

CHAPTER 226

GOVERNMENT - STATE

HOUSE BILL 06-1310

BY REPRESENTATIVE(S) Buescher, Plant, Hall, Benefield, Madden, McGihon, Solano, Sullivan, Todd, Merrifield, and Paccione;
also SENATOR(S) Owen, Tapia, Keller, and Williams.

AN ACT

CONCERNING SIMPLIFYING PROCEDURES FOR DISTRIBUTING TOBACCO SETTLEMENT MONEYS AMONG THE PROGRAMS CURRENTLY RECEIVING THE MONEYS, AND MAKING AN APPROPRIATION IN CONNECTION THEREWITH.

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

SECTION 1. 2-3-113 (5), (6), and (7), Colorado Revised Statutes, are amended to read:

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

(5) Beginning December 15, 2002, the state auditor's office shall first submit to the legislative audit committee and then to the governor, the attorney general, the department of public health and environment, the joint budget committee, and the ~~health, environment, welfare, and institutions~~ HEALTH AND HUMAN SERVICES committees of the senate and the house of representatives, OR ANY SUCCESSOR COMMITTEES, reports on the program reviews and evaluations of tobacco settlement programs performed pursuant to subsection (2) of this section. In addition, the state auditor's office shall submit to the ~~health, environment, welfare, and institutions~~ HEALTH AND HUMAN SERVICES committees of the senate and the house of representatives, OR ANY SUCCESSOR COMMITTEES, and to the department of public health and environment an annual executive summary of the program reviews and evaluations.

(6) The legislative audit committee shall design a schedule for reviewing tobacco settlement programs to ensure that each program is reviewed and evaluated at least once every three years.

(7) (a) Beginning with the ~~2003-04~~ 2006-07 fiscal year and for each fiscal year

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

thereafter, the general assembly shall appropriate to the state auditor's office one-tenth of one percent of the total amount of moneys received by the state pursuant to the master settlement agreement in the ~~preceding fiscal year~~ MOST RECENTLY COMPLETED CALENDAR YEAR for the costs incurred by the state auditor's office in implementing the requirements of this section. The amount appropriated to the state auditor's office pursuant to this subsection (7) shall come from a proportionate reduction in the amounts annually ~~appropriated to~~ RECEIVED BY each tobacco settlement program FROM THE TOBACCO LITIGATION SETTLEMENT CASH FUND:

(I) That is reviewed pursuant to this section; AND

(II) THAT RECEIVES AN AMOUNT IDENTIFIED AS A PERCENTAGE OF THE MONEYS RECEIVED PURSUANT TO THE MASTER SETTLEMENT AGREEMENT IN THE PRIOR FISCAL YEAR PURSUANT TO SECTION 24-75-1104.5 (1), C.R.S.

(b) Any unencumbered moneys appropriated from moneys received pursuant to the master settlement agreement remaining with the state auditor's office at the end of any fiscal year shall be transferred to the tobacco litigation settlement trust fund created in section 24-22-115.5, C.R.S.

SECTION 2. 24-75-1104.5, Colorado Revised Statutes, is amended to read:

24-75-1104.5. Use of settlement moneys - programs. (1) For the 2004-05 fiscal year and for each fiscal year thereafter, the following programs, services, or funds shall receive ~~appropriations in~~ the FOLLOWING specified amounts from the settlement moneys ~~annually~~ received by the state IN THE PRECEDING FISCAL YEAR:

(a) The Colorado nurse home visitor program created in article 31 of title 25, C.R.S., shall receive the following amounts, not to exceed nineteen million dollars in any fiscal year, AS PROVIDED IN SECTION 25-31-107, C.R.S.:

(I) For the 2004-05 fiscal year, nine percent of the total amount of settlement moneys received by the state;

(II) Beginning with the 2005-06 fiscal year and for each fiscal year thereafter through the 2013-14 fiscal year, ~~the general assembly shall increase the percentage appropriated by~~ A PERCENTAGE OF THE TOTAL AMOUNT OF SETTLEMENT MONEYS RECEIVED BY THE STATE THAT REFLECTS AN INCREASE OF one percent OVER THE PERCENTAGE RECEIVED IN THE PRECEDING FISCAL YEAR; and

(III) For the 2014-15 fiscal year and for each fiscal year thereafter, nineteen percent of the total amount of settlement moneys annually received by the state.

(b) The comprehensive primary and preventive care grant program created in part 10 of article 4 of title 26, C.R.S., shall receive three percent of the total amount of settlement moneys annually received by the state, not to exceed five million dollars in any fiscal year, AS PROVIDED IN SECTION 26-4-1007, C.R.S.

(c) The children's basic health plan trust created in section 26-19-105, C.R.S., shall receive twenty-four percent of the total amount of settlement moneys annually

received by the state, not to exceed thirty million dollars in any fiscal year, AS PROVIDED IN SAID SECTION. If in any fiscal year the percentage of settlement moneys specified in this paragraph (c) does not equal at least seventeen million five hundred thousand dollars, the GENERAL ASSEMBLY SHALL APPROPRIATE the amount of the shortfall ~~shall be allocated~~ out of the tobacco litigation settlement trust fund pursuant to section 24-22-115.5 (2) (a.7) (I) and, if necessary, out of the amount of settlement moneys transferred to the general fund pursuant to section 24-22-115 (3).

(d) The state dental loan repayment program created in article 23 of title 25, C.R.S., shall receive two hundred thousand dollars AS PROVIDED IN SECTION 25-23-104, C.R.S.

(e) The Fitzsimons trust fund created in section 23-20-136 (3), C.R.S., shall receive the lesser of the amount due to any lessor during the fiscal year under a lease-purchase agreement authorized pursuant to section 3 of House Bill 03-1256, as enacted at the first regular session of the sixty-fourth general assembly, or eight percent of the total amount of settlement moneys annually received by the state, not to exceed eight million dollars in any fiscal year. The settlement moneys shall be appropriated in accordance with the procedure specified in section 23-20-136 (3.5) (a), C.R.S.

(f) Repealed.

(g) The Colorado state veterans trust fund created in section 28-5-709, C.R.S., shall receive one percent of the total amount of settlement moneys annually received by the state, not to exceed one million dollars in any fiscal year, AS PROVIDED IN SAID SECTION.

(h) The read-to-achieve grant program created in section 22-7-506, C.R.S., shall receive five percent of the total amount of settlement moneys annually received by the state, not to exceed eight million dollars in any fiscal year, AS PROVIDED IN SAID SECTION; except that, for the 2004-05 fiscal year, the read-to-achieve grant program shall receive nineteen percent of the total amount of settlement moneys received, not to exceed nineteen million dollars.

(i) The Tony Grampsas youth services program created in part 2 of article 20.5 of title 25, C.R.S., shall receive four percent of the total amount of settlement moneys annually received by the state, not to exceed five million dollars in any fiscal year, AS PROVIDED IN SECTION 25-20.5-201, C.R.S.

(j) The AIDS drug assistance program created in section 25-4-1411, C.R.S., shall receive three and a half percent of the total amount of settlement moneys annually received by the state, not to exceed five million dollars in any fiscal year, AS PROVIDED IN SAID SECTION.

(k) Three hundred thousand dollars shall be appropriated, AS PROVIDED IN SECTION 27-10.3-106, C.R.S., to fund the state's share of the annual funding required for the "Child Mental Health Treatment Act", article 10.3 of title 27, C.R.S.

(l) THE AUTISM TREATMENT FUND CREATED PURSUANT TO SECTION 26-4-695, C.R.S., SHALL RECEIVE THE AMOUNT NEEDED, NOT TO EXCEED ONE MILLION

DOLLARS, TO PAY THE STATE'S SHARE OF THE ANNUAL FUNDING REQUIRED BY THE "HOME- AND COMMUNITY-BASED SERVICES FOR CHILDREN WITH AUTISM ACT", SUBPART 7 OF PART 6 OF ARTICLE 4 OF TITLE 26, C.R.S., AS PROVIDED IN SECTION 24-22-115 (1).

(2) The general assembly shall appropriate OR THE STATE TREASURER SHALL TRANSFER, AS PROVIDED BY LAW, the amounts specified in subsection (1) of this section from moneys credited to the tobacco litigation settlement cash fund created in section 24-22-115.

SECTION 3. 22-7-506 (4) (a), (4) (b), and (4) (c), Colorado Revised Statutes, are amended to read:

22-7-506. Read-to-achieve grant program - board created - fund - repeal.

(4) (a) (I) There is hereby established in the state treasury the read-to-achieve cash fund, referred to in this section as the "cash fund". The cash fund shall consist of moneys ~~appropriated~~ TRANSFERRED thereto pursuant to paragraph (b) of this subsection (4) and any other moneys that may be made available by the general assembly. Subject to appropriation by the general assembly, moneys in the cash fund shall be used to provide grants to schools pursuant to this section. Any moneys not provided as grants to schools may be invested by the state treasurer as provided in section 24-36-113, C.R.S. All interest derived from the deposit and investment of moneys in the cash fund shall be credited to the cash fund. Any amount remaining in the cash fund at the end of any fiscal year shall remain in the cash fund and shall not be credited or transferred to the general fund or to any other fund.

(II) Up to one percent of the moneys ~~in~~ APPROPRIATED FROM the cash fund may be used for the expenses incurred by the read-to-achieve board in administering this section. If the read-to-achieve board is unable to administer this program with existing personnel, the read-to-achieve board shall contract with private sources for such services.

(b) (I) Except as otherwise provided in section 24-75-1104.5 (1) (h), C.R.S., beginning with the ~~2004-05~~ 2006-07 fiscal year, and for each fiscal year thereafter so long as the state receives moneys pursuant to the master settlement agreement, the ~~general assembly~~ STATE TREASURER shall annually ~~appropriate~~ TRANSFER to the cash fund five percent of the amount of moneys ~~transmitted to the state treasurer~~ RECEIVED BY THE STATE in accordance with the master settlement agreement, other than attorney fees and costs, for the preceding fiscal year; except that the amount so ~~appropriated~~ TRANSFERRED to the cash fund in any fiscal year shall not exceed eight million dollars. The ~~general assembly shall appropriate~~ STATE TREASURER SHALL TRANSFER the amount specified in this paragraph (b) from moneys credited to the tobacco litigation settlement cash fund created in section 24-22-115, C.R.S.

(II) Repealed.

(c) Subject to appropriation by the general assembly, moneys in the fund shall be used to provide grants to schools pursuant to this section. In addition, up to one percent of the moneys in the fund may be used for the expenses incurred by the read-to-achieve board in administering this section. If the read-to-achieve board is unable to administer this program with existing personnel, the read-to-achieve board

~~shall contract with private sources for such services. Any moneys not provided as grants to schools may be invested by the state treasurer as provided in section 24-36-113, C.R.S.~~

SECTION 4. 23-20-136 (3.5) (a), Colorado Revised Statutes, is amended to read:

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

(3.5) (a) For the ~~2004-05~~ 2006-07 fiscal year and for each fiscal year thereafter in which the state receives moneys pursuant to the master settlement agreement, and in which money is due to a lessor under a lease-purchase agreement authorized pursuant to section 3 of House Bill 03-1256, as enacted at the first regular session of the sixty-fourth general assembly, the ~~general assembly shall appropriate~~ STATE TREASURER SHALL TRANSFER to the capital construction fund and ~~appropriate~~ THE STATE CONTROLLER SHALL TRANSFER from the capital construction fund to the Fitzsimons trust fund the lesser of the amount due to any lessor during the fiscal year ~~and~~ OR eight percent of the total amount received by the state pursuant to the master settlement agreement, other than attorney fees and costs, during the preceding fiscal year; except that the amount ~~appropriated~~ TRANSFERRED pursuant to this subsection (3.5) in any fiscal year shall not exceed eight million dollars.

SECTION 5. 24-22-115 (1) and (3), Colorado Revised Statutes, are amended to read:

24-22-115. Tobacco litigation settlement cash fund - creation.

(1) There is hereby created in the state treasury the tobacco litigation settlement cash fund. The cash fund shall consist of all moneys transmitted to the state treasurer in accordance with the terms of the master settlement agreement, the smokeless tobacco master settlement agreement, and the consent decree approved and entered by the court in the case denominated *State of Colorado, ex rel. Gale A. Norton, Attorney General v. R.J. Reynolds Tobacco Co.; American Tobacco Co., Inc.; Brown & Williamson Tobacco Corp.; Liggett & Myers, Inc.; Lorillard Tobacco Co., Inc.; Philip Morris, Inc.; United States Tobacco Co.; B.A.T. Industries, P.L.C.; The Council For Tobacco Research--U.S.A., Inc.; and Tobacco Institute, Inc.*, Case No. 97 CV 3432, in the district court for the city and county of Denver other than moneys credited to the tobacco litigation settlement trust fund pursuant to section 24-22-115.5. Except as provided in subsection (2) of this section, all interest derived from the deposit and investment of moneys in the cash fund shall be credited to the cash fund; except that, beginning with the fiscal year 2001-02, and each fiscal year thereafter, all interest derived from the deposit and investment of moneys in the cash fund shall be credited to the breast and cervical cancer prevention and treatment fund created pursuant to section 26-4-532, C.R.S. Except as provided in subsection (2) of this section, all moneys in the cash fund shall be subject to appropriation by the general assembly for such purposes as may be authorized by law in accordance with the terms of the settlement agreements and the consent decree. Except as provided in subsection (2) of this section, at the end of the 2004-05 fiscal year and at the end of each succeeding fiscal year, but prior to the making of any transfer of moneys from the cash fund to the general fund at the end of the fiscal year as required by this subsection (1), an amount needed, up to one million dollars, to pay the state's share of the annual funding required by the "Home- and Community-based Services for Children with Autism Act", subpart 7 of part 6 of article 4 of title 26, C.R.S., shall

be transferred from the cash fund to the Colorado autism treatment fund created pursuant to section 26-4-695, C.R.S. Except as provided in subsection (2) of this section, at the end of any fiscal year commencing on or after July 1, 2004, all unexpended and unencumbered moneys IN THE CASH FUND, ~~and all moneys IN THE CASH FUND~~ not appropriated for the following fiscal year, ~~in the cash fund~~ AND ALL MONEYS IN THE CASH FUND NOT REQUIRED FOR TRANSFERS PURSUANT TO SECTION 24-75-1104.5 (1) IN THE FOLLOWING FISCAL YEAR shall be transferred to the general fund.

(3) Notwithstanding any other provision of this section and except as provided in section 24-75-1104.5 (1) (c), for the ~~2005-06~~ 2006-07 fiscal year and for each fiscal year thereafter, the ~~general assembly~~ STATE TREASURER shall transfer an amount equal to the lesser of twenty million dollars or twenty-one percent of the moneys transmitted annually to the state treasurer pursuant to subsection (1) of this section to the general fund.

SECTION 6. 24-22-115.5 (2) (a.7) (I), Colorado Revised Statutes, is amended to read:

24-22-115.5. Legislative declaration - tobacco litigation settlement trust fund - creation. (2) (a.7) (I) The principal of the tobacco litigation settlement trust fund shall not be expended or appropriated for any purpose; except that moneys in the trust fund may be ~~allocated~~ APPROPRIATED to the children's basic health plan trust as provided in section 24-75-1104.5 (1) (c). All interest derived from the deposit and investment of moneys in the trust fund shall be credited to the trust fund. Such interest shall become subject to appropriation by the general assembly for the funding of any programs or funds authorized by law to be funded by tobacco litigation settlement moneys at such time as the state auditor certifies that actuarially sound projections of future interest earnings indicate that such interest will be sufficient to fully fund such programs and funds. No part of such trust fund, principal or interest, shall be transferred to the general fund or any other fund or used or appropriated except as provided in this section.

SECTION 7. 25-23-104 (1) and (2), Colorado Revised Statutes, are amended to read:

25-23-104. Dental loan repayment fund - acceptance of grants and donations. (1) The state dental loan repayment program shall be funded by moneys appropriated by the general assembly specifically for said program, moneys ~~appropriated~~ TRANSFERRED thereto pursuant to subsection (2) of this section, and any matching funds or contributions received from any public or private sources. Such funds shall be transmitted to the treasurer, who shall credit the same to the state dental loan repayment fund, which fund is hereby created. At the end of any fiscal year, all unexpended and unencumbered moneys in the fund shall remain therein and shall not be credited or transferred to the general fund or any other fund. Moneys in the fund shall be used to provide loan repayment assistance to eligible dental professionals. Moneys in the fund may also be used to pay for the administrative costs of the department of public health and environment to implement the loan repayment program except that administrative costs shall not exceed ten percent. For fiscal year 2001-02 only, administrative costs shall not exceed thirty-six thousand dollars (\$36,000) and may be paid from the state dental

loan repayment fund.

(2) Pursuant to section 24-75-1104.5 (1) (d), C.R.S., beginning in fiscal year ~~2004-05~~ 2006-07 and for each fiscal year thereafter so long as the state receives moneys pursuant to the master settlement agreement, the ~~general assembly shall appropriate~~ STATE TREASURER SHALL TRANSFER to the state dental loan repayment fund two hundred thousand dollars from the moneys ~~annually~~ received by the state pursuant to the master settlement agreement FOR THE PRECEDING FISCAL YEAR. The ~~general assembly shall appropriate~~ STATE TREASURER SHALL TRANSFER the amount specified in this subsection (2) from moneys credited to the tobacco litigation settlement cash fund created in section 24-22-115, C.R.S. MONEYS IN THE FUND SHALL BE SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY FOR THE PURPOSES OF THIS ARTICLE. The amount appropriated pursuant to this subsection (2) shall be in addition to and not in replacement of any general fund moneys appropriated to the state dental loan repayment fund.

SECTION 8. 25-31-107 (2) (b) and (2) (d), Colorado Revised Statutes, are amended to read:

25-31-107. Nurse home visitor program - selection of entities - grants.

(2) (b) Grants awarded pursuant to paragraph (a) of this subsection (2) shall be payable from the nurse home visitor program fund, which fund is hereby created in the state treasury. The nurse home visitor program fund, referred to in this section as the "fund", shall consist of moneys ~~appropriated~~ TRANSFERRED thereto by the ~~general assembly~~ STATE TREASURER from moneys received pursuant to the master settlement agreement in the amount described in paragraph (d) of this subsection (2). In addition, the state treasurer may credit to the fund any public or private gifts, grants, or donations received by the department for implementation of the program. The fund shall be subject to annual appropriation by the general assembly to the department for grants to entities for operation of the program. In addition, the department may retain up to five percent of the amount annually appropriated from the fund for the actual costs incurred by the department in implementing the provisions of this article. Notwithstanding the provisions of section 24-36-114, C.R.S., all interest derived from the deposit and investment of moneys in the fund shall be credited to the fund. Any unencumbered moneys appropriated from moneys received pursuant to the master settlement agreement remaining in the fund at the end of any fiscal year shall be transferred to the tobacco litigation settlement trust fund created in section 24-22-115.5, C.R.S.

(d) (I) Pursuant to section 24-75-1104.5 (1) (a), C.R.S., beginning with the ~~2004-05~~ 2006-07 fiscal year and for each fiscal year thereafter so long as the state receives moneys pursuant to the master settlement agreement, the ~~general assembly shall appropriate~~ STATE TREASURER SHALL TRANSFER to the fund the amounts specified in subparagraph (III) of this paragraph (d) from the master settlement agreement moneys received by the state, other than attorney fees and costs, during the preceding fiscal year, not to exceed nineteen million dollars in any fiscal year. The ~~appropriation~~ TRANSFER shall be from moneys credited to the tobacco litigation settlement cash fund created in section 24-22-115, C.R.S.

(II) Repealed.

(III) (A) For the 2004-05 fiscal year, the general assembly shall appropriate to the fund nine percent of the total amount of moneys received by the state.

(A.5) FOR THE 2005-06 FISCAL YEAR, THE GENERAL ASSEMBLY SHALL APPROPRIATE TO THE FUND TEN PERCENT OF THE TOTAL AMOUNT OF MONEYS RECEIVED BY THE STATE.

(A.7) FOR THE 2006-07 FISCAL YEAR, THE STATE TREASURER SHALL TRANSFER FROM THE MONEYS RECEIVED BY THE STATE PURSUANT TO THE MASTER SETTLEMENT AGREEMENT TO THE FUND ELEVEN PERCENT OF THE TOTAL AMOUNT OF MONEYS RECEIVED BY THE STATE.

(B) Beginning with the ~~2005-06~~ 2007-08 fiscal year and for each fiscal year thereafter through the 2013-14 fiscal year, the ~~general assembly~~ STATE TREASURER shall increase the percentage ~~appropriated~~ TRANSFERRED to the fund pursuant to ~~sub-subparagraph (A)~~ SUB-SUBPARAGRAPH (A.7) of this subparagraph (III) by one percent.

(C) For the 2014-15 fiscal year and for each fiscal year thereafter, the ~~general assembly shall appropriate~~ STATE TREASURER SHALL TRANSFER to the fund nineteen percent of the total amount of moneys received by the state.

SECTION 9. 26-4-1007 (1) and (3) (a), Colorado Revised Statutes, are amended to read:

26-4-1007. Program funding - comprehensive primary and preventive care fund - creation. (1) Moneys for service grants and for the payment of program administrative costs incurred by the state department shall be payable from the comprehensive primary and preventive care fund, which fund is hereby created in the state treasury. The comprehensive primary and preventive care fund, referred to in this section as the "fund", shall consist of moneys ~~appropriated~~ TRANSFERRED thereto by the ~~general assembly~~ STATE TREASURER from moneys received pursuant to the master settlement agreement in the amount described in subsection (3) of this section. In addition, the state treasurer may credit to the fund any public or private gifts, grants, or donations received by the state department for implementation of the program. The fund shall be subject to annual appropriation by the general assembly to the state department. In addition, the state department may retain up to one percent of the amount annually appropriated from the fund for the actual costs incurred by the state department in implementing the provisions of this part 10. Notwithstanding the provisions of section 24-36-114, C.R.S., all interest derived from the deposit and investment of moneys in the fund shall be credited to the fund. Any unencumbered moneys appropriated from moneys received pursuant to the master settlement agreement remaining in the fund at the end of any fiscal year shall be transferred to the tobacco litigation settlement trust fund created in section 24-22-115.5, C.R.S.

(3) (a) Pursuant to section 24-75-1104.5 (1) (b), C.R.S., beginning with the ~~2004-05~~ 2006-07 fiscal year, and for each fiscal year thereafter so long as the state receives moneys pursuant to the master settlement agreement, the ~~general assembly shall appropriate~~ STATE TREASURER SHALL TRANSFER to the fund three percent of the total amount of moneys received by the state pursuant to the master settlement

agreement, not including attorney fees and costs, during the preceding fiscal year; except that the amount so ~~appropriated~~ TRANSFERRED to the fund shall not exceed five million dollars in any fiscal year. The ~~general assembly shall appropriate~~ STATE TREASURER SHALL TRANSFER the amount specified in this subsection (3) from moneys credited to the tobacco litigation settlement cash fund created in section 24-22-115, C.R.S.

SECTION 10. 26-19-105 (2.5), Colorado Revised Statutes, is amended to read:

26-19-105. Trust - created. (2.5) Pursuant to section 24-75-1104.5 (1) (c), C.R.S., beginning in the ~~2004-05~~ 2006-07 fiscal year and in each fiscal year thereafter so long as the state receives moneys pursuant to the master settlement agreement, the ~~general assembly shall appropriate~~ STATE TREASURER SHALL TRANSFER to the trust twenty-four percent of the total amount of the moneys annually received by the state pursuant to the master settlement agreement, not including attorney fees and costs, during the preceding fiscal year; except that the amount so ~~appropriated~~ TRANSFERRED to the trust shall not exceed thirty million dollars in any fiscal year. Except as otherwise provided in sections 24-22-115.5 (2) (a.7) and 24-75-1104.5 (1) (c), C.R.S., the ~~general assembly shall appropriate~~ STATE TREASURER SHALL TRANSFER the amount specified in this subsection (2.5) from moneys credited to the tobacco litigation settlement cash fund created in section 24-22-115, C.R.S. The amount ~~appropriated~~ TRANSFERRED pursuant to this subsection (2.5) shall be in addition to and not in replacement of any general fund moneys appropriated to the trust.

SECTION 11. 28-5-709 (1) (a), (2) (a), and (3) (a), Colorado Revised Statutes, are amended to read:

28-5-709. Colorado state veterans trust fund - created - report - repeal. (1) (a) There is hereby created in the state treasury the Colorado state veterans trust fund that shall consist of the moneys ~~appropriated~~ TRANSFERRED thereto pursuant to subsection (2) of this section. In addition, the state treasurer may credit to the trust fund any public or private gifts, grants, or donations received prior to July 1, 2002, by the department of human services or, on or after July 1, 2002, by the department of military and veterans affairs for implementation of the purposes specified in this subsection (1). ~~and any moneys transferred to the trust fund pursuant to section 28-5-710 (1).~~

(2) (a) Pursuant to section 24-75-1104.5 (1) (g), C.R.S., beginning in the ~~2004-05~~ 2006-07 fiscal year, and for each fiscal year thereafter so long as the state receives moneys pursuant to the master settlement agreement, the ~~general assembly~~ STATE TREASURER shall annually ~~appropriate~~ TRANSFER to the trust fund one percent of the total amount received by the state pursuant to the provisions of the master settlement agreement, other than attorney fees and costs, during the preceding fiscal year; except that the amount so ~~appropriated~~ TRANSFERRED to the trust fund in any fiscal year shall not exceed one million dollars. The ~~general assembly shall appropriate~~ STATE TREASURER SHALL TRANSFER the amount specified in this subsection (2) from moneys credited to the tobacco litigation settlement cash fund created in section 24-22-115, C.R.S.

(3) (a) (I) All of the funds appropriated to the trust fund pursuant to subsection

(2) of this section in fiscal year 2000-01 shall be credited to the trust fund and retained as principal in the trust fund.

(II) For fiscal years 2001-02 ~~and fiscal years thereafter~~ THROUGH 2005-06, seventy-five percent of the amount of annual appropriations made pursuant to subsection (2) of this section, shall be credited to the trust fund and retained as principal in the trust fund. For fiscal years 2001-02 ~~and fiscal years thereafter~~ THROUGH 2005-06, twenty-five percent of the amount of annual appropriations made pursuant to subsection (2) of this section, and one hundred percent of any interest earned on the principal in the trust fund shall be subject to annual appropriation by the general assembly and may be allocated by the board for the purposes outlined in subsection (1) of this section.

(III) FOR FISCAL YEAR 2006-07 AND FISCAL YEARS THEREAFTER, SEVENTY-FIVE PERCENT OF THE AMOUNT OF THE ANNUAL TRANSFER MADE PURSUANT TO SUBSECTION (2) OF THIS SECTION, SHALL BE CREDITED TO THE TRUST FUND AND RETAINED AS PRINCIPAL IN THE TRUST FUND. FOR FISCAL YEAR 2006-07 AND FISCAL YEARS THEREAFTER, TWENTY-FIVE PERCENT OF THE AMOUNT OF THE ANNUAL TRANSFER MADE PURSUANT TO SUBSECTION (2) OF THIS SECTION, AND ONE HUNDRED PERCENT OF ANY INTEREST EARNED ON THE PRINCIPAL IN THE TRUST FUND SHALL BE SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY AND MAY BE ALLOCATED BY THE BOARD FOR THE PURPOSES OUTLINED IN SUBSECTION (1) OF THIS SECTION.

SECTION 12. 27-10.3-106 (2) (b), Colorado Revised Statutes, is amended to read:

27-10.3-106. Funding - rules. (2) (b) Pursuant to section 24-75-1104.5 (1) (k), C.R.S., beginning in the 2004-05 fiscal year, and for each fiscal year thereafter so long as the state receives moneys pursuant to the master settlement agreement, the general assembly shall appropriate to the state department to fund the remaining portion of services not covered by private insurance, federal medicaid funding, or the family's share, as described in paragraph (a) of this subsection (2), three hundred thousand dollars from the moneys ~~annually~~ received by the state in accordance with the master settlement agreement FOR THE PRECEDING FISCAL YEAR. The general assembly shall appropriate the amount specified in this paragraph (b) from moneys credited to the tobacco litigation settlement cash fund created in section 24-22-115, C.R.S.

SECTION 13. 28-5-709 (3) (b) (I), Colorado Revised Statutes, as amended by Senate Bill 06-126, enacted at the Second Regular Session of the Sixty-fifth General Assembly, is amended to read:

28-5-709. Colorado state veterans trust fund - created - report - repeal. (3) (b) (I) Notwithstanding the provisions of paragraph (a) of this subsection (3):

(A) For the 2003-04 through 2006-07 fiscal years, twenty-five percent of the amount of annual ~~appropriations~~ TRANSFERS made pursuant to subsection (2) of this section shall be credited to the trust fund and retained as principal in the trust fund, and seventy-five percent of the amount of annual ~~appropriations~~ TRANSFERS made pursuant to subsection (2) of this section and one hundred percent of any interest

earned on the principal in the trust fund shall be subject to annual appropriation by the general assembly and may be allocated by the board for the purposes outlined in subsection (1) of this section.

(B) For the 2007-08 fiscal year, thirty-five percent of the amount of THE annual ~~appropriations~~ TRANSFER made pursuant to subsection (2) of this section shall be credited to the trust fund and retained as principal in the trust fund, and sixty-five percent of the amount of THE annual ~~appropriations~~ TRANSFER made pursuant to subsection (2) of this section and one hundred percent of any interest earned on the principal in the trust fund shall be subject to annual appropriation by the general assembly and may be allocated by the board for the purposes outlined in subsection (1) of this section.

(C) For the 2008-09 fiscal year, forty-five percent of the amount of THE annual ~~appropriations~~ TRANSFER made pursuant to subsection (2) of this section shall be credited to the trust fund and retained as principal in the trust fund, and fifty-five percent of the amount of THE annual ~~appropriations~~ TRANSFER made pursuant to subsection (2) of this section and one hundred percent of any interest earned on the principal in the trust fund shall be subject to annual appropriation by the general assembly and may be allocated by the board for the purposes outlined in subsection (1) of this section.

(D) For the 2009-10 fiscal year, fifty-five percent of the amount of THE annual ~~appropriations~~ TRANSFER made pursuant to subsection (2) of this section shall be credited to the trust fund and retained as principal in the trust fund, and forty-five percent of the amount of THE annual ~~appropriations~~ TRANSFER made pursuant to subsection (2) of this section and one hundred percent of any interest earned on the principal in the trust fund shall be subject to annual appropriation by the general assembly and may be allocated by the board for the purposes outlined in subsection (1) of this section.

(E) For the 2010-11 fiscal year, sixty-five percent of the amount of THE annual ~~appropriations~~ TRANSFER made pursuant to subsection (2) of this section shall be credited to the trust fund and retained as principal in the trust fund, and thirty-five percent of the amount of THE annual ~~appropriations~~ TRANSFER made pursuant to subsection (2) of this section and one hundred percent of any interest earned on the principal in the trust fund shall be subject to annual appropriation by the general assembly and may be allocated by the board for the purposes outlined in subsection (1) of this section.

SECTION 14. 25-4-1415 (2), Colorado Revised Statutes, as enacted by House Bill 06-1054, enacted at the Second Regular Session of the Sixty-fifth General Assembly, is amended to read:

25-4-1415. Cash fund - administration - limitation. (2) Pursuant to section 24-75-1104.5 (1) (I), C.R.S., beginning in the 2006-07 fiscal year and in each fiscal year thereafter so long as the state receives moneys pursuant to the master settlement agreement, the ~~general assembly shall appropriate~~ STATE TREASURER SHALL ANNUALLY TRANSFER to the fund two percent, not to exceed two million dollars in any fiscal year, of the total amount of the moneys ~~annually~~ received by the state pursuant to the master settlement agreement, not including attorney fees and costs,

during the preceding fiscal year. The ~~general assembly shall appropriate~~ STATE TREASURER SHALL TRANSFER the amount specified in this subsection (2) from moneys credited to the tobacco litigation settlement cash fund created in section 24-22-115, C.R.S.

SECTION 15. 24-75-1104.5 (1) (l), Colorado Revised Statutes, as enacted by House Bill 06-1054, enacted at the Second Regular Session of the Sixty-fifth General Assembly, is amended to read:

24-75-1104.5. Use of settlement moneys - programs. (1) For the 2004-05 fiscal year and for each fiscal year thereafter, the following programs, services, or funds shall receive appropriations in the specified amounts from the settlement moneys annually received by the state:

(l) The Colorado HIV and AIDS prevention grant program created in section 25-4-1413, C.R.S., shall receive two percent of the total amount of settlement moneys annually received by the state, not to exceed two million dollars in any fiscal year, AS PROVIDED IN SECTION 25-4-1415 (2), C.R.S.

SECTION 16. Appropriations in the 2006 long bill to be adjusted. (1) For the implementation of this act, the appropriation made in the annual legislative appropriation act to the legislative department, state auditors office, for the fiscal year beginning July 1, 2006, shall be decreased by one hundred sixty-five dollars (\$165). Said sum shall be cash funds exempt from the tobacco litigation settlement cash fund created in section 24-22-115 (1), Colorado Revised Statutes.

(2) For the implementation of this act, the appropriation made in the annual general appropriation act to the department of education, assistance to public schools, grant programs and other distributions, read-to-achieve cash fund, for the fiscal year beginning July 1, 2006, shall be decreased by four million three hundred sixty-nine thousand five hundred sixty-seven dollars (\$4,369,567). Said sum shall be cash funds exempt from the tobacco litigation settlement cash fund created in section 24-22-115 (1), Colorado Revised Statutes.

(3) For the implementation of this act, appropriations made in the annual general appropriation act to the department of health care policy and financing, for the fiscal year beginning July 1, 2006, shall be adjusted as follows:

(a) The appropriation for the indigent care program, H.B. 97-1304 children's basic health plan trust, is decreased by twenty million nine hundred seventy-three thousand nine hundred twenty-four dollars (\$20,973,924). Said sum shall be cash funds exempt from the tobacco litigation settlement cash fund created in section 24-22-115 (1), Colorado Revised Statutes.

(b) The appropriation for the indigent care program, comprehensive primary and preventive care fund, is decreased by two million six hundred twenty-one thousand seven hundred forty dollars (\$2,621,740). Said sum shall be cash funds exempt from the tobacco litigation settlement cash fund created in section 24-22-115 (1), Colorado Revised Statutes.

(c) The appropriation for the indigent care program, comprehensive primary and

preventive care grants program, is decreased by eighty-nine dollars (\$89). Said sum shall be cash funds exempt from the comprehensive primary and preventive care fund created in section 26-4-1107, Colorado Revised Statutes.

(d) The appropriation for department of human services medicaid-funded programs, mental health and alcohol and drug abuse services - medicaid funding, residential treatment for youth (H.B. 99-1116), is increased by five hundred seventy-one dollars (\$571). Said sum shall be cash funds exempt from the tobacco litigation settlement cash fund created in section 24-22-115 (1), Colorado Revised Statutes.

(e) The appropriation for department of human services medicaid-funded programs, mental health and alcohol and drug abuse services - medicaid funding, residential treatment for youth (H.B. 99-1116), from the general fund, is decreased by five hundred seventy-one dollars (\$571).

(4) For the implementation of this act, the appropriation made in the annual general appropriation act to the department of military and veterans affairs, division of veterans affairs, Colorado state veterans trust fund, for the fiscal year beginning July 1, 2006, shall be decreased by eight hundred seventy-three thousand nine hundred thirteen dollars (\$873,913). Said sum shall be cash funds exempt from the tobacco litigation settlement cash fund created in section 24-22-115 (1), Colorado Revised Statutes.

(5) For the implementation of this act, appropriations made in the annual general appropriation act to the department of public health and environment for the fiscal year beginning July 1, 2006, shall be adjusted as follows:

(a) The appropriation for the disease control and environmental epidemiology division, special purpose disease control programs, Ryan White act, operating expenses, is decreased by one hundred four dollars (\$104). Said sum shall be cash funds exempt from the tobacco litigation settlement cash fund created in section 24-22-115 (1), Colorado Revised Statutes.

(b) The appropriation for the prevention services division, rural - primary care, state dental loan repayment fund, is decreased by one hundred ninety-nine thousand six hundred nineteen dollars (\$199,619). Said sum shall be cash funds exempt from the tobacco litigation settlement cash fund created in section 24-22-115 (1), Colorado Revised Statutes.

(c) The appropriation for the prevention services division, prevention partnerships, Tony Grampsas youth services program, prevention services programs, is decreased by one hundred twenty dollars (\$120). Said sum shall be cash funds exempt from the tobacco litigation settlement cash fund, created in section 24-22-115 (1), Colorado Revised Statutes.

(d) The appropriation for the prevention services division, family and community health, child, adolescent and school health, nurse home visitor program fund, is decreased by nine million six hundred thirteen thousand forty-eight dollars (\$9,613,048). Said sum shall be cash funds exempt from the tobacco litigation settlement cash fund created in section 24-22-115 (1), Colorado Revised Statutes.

(e) The appropriation for the prevention services division, family and community health, child, adolescent and school health, nurse home visitor program, is decreased by three hundred twenty-nine dollars (\$329). Said sum shall be cash funds exempt from the nurse home visitor program fund created in section 25-31-107 (2) (b), Colorado Revised Statutes.

(6) For the implementation of this act, the capital construction appropriations made in the annual general appropriation act for the fiscal year beginning July 1, 2006, shall be adjusted as follows:

(a) The appropriation pursuant to section 23-20-207 (1) (a) (I.5) (A), Colorado Revised Statutes, out of moneys received by the state pursuant to the master settlement agreement, to the capital construction fund created in section 24-75-302, Colorado Revised Statutes, is decreased by seven million four thousand six hundred forty-four dollars (\$7,004,644). Said sum shall be cash funds exempt from the tobacco litigation settlement cash fund created in section 24-22-115 (1), Colorado Revised Statutes.

(b) The appropriation for the department of higher education, university of Colorado health sciences center, capital construction, fitsimons trust fund, is decreased by seven million four thousand six hundred forty-four dollars (\$7,004,644). Said sum shall be capital construction fund exempt from the capital construction fund created in section 24-75-302, Colorado Revised Statutes.

SECTION 17. Effective date. (1) This act shall take effect upon passage; except that:

(a) Section 13 of this act shall take effect only if Senate Bill 06-126 is enacted at the Second Regular Session of the Sixty-fifth General Assembly and becomes law; and

(b) Sections 14 and 15 of this act shall take effect only if House Bill 06-1054 is enacted at the Second Regular Session of the Sixty-fifth General Assembly and becomes law.

SECTION 18. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 25, 2006