

Second Regular Session  
Seventy-second General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 20-1325.01 Jennifer Berman x3286

HOUSE BILL 20-1419

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HOUSE SPONSORSHIP

Esgar and Landgraf,

SENATE SPONSORSHIP

Moreno and Coram,

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House Committees  
Appropriations

Senate Committees

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A BILL FOR AN ACT

101 CONCERNING THE CREATION OF A CASH FUND INTO WHICH MONEY  
102 RECEIVED FROM PHARMACEUTICAL REBATES FOR THE STATE  
103 DRUG ASSISTANCE PROGRAM ADMINISTERED BY THE  
104 DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT WILL BE  
105 CREDITED.

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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://leg.colorado.gov>.)*

Under current law, the department of public health and environment (department) receives pharmaceutical rebates for money

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

received based on charges in excess of a federal price agreement related to the state's operation of a drug assistance program to assist individuals with lower incomes who have medical or preventive needs regarding AIDS or HIV (state program). The rebates are designated in statute as donations. The bill removes the statutory designation of the rebates as a donation and creates a cash fund into which the rebates are credited for continuous appropriation to the department for the state program. The cash fund is exempted from the statutory limit on uncommitted reserves in a cash fund.

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

2 **SECTION 1.** In Colorado Revised Statutes, 25-4-1401, **amend**  
3 (2)(d) as follows:

4 **25-4-1401. Drug assistance program - program fund - HIV**  
5 **medications rebate fund - created - legislative declaration - no**  
6 **entitlement created.** (2) (d) (I) THE HIV MEDICATIONS REBATE FUND,  
7 REFERRED TO IN THIS SUBSECTION (2)(d) AS THE "FUND", IS CREATED IN  
8 THE STATE TREASURY. THE FUND CONSISTS OF any ~~moneys~~ MONEY  
9 received BASED ON CHARGES in excess of a federal price agreement ~~are a~~  
10 ~~donation~~ AND ANY ADDITIONAL MONEY THE GENERAL ASSEMBLY  
11 APPROPRIATES TO THE FUND. THE GENERAL ASSEMBLY SHALL  
12 CONTINUOUSLY APPROPRIATE MONEY IN THE FUND TO THE DEPARTMENT  
13 OF PUBLIC HEALTH AND ENVIRONMENT FOR USE FOR THE STATE PROGRAM.  
14 ANY MONEY REMAINING IN THE FUND AT THE END OF A STATE FISCAL  
15 YEAR REMAINS IN THE FUND AND SHALL NOT BE CREDITED OR  
16 TRANSFERRED TO THE GENERAL FUND OR ANY OTHER FUND.

17 (II) THE FUND IS NOT SUBJECT TO THE LIMIT ON UNCOMMITTED  
18 RESERVES IN A CASH FUND ESTABLISHED IN SECTION 24-75-402 (3).

19 **SECTION 2. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, or safety.