.A.T.*  
4 *Industries, P.L.C.; The Council For Tobacco Research--U.S.A., Inc.; and*  
5 *Tobacco Institute, Inc.,* Case No. 97 CV 3432, in the district court for the  
6 city and county of Denver, and credited to the tobacco litigation  
7 settlement cash fund created in section 24-22-115 (1), including moneys  
8 transferred to the tobacco settlement defense account created in said cash  
9 fund pursuant to section 24-22-115 (2), ~~or the tobacco litigation~~  
10 ~~settlement trust fund created in section 24-22-115.5~~ are in settlement of  
11 the state of Colorado's antitrust, consumer protection, public nuisance,  
12 racketeering, and other statutory claims for relief against defendants in  
13 said action;

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

26 (b) For purposes of section 20 of article X of the state constitution  
27 and article 77 of this title, any moneys expended from the tobacco

1 litigation settlement cash fund created in section 24-22-115 (1), including  
2 the tobacco settlement defense account created in said cash fund pursuant  
3 to section 24-22-115 (2), ~~or the tobacco litigation settlement trust fund~~  
4 ~~created in section 24-22-115.5~~ and received by any local government are  
5 damage awards or interest accruing on such damage awards and are not  
6 included in the fiscal year spending of the receiving local government for  
7 any budget year.

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

11 **24-31-108. Receipt of moneys - subject to appropriation -**  
12 **exception for custodial moneys - legal services cash fund - creation -**  
13 **definition.** (4) (b) Notwithstanding the provisions of paragraph (a) of  
14 this subsection (4), custodial moneys ~~shall~~ DO not include the following:

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

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

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

21 **24-50-609. State contributions - supplemental state**  
22 **contribution fund - creation.** (5) The supplemental state contribution  
23 fund is hereby created in the state treasury. The principal of the fund ~~shall~~  
24 ~~consist~~ CONSISTS of tobacco litigation settlement moneys transferred by  
25 the state treasurer to the fund pursuant to ~~section 24-75-1104.5 (1.5) (a)~~  
26 ~~(VI)~~ SECTION 24-75-1104.5 (1.7) (j). The principal of the fund is ~~hereby~~  
27 continuously appropriated to the department of personnel and shall be



1 expended in its entirety in each fiscal year by the department to pay the  
2 costs of increased nonsupplemental state contributions, as defined in  
3 section 24-50-609.5 (3) (c) (II), and supplement the state contribution, as  
4 defined in section 24-50-609.5 (2) (d), for each eligible state employee,  
5 as defined in section 24-50-609.5 (2) (a), enrolled in a qualifying group  
6 benefit plan, as defined in section 24-50-609.5 (2) (c), as required by  
7 section 24-50-609.5; except that the department shall expend no more  
8 than the amount needed to pay the costs of increased nonsupplemental  
9 state contributions and reduce the employee contribution, as defined in  
10 section 24-50-609.5 (2) (b), of each eligible state employee for all  
11 qualifying group benefit plans to zero. The principal of the fund ~~shall~~  
12 ~~remain~~ REMAINS in the fund until expended and shall not be transferred  
13 to the general fund or any other fund. Interest and income earned on the  
14 deposit and investment of moneys in the fund shall be credited to the  
15 fund, shall not be transferred to the general fund or to any other fund, and  
16 shall be used by the department, subject to annual appropriation, solely  
17 to pay the costs of the department related to the supplementation of the  
18 state contribution for each eligible state employee required by section  
19 24-50-609.5.

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

22 **24-75-111. Additional authority for controller to allow**  
23 **expenditures in excess of appropriations - limitations -**  
24 **appropriations for subsequent fiscal year restricted.** (1) For fiscal  
25 years commencing on or after July 1, 1997, in addition to any  
26 overexpenditure allowed pursuant to section 24-75-109, the controller  
27 may allow any department, institution, or agency of the state, including

1 any institution of higher education, to make an expenditure in excess of  
2 the amount authorized by an item of appropriation for such fiscal year if:

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

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

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

12 **24-75-201.5. Revenue shortfalls - required actions by the**  
13 **governor with respect to the reserve.** (1) (a) ~~Except as provided in~~  
14 ~~paragraphs (c) and (d) of this subsection (1);~~ Whenever the revenue  
15 estimate for the current fiscal year, prepared in accordance with section  
16 24-75-201.3 (2), indicates that general fund expenditures for such fiscal  
17 year based on appropriations then in effect will result in the use of  
18 one-half or more of the reserve required by section 24-75-201.1 (1) (d),  
19 the governor shall formulate a plan for reducing such general fund  
20 expenditures so that said reserve, as of the close of the fiscal year, will be  
21 at least one-half of the amount required by said section 24-75-201.1 (1)  
22 (d). The governor shall promptly notify the general assembly of ~~such~~ THE  
23 plan. ~~Such~~ THE plan shall be promptly implemented by the governor,  
24 using the procedures set forth in section 24-2-102 (4) or 24-50-109.5 or  
25 any other lawful means.

26 **SECTION 11.** In Colorado Revised Statutes, 24-75-402, **add** (5)  
27 (jj) as follows:

1           **24-75-402. Cash funds - limit on uncommitted reserves -**  
2 **reduction in amount of fees - exclusions - repeal.** (5) Notwithstanding  
3 any provision of this section to the contrary, the following cash funds are  
4 excluded from the limitations specified in this section:

5           (jj) THE ACCOUNTABLE CARE COLLABORATIVE FUND CREATED IN  
6 SECTION 25.5-5-418, C.R.S.

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

9           **25-1-512. Allocation of moneys - public health services support**  
10 **fund - created - repeal.** (2) (a) The public health services support fund  
11 is hereby created in the state treasury and shall be known in this section  
12 as the "fund". The principal of the fund consists of tobacco litigation  
13 settlement moneys transferred by the state treasurer to the fund pursuant  
14 to section 24-75-1104.5 (1.5) (a) (IV), C.R.S., and shall, subject to annual  
15 appropriation by the general assembly to the state department, be  
16 allocated by the state department to all agencies authorized pursuant to  
17 this part 5 as specified in subsection (1) of this section. ~~The lesser of All~~  
18 ~~unexpended and unencumbered moneys in the fund at the end of any~~ THE  
19 ~~2015-16 fiscal year or an amount of such moneys equal to five percent of~~  
20 ~~the amount appropriated from the fund for the fiscal year remain in the~~  
21 ~~fund and shall not be transferred to the general fund or any other fund.~~  
22 ~~Any additional unexpended and unencumbered moneys in the fund at the~~  
23 ~~end of any fiscal year~~ shall be transferred to the tobacco litigation  
24 settlement cash fund created in section 24-22-115, C.R.S.

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

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

1           **25-1.5-506. Colorado health service corps fund - created -**  
2 **acceptance of grants and donations.** (1) The Colorado health service  
3 corps fund is hereby created in the state treasury, which fund consists of:  
4           (c) For ~~the 2011-12~~ THE 2016-17 fiscal year and each fiscal year  
5 thereafter, ~~two hundred fifty thousand dollars~~ TOBACCO LITIGATION  
6 SETTLEMENT MONEYS transferred TO THE FUND BY THE STATE TREASURER  
7 pursuant to ~~section 24-75-1104.5 (1.5) (a) (XI)~~ SECTION 24-75-1104.5  
8 (1.7) (n), C.R.S.

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

11           **25-4-1411. Drug assistance program - program fund - created**  
12 **- legislative declaration - no entitlement created.** (6) (a) The drug  
13 assistance program fund is created in the state treasury. The principal of  
14 the fund consists of tobacco litigation settlement moneys transferred by  
15 the state treasurer to the fund pursuant to ~~section 24-75-1104.5 (1) (j)~~  
16 SECTION 24-75-1104.5 (1.7) (f), C.R.S. Subject to annual appropriation by  
17 the general assembly, the department of public health and environment  
18 may expend moneys from the fund for the state program. ~~Any~~  
19 ~~unexpended or unencumbered money remaining in the fund at the end of~~  
20 ~~any fiscal year commencing on or after July 1, 2014, remains in the fund~~  
21 ~~and shall not be credited or transferred to the general fund or any other~~  
22 ~~fund.~~

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

25           **25-4-1415. Cash fund - administration - limitation.**  
26 (2) Pursuant to ~~section 24-75-1104.5 (1) (m)~~ SECTION 24-75-1104.5 (1.7)  
27 (g), C.R.S., and except as otherwise provided in section 24-75-1104.5 (5),

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

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

13 **25-4-2301. Colorado immunization fund - supplemental**  
14 **tobacco litigation settlement moneys account - creation.** There are  
15 hereby created in the state treasury the Colorado immunization fund and  
16 an account within the fund to be known as the supplemental tobacco  
17 litigation settlement moneys account. The principal of the portion of the  
18 fund that is not the account consists of general fund appropriations made  
19 by the general assembly to the fund and gifts, grants, or awards received  
20 by the department of public health and environment from the federal  
21 government or private sources for the fund. The principal of the account  
22 consists of tobacco litigation settlement moneys transferred by the state  
23 treasurer to the account in accordance with ~~section 24-75-1104.5 (1.5) (a)~~  
24 ~~(VII)~~ SECTION 24-75-1104.5 (1.7) (h), C.R.S. All interest and income  
25 earned on the deposit and investment of moneys in the portion of the fund  
26 that is not the account shall be credited to that portion of the fund. All  
27 interest and income earned on the deposit and investment of moneys in

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

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

24 **25-23-104. Dental loan repayment fund - acceptance of grants**  
25 **and donations.** (2) Pursuant to ~~section 24-75-1104.5 (1) (d) C.R.S.,~~  
26 ~~beginning in fiscal year 2006-07~~ SECTION 24-75-1104.5(1.7) (m), C.R.S.,  
27 FOR FISCAL YEAR 2016-17 and for each fiscal year thereafter so long as

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

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

14 **25.5-5-418. Accountable care collaborative fund - creation - use**  
15 **of fund.** THE ACCOUNTABLE CARE COLLABORATIVE FUND IS HEREBY  
16 CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF MONEY  
17 TRANSFERRED TO THE FUND FROM THE CHILDREN'S BASIC HEALTH PLAN  
18 TRUST CREATED IN SECTION 25.5-8-105 (1) PURSUANT TO SECTION  
19 25.5-8-105 (8) (b) AND ANY OTHER MONEY THAT THE GENERAL ASSEMBLY  
20 MAY APPROPRIATE OR TRANSFER TO THE FUND. THE STATE TREASURER  
21 SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT  
22 AND INVESTMENT OF MONEY IN THE FUND TO THE FUND. SUBJECT TO  
23 ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, THE STATE  
24 DEPARTMENT MAY EXPEND MONEY FROM THE FUND TO PAY EFFICIENCY  
25 AND HEALTH OUTCOME-BASED RATE INCENTIVES FOR PRIMARY CARE  
26 MEDICAL PROVIDERS, OTHER THAN PROVIDERS WHO ARE REIMBURSED ON  
27 A COST-BASIS, IN THE MEDICAID COORDINATED CARE SYSTEM CREATED BY

1 THE STATE DEPARTMENT THAT IS KNOWN AND REFERRED TO IN THIS  
2 SECTION AS THE "ACCOUNTABLE CARE COLLABORATIVE".

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

5 **25.5-6-805. Colorado autism treatment fund.** (1) The Colorado  
6 autism treatment fund is hereby created and established in the state  
7 treasury for the purpose of paying for services provided to eligible  
8 children, ~~and for~~ EARLY AND PERIODIC SCREENING DIAGNOSIS AND  
9 TREATMENT SERVICES REQUIRED BY SECTION 25.5-5-102 (1) (g), AND  
10 participant and program evaluations pursuant to this part 8. ~~Such~~ THE  
11 fund ~~shall be~~ IS comprised of tobacco settlement moneys allocated to ~~such~~  
12 THE fund. Moneys in the fund ~~shall be~~ ARE subject to annual  
13 appropriation by the general assembly for the purposes of this part 8. At  
14 the end of any fiscal year, all unexpended and unencumbered moneys in  
15 the fund ~~shall remain therein and shall not be credited or transferred to the~~  
16 ~~general fund or any other fund~~ REMAIN IN THE FUND. Any moneys in the  
17 fund not expended for the purpose of this part 8 may be invested by the  
18 state treasurer as provided by law. All interest and income derived from  
19 the investment and deposit of moneys in the fund shall be credited to the  
20 fund.

21 (2) Pursuant to ~~section 24-75-1104.5 (1) (l), C.R.S., beginning in~~  
22 ~~the 2008-09~~ SECTION 24-75-1104.5 (1.7) (k), C.R.S., FOR THE 2016-17  
23 fiscal year and ~~in~~ FOR each fiscal year thereafter so long as the state  
24 receives moneys pursuant to the master settlement agreement, the state  
25 treasurer shall annually transfer to the fund ~~the amount of moneys to be~~  
26 ~~received by the fund pursuant to section 24-75-1104.5 (1) (l), C.R.S.~~ TWO  
27 PERCENT OF THE MONEYS RECEIVED BY THE STATE PURSUANT TO THE



1 MASTER SETTLEMENT AGREEMENT FOR THE PRECEDING FISCAL YEAR. The  
2 state treasurer shall transfer the amount specified in this subsection (2)  
3 from moneys credited to the tobacco litigation settlement cash fund  
4 created in section 24-22-115, C.R.S.

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

7 **25.5-8-105. Trust - created.** (3) (a) Pursuant to ~~section~~  
8 ~~24-75-1104.5 (1) (c)~~ SECTION 24-75-1104.5 (1.7) (b), C.R.S., and except  
9 as otherwise provided in section 24-75-1104.5 (5), C.R.S., beginning in  
10 ~~the 2006-07~~ THE 2016-17 fiscal year and in each fiscal year thereafter so  
11 long as the state receives moneys pursuant to the master settlement  
12 agreement, the state treasurer shall transfer to the trust ~~twenty-four~~  
13 EIGHTEEN percent of the total amount of the moneys annually received by  
14 the state pursuant to the master settlement agreement, not including  
15 attorney fees and costs, during the preceding fiscal year. ~~except that the~~  
16 ~~amount so transferred to the trust shall not exceed thirty million dollars~~  
17 ~~in any fiscal year. Except as otherwise provided in sections 24-22-115.5~~  
18 ~~(2) (a.7) and 24-75-1104.5 (1) (c), C.R.S.,~~ The state treasurer shall  
19 transfer the amount specified in this subsection (3) from moneys credited  
20 to the tobacco litigation settlement cash fund created in section  
21 24-22-115, C.R.S. The amount transferred pursuant to this subsection (3)  
22 ~~shall be~~ IS in addition to and not in replacement of any general fund  
23 moneys appropriated to the trust.

24 (8) (a) Beginning in the 2011-2012 fiscal year and for each fiscal  
25 year thereafter, moneys in the trust may be used for costs associated with  
26 children enrolled in the medical assistance program, articles 4, 5, and 6  
27 of this title, whose family income is more than one hundred percent but

1 does not exceed one hundred thirty-three percent of the federal poverty  
2 line and who would have been eligible for enrollment in the children's  
3 basic health plan prior to September 1, 2011.

4 (b) ON JULY 1, 2016, THE STATE TREASURER SHALL TRANSFER  
5 TWENTY MILLION DOLLARS FROM THE CHILDREN'S BASIC HEALTH PLAN  
6 TRUST TO THE ACCOUNTABLE CARE COLLABORATIVE FUND CREATED IN  
7 SECTION 25.5-5-418.

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

10 **26-6.4-107. Selection of entities to administer the program -**  
11 **grants - nurse home visitor program fund - created.**

12 (2) (d) (I) Pursuant to ~~section 24-75-1104.5 (1) (a)~~ SECTION 24-75-1104.5  
13 (1.7) (a), C.R.S., and except as otherwise provided in section  
14 24-75-1104.5 (5), C.R.S., ~~beginning with the 2006-07~~ FOR THE 2016-17  
15 fiscal year and for each fiscal year thereafter so long as the state receives  
16 moneys pursuant to the master settlement agreement, the state treasurer  
17 shall transfer to the fund ~~the amounts specified in subparagraph (H) of~~  
18 ~~this paragraph (d) from~~ TWENTY-SIX AND SEVEN-TENTHS OF the master  
19 settlement agreement moneys received by the state, other than attorney  
20 fees and costs, during the preceding fiscal year. ~~not to exceed nineteen~~  
21 ~~million dollars in any fiscal year.~~ The transfer shall be from moneys  
22 credited to the tobacco litigation settlement cash fund created in section  
23 24-22-115, C.R.S.

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

26 **26-6.8-102. Tony Grampas youth services program - creation**  
27 **- standards - applications.** (2) (d) (I) The youth services program fund

1 is created in the state treasury. The principal of the fund consists of  
2 tobacco litigation settlement moneys transferred by the state treasurer to  
3 the fund pursuant to ~~section 24-75-1104.5 (1) (i)~~ SECTION 24-75-1104.5  
4 (1.7) (e), C.R.S. Subject to annual appropriation by the general assembly,  
5 the state department may expend moneys from the fund for the Tony  
6 Grampsas youth services program, including the compensation of youth  
7 members of the Tony Grampsas youth services board, as described in  
8 section 26-6.8-103 (1) (e) (II). ~~The lesser of~~ All unexpended and  
9 unencumbered moneys in the fund at the end of any fiscal year ~~or an~~  
10 ~~amount of such moneys equal to five percent of the amount appropriated~~  
11 ~~from the fund for the fiscal year remain in the fund. and shall not be~~  
12 ~~transferred to the general fund or any other fund. Any additional~~  
13 ~~unexpended and unencumbered moneys in the fund at the end of any~~  
14 ~~fiscal year shall be transferred to the tobacco litigation settlement cash~~  
15 ~~fund created in section 24-22-115, C.R.S.~~

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

18 **27-66-104. Types of services purchased - limitation on**  
19 **payments - offender mental health services fund.** (4) (a) The offender  
20 mental health services fund, referred to in this subsection (4) as the  
21 "fund", is hereby created in the state treasury. ON AND AFTER JULY 1,  
22 2016, the principal of the fund consists of ~~tobacco litigation settlement~~  
23 ~~moneys transferred by the state treasurer to the fund in accordance with~~  
24 ~~section 24-75-1104.5 (1.5) (a) (II), C.R.S., ANY MONEY THAT THE~~  
25 GENERAL ASSEMBLY MAY APPROPRIATE TO THE FUND for the purchase of  
26 mental health services for juvenile and adult offenders who have mental  
27 health problems and are involved in the criminal justice system. ~~The unit,~~

1 Subject to annual appropriation by the general assembly, THE UNIT shall  
2 distribute the principal of the fund to the community mental health  
3 centers. ~~The lesser of all ANY unexpended and unencumbered moneys in~~  
4 ~~the fund at the end of any THE 2015-16 fiscal year or an amount of such~~  
5 ~~moneys equal to five percent of the amount appropriated from the fund~~  
6 ~~for the fiscal year remain in the fund and shall not be transferred to the~~  
7 ~~general fund or any other fund. Any additional unexpended and~~  
8 ~~unencumbered moneys in the fund at the end of any fiscal year shall be~~  
9 transferred to the tobacco litigation settlement cash fund created in  
10 section 24-22-115, C.R.S.

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

13 **27-67-106. Funding - rules.** (2) (a) If neither the family's private  
14 insurance nor federal medicaid funding cover all of the costs associated  
15 with the services provided to a child at risk of out-of-home placement  
16 pursuant to this article, then the family ~~shall be~~ IS responsible for paying  
17 that portion that is not covered by private insurance or federal medicaid  
18 funding on a sliding scale basis as set forth in subsection (3) of this  
19 section. Any remaining portion of the services not covered by private  
20 insurance, federal medicaid funding, or the family's share, shall be paid  
21 for from ANY moneys appropriated BY THE GENERAL ASSEMBLY for ~~such~~  
22 THAT purpose. ~~pursuant to paragraph (b) of this subsection (2) or from~~  
23 ~~general fund moneys, subject to available appropriations.~~

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

26 **28-5-709. Colorado state veterans trust fund - created - report.**

27 (1) (a) There is hereby created in the state treasury the Colorado state

1 veterans trust fund, ~~that shall consist~~ WHICH CONSISTS of the moneys  
2 transferred thereto pursuant to subsection (2) of this section. In addition,  
3 the state treasurer may credit to the trust fund any public or private gifts,  
4 grants, or donations received prior to July 1, 2002, by the department of  
5 human services or, on or after July 1, 2002, by the department of military  
6 and veterans affairs for implementation of the purposes specified in this  
7 subsection (1).

8 (c) The division may retain up to five percent of the amount  
9 annually appropriated from the trust fund for the actual costs incurred by  
10 the division and the board in implementing the provisions of this article.  
11 Notwithstanding the provisions of section 24-36-114, C.R.S., all interest  
12 derived from the deposit and investment of moneys in the trust fund shall  
13 be credited to the trust fund. ~~All unexpended and unencumbered moneys~~  
14 ~~remaining in the trust fund at the end of any fiscal year shall remain in the~~  
15 ~~trust fund and shall neither revert to the general fund nor be transferred~~  
16 ~~to the tobacco litigation settlement trust fund created in section~~  
17 ~~24-22-115.5, C.R.S., nor be transferred or credited to any other fund.~~

18 (2) (a) Pursuant to ~~section 24-75-1104.5 (1) (g)~~ SECTION  
19 24-75-1104.5 (1.7) (l), C.R.S., and except as otherwise provided in  
20 section 24-75-1104.5 (5), C.R.S., beginning in ~~the 2006-07~~ THE 2016-17  
21 fiscal year, and for each fiscal year thereafter so long as the state receives  
22 moneys pursuant to the master settlement agreement, the state treasurer  
23 shall annually transfer to the trust fund one percent of the total amount  
24 received by the state pursuant to the provisions of the master settlement  
25 agreement, other than attorney fees and costs, during the preceding fiscal  
26 year. ~~except that the amount so transferred to the trust fund in any fiscal~~  
27 ~~year shall not exceed one million dollars.~~ The state treasurer shall transfer

1 the amount specified in this subsection (2) from moneys credited to the  
2 tobacco litigation settlement cash fund created in section 24-22-115,  
3 C.R.S.

4 **SECTION 26.** In Colorado Revised Statutes, **repeal** 2-3-113 (7),  
5 8-20.5-103 (2) (b), 22-7-1210 (1) (b) and (3), 23-20-136 (3) (b), part 2 of  
6 article 20 of title 23, 24-22-115 (2) (c), (2) (d), (2) (e), (2) (f), and (4),  
7 24-22-115.5, 24-36-113 (7), 24-75-201.1 (1) (d) (VII) and (1) (d) (VIII),  
8 24-75-201.5 (1) (c), (1) (d), (1) (e), (1) (f), and (1) (g), 24-75-217,  
9 24-75-1103 (4), 24-75-1104.5 (1), (1.5), (4), (5) (a) (II) (E), and (5) (b),  
10 25-4-2504 (3) (b), 25-16-104.6 (1) (b), 25.5-8-105 (3) (b), 26-6.4-107 (2)  
11 (d) (II), 27-66-104 (4) (b), 27-67-106 (2) (b), and 28-5-709 (3.5).

12 **SECTION 27. Appropriation - adjustments to 2016 long bill.**

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

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

23 **SECTION 28. Appropriation - adjustments to 2016 long bill.**

24 (1) To implement this act, appropriations made in the annual general  
25 appropriation act for the 2016-17 state fiscal year to the department of  
26 human services are adjusted as follows:

27 (a) The cash funds appropriation from the offender mental health

1 services fund created in section 27-66-104 (4) (a), C.R.S., for mental  
2 health services for juvenile and adult offenders is decreased by  
3 \$3,025,192.

4 (b) The cash funds appropriation from the tobacco litigation  
5 settlement cash fund created in section 24-22-115 (1) (a), C.R.S., for  
6 mental health treatment services for youth (H.B. 99-1116) is decreased by  
7 \$300,000.

8 (c) The cash funds appropriation from the alcohol and drug abuse  
9 community prevention and treatment fund created in section  
10 24-75-1104.5 (1.5) (a) (VIII) (A), C.R.S., for community prevention and  
11 treatment related to substance use treatment and prevention is decreased  
12 by \$756,298.

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

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

19 (b) \$300,000 for mental health treatment services for youth (H.B.  
20 99-1116); and

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

23 **SECTION 29. Appropriation - adjustments to 2016 long bill.**

24 (1) To implement this act, cash funds appropriation from the public  
25 health services support fund created in section 25-1-512 (2), C.R.S., made  
26 in the annual general appropriation act for the 2016-17 state fiscal year to  
27 the department of public health and environment for distributions to local

1 public health agencies is decreased by \$1,767,584.

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

7 **SECTION 30. Appropriation - adjustments to 2016 long bill.**

8 (1) To implement this act, the cash funds appropriation from the  
9 marijuana tax cash fund created in section 39-28.8-501 (1), C.R.S., made  
10 in the annual general appropriation act for the 2016-17 state fiscal year to  
11 the department of human services for the Tony Grampsas youth services  
12 program is decreased by \$2,626,328.

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

19 **SECTION 31. Appropriation - adjustments to 2016 long bill.**

20 (1) To implement this act, the general fund appropriation made in the  
21 annual general appropriation act for the 2016-17 state fiscal year to the  
22 department of health care policy and financing for medical and long-term  
23 care services for medicaid eligible individuals is decreased by  
24 \$5,700,000.

25 (2) For the 2016-17 state fiscal year, \$6,451,471 is appropriated  
26 to the department of health care policy and financing. This appropriation  
27 is from the Colorado autism treatment fund created in section 25.5-6-805



1 (1), C.R.S. To implement this act, the department may use this  
2 appropriation for medical and long-term care services for medicaid  
3 eligible individuals.

4 **SECTION 32. Appropriation.** (1) For the 2016-17 state fiscal  
5 year, \$2,972,504 is appropriated to the department of higher education for  
6 use by the regents of the university of Colorado. This appropriation is  
7 from the tobacco litigation settlement moneys health education fund  
8 created in section 24-75-1104.5 (1.5) (a) (I), C.R.S. To implement this  
9 act, the regents may use this appropriation as follows:

10 (a) \$1,751,471 for a cancer program at the health sciences center;  
11 and

12 (b) \$1,221,033 for other health sciences center programs.

13 **SECTION 33. Appropriation.** For the 2016-17 state fiscal year,  
14 \$6,743,164 is appropriated to the department of human services for use  
15 by the office of early childhood. This appropriation is from the nurse  
16 home visitor program fund created in section 26-6.4-107 (2) (b), C.R.S.  
17 To implement this act, the office may use this appropriation for the nurse  
18 home visitor program.

19 **SECTION 34. Appropriation.** For the 2016-17 state fiscal year,  
20 \$879,745 is appropriated to the department of personnel for use by the  
21 division of human resources. This appropriation is from the supplemental  
22 state contribution fund created in section 24-50-609 (5), C.R.S. To  
23 implement this act, the division may use this appropriation for the H.B.  
24 07-1335 supplemental state contribution fund.

25 **SECTION 35. Appropriation.** For the 2016-17 state fiscal year,  
26 \$1,313,603 is appropriated to the department of public health and  
27 environment for use by the disease control and environmental

1 epidemiology division. This appropriation is from the drug assistance  
2 program fund created in section 25-4-1411 (6) (a), C.R.S. To implement  
3 this act, the division may use this appropriation for Ryan White act  
4 operating expenses.

5         **SECTION 36. Appropriation.** For the 2016-17 state fiscal year,  
6 \$1,313,604 is appropriated to the department of public health and  
7 environment for use by the disease control and environmental  
8 epidemiology division. This appropriation is from the AIDS and HIV  
9 prevention fund created in section 25-4-1415 (1), C.R.S. To implement  
10 this act, the division may use this appropriation for sexually transmitted  
11 infections, HIV, and AIDS operating expenses.

12         **SECTION 37. Appropriation.** For the 2016-17 state fiscal year,  
13 \$1,180,942 is appropriated to the department of public health and  
14 environment for use by the disease control and environmental  
15 epidemiology division. This appropriation is from the supplemental  
16 tobacco litigation settlement moneys account of the Colorado  
17 immunization fund created in section 25-4-2301, C.R.S. To implement  
18 this act, the division may use this appropriation for immunization  
19 operating expenses.

20         **SECTION 38. Appropriation.** For the 2016-17 state fiscal year,  
21 \$675,736 is appropriated to the department of public health and  
22 environment for use by the prevention services division. This  
23 appropriation is from the state dental loan repayment fund created in  
24 section 25-23-104 (1), C.R.S. To implement this act, the division may use  
25 this appropriation for oral health programs.

26         **SECTION 39. Appropriation.** For the 2016-17 state fiscal year,  
27 \$625,736 is appropriated to the department of public health and

1 environment for use by the prevention services division. This  
2 appropriation is from the Colorado health services corps fund created in  
3 section 25-1.5-506 (1), C.R.S. To implement this act, the division may  
4 use this appropriation for the primary care office.

5         **SECTION 40. Appropriation.** (1) For the 2016-17 state fiscal  
6 year, \$20,642,163 is appropriated to the department of health care policy  
7 and financing. This appropriation consists of \$20,000,000 from the  
8 accountable care collaborative fund created in section 25.5-5-418, C.R.S.,  
9 and \$642,163 from the hospital provider fee cash fund created in section  
10 25.5-4-402.3 (4) (a), C.R.S. To implement this act, the department may  
11 use this appropriation for medical services premiums.

12         (2) For the 2016-17 state fiscal year, the general assembly  
13 anticipates that the department of health care policy and financing will  
14 receive \$44,563,019 in federal funds for medical services premiums. The  
15 appropriation in subsection (1) of this section is based on the assumption  
16 that the department will receive this amount of federal funds.

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

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