

CHAPTER 423

GOVERNMENT - STATE

HOUSE BILL 07-1359

BY REPRESENTATIVE(S) Buescher, Casso, Labuda, Marshall, McGihon, Solano, and Todd;
also SENATOR(S) Fitz-Gerald, Gordon, Morse, Schwartz, Tapia, and Williams.

AN ACT

CONCERNING THE ALLOCATION OF A PORTION OF THE TOBACCO LITIGATION SETTLEMENT MONEYS RECEIVED BY THE STATE FROM THE STRATEGIC CONTRIBUTION FUND IN THE STATE FISCAL YEAR IN WHICH THEY ARE RECEIVED RATHER THAN IN THE NEXT STATE FISCAL YEAR FOR THE PURPOSE OF MITIGATING A TEMPORARY REDUCTION IN ALLOCATIONS FOR TOBACCO LITIGATION SETTLEMENT PROGRAMS THAT WOULD OTHERWISE RESULT FROM THE CREDITING OF A PORTION OF THE TOBACCO LITIGATION SETTLEMENT PAYMENT TO BE RECEIVED BY THE STATE IN APRIL 2007 TO A SPECIAL ACCOUNT IN THE TOBACCO LITIGATION SETTLEMENT CASH FUND FOR USE IN MAKING SUPPLEMENTAL APPROPRIATIONS FOR SPECIFIED PURPOSES RELATED TO HEALTH CARE DURING THE 2006-07 AND 2007-08 FISCAL YEARS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

SECTION 1. 24-22-115, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

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

(4) (a) THE HEALTH CARE SUPPLEMENTAL APPROPRIATIONS AND OVEREXPENDITURES ACCOUNT IS HEREBY CREATED IN THE TOBACCO LITIGATION SETTLEMENT CASH FUND. NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION OR SECTION 24-22-115.5, UPON RECEIPT OF ANY MONEYS PAID TO THE STATE TREASURER IN APRIL 2007 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.,*

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

CASE No. 97 CV 3432, IN THE DISTRICT COURT FOR THE CITY AND COUNTY OF DENVER, OTHER THAN ATTORNEY FEES AND COSTS, THE STATE TREASURER SHALL CREDIT TO THE ACCOUNT TWENTY-FOUR MILLION FOUR HUNDRED THOUSAND DOLLARS OF SUCH MONEYS NOT REQUIRED TO BE ALLOCATED TO TOBACCO SETTLEMENT PROGRAMS FOR THE 2007-08 FISCAL YEAR PURSUANT TO SECTION 24-75-1104.5 (1). ALL INTEREST AND INCOME EARNED ON THE DEPOSIT AND INVESTMENT OF MONEYS IN THE ACCOUNT SHALL BE CREDITED TO THE BREAST AND CERVICAL CANCER PREVENTION AND TREATMENT FUND CREATED IN SECTION 25.5-5-308, C.R.S. SIX MILLION TWO HUNDRED THOUSAND DOLLARS OF THE MONEYS IN THE ACCOUNT MAY BE USED ONLY FOR OVEREXPENDITURES OR SUPPLEMENTAL APPROPRIATIONS TO THE CHILDREN'S BASIC HEALTH PLAN TRUST CREATED PURSUANT TO SECTION 25.5-8-105, C.R.S., FOR THE 2006-07 AND 2007-08 FISCAL YEARS OR, TO THE EXTENT NOT NEEDED FOR THAT PURPOSE, FOR OVEREXPENDITURES OR SUPPLEMENTAL APPROPRIATIONS FOR THE COLORADO BENEFITS MANAGEMENT SYSTEM FOR THE 2006-07 AND 2007-08 FISCAL YEARS. ALL OTHER MONEYS IN THE ACCOUNT MAY BE USED ONLY FOR OVEREXPENDITURES OR SUPPLEMENTAL APPROPRIATIONS FOR THE COLORADO BENEFITS MANAGEMENT SYSTEM FOR THE 2006-07 AND 2007-08 FISCAL YEARS. ALL MONEYS IN THE ACCOUNT NOT APPROPRIATED FOR THE 2006-07 OR 2007-08 FISCAL YEARS PURSUANT TO A SUPPLEMENTAL APPROPRIATIONS BILL ENACTED BY THE GENERAL ASSEMBLY OR APPROVED FOR OVEREXPENDITURE BY A MAJORITY OF THE MEMBERS OF THE JOINT BUDGET COMMITTEE OF THE GENERAL ASSEMBLY AS EVIDENCED BY THE RECEIPT BY THE STATE CONTROLLER OF WRITTEN CONFIRMATION OF SUCH APPROVAL PURSUANT TO SECTION 24-75-111 (1) (C) (I) (C) ON OR BEFORE APRIL 15, 2008, SHALL REVERT TO THE TOBACCO LITIGATION SETTLEMENT CASH FUND ON APRIL 16, 2008, AND BE ALLOCATED AS SPECIFIED IN THIS SECTION, SECTION 24-22-115.5, AND PART 11 OF ARTICLE 75 OF THIS TITLE.

(b) AN OVEREXPENDITURE MADE FROM THE HEALTH CARE SUPPLEMENTAL APPROPRIATIONS AND OVEREXPENDITURES ACCOUNT PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (4) SHALL BE MADE PURSUANT TO, AND SUBJECT TO THE REQUIREMENTS OF, SECTION 24-75-111. IF THE GENERAL ASSEMBLY DOES NOT ENACT A SUPPLEMENTAL APPROPRIATION FOR THE FULL AMOUNT OF SUCH AN OVEREXPENDITURE DURING THE NEXT REGULAR SESSION FOLLOWING THE OVEREXPENDITURE, THE UNRELEASED PORTION OF THE SUCCEEDING FISCAL YEAR'S APPROPRIATION RESTRICTED PURSUANT TO SECTION 24-75-111 (4) (a) SHALL REVERT, UPON ADJOURNMENT OF THE GENERAL ASSEMBLY SINE DIE, TO THE TOBACCO LITIGATION SETTLEMENT CASH FUND AND BE ALLOCATED AS SPECIFIED IN THIS SECTION, SECTION 24-22-115.5, AND PART 11 OF ARTICLE 75 OF THIS TITLE.

SECTION 2. 24-75-111 (1) (b), Colorado Revised Statutes, is amended to read:

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

(b) (I) The overexpenditure is necessary due to unforeseen circumstances arising

while the general assembly is not meeting in regular or special session during which such overexpenditure can be legislatively addressed; ~~and~~ OR

(II) THE OVEREXPENDITURE IS MADE FROM THE HEALTH CARE SUPPLEMENTAL APPROPRIATIONS AND OVEREXPENDITURES ACCOUNT AS AUTHORIZED IN SECTION 24-22-115 (4); AND

SECTION 3. 24-75-1102, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

24-75-1102. Definitions. As used in this part 11, unless the context otherwise requires:

(2.5) "STRATEGIC CONTRIBUTION FUND MONEYS" MEANS SETTLEMENT MONEYS RECEIVED BY THE STATE FROM THE STRATEGIC CONTRIBUTION FUND CREATED UNDER THE TERMS OF THE MASTER SETTLEMENT AGREEMENT.

SECTION 4. The introductory portion to 24-75-1104.5 (1), Colorado Revised Statutes, is amended, and the said 24-75-1104.5 is further amended BY THE ADDITION OF A NEW SUBSECTION, 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 the following specified amounts from the settlement moneys received by the state in the preceding fiscal year; EXCEPT THAT FIFTEEN MILLION FOUR HUNDRED THOUSAND DOLLARS OF STRATEGIC CONTRIBUTION FUND MONEYS SHALL BE ALLOCATED IN EACH FISCAL YEAR IN WHICH THEY ARE RECEIVED BY THE STATE:

(3) NOTWITHSTANDING THE PROVISIONS OF SUBSECTIONS (1) AND (1.5) OF THIS SECTION, FOR PURPOSES OF SECTIONS 22-7-506 (4) (b) (I), 23-20-136 (3.5) (a), 25-4-1411 (6) (a), 25-4-1415 (2), 25-20.5-201 (2) (c), 25-23-104 (2), 25-31-107 (2) (d) (I), 25.5-3-207 (3), 25.5-8-105 (3), 27-10.3-106 (2) (b), AND 28-5-709 (2) (a), C.R.S., STRATEGIC CONTRIBUTION FUND MONEYS RECEIVED AND ALLOCATED BY THE STATE PURSUANT TO SAID SUBSECTIONS (1) AND (1.5) DURING THE SAME FISCAL YEAR SHALL BE DEEMED TO BE MONEYS RECEIVED FOR OR DURING THE PRECEDING FISCAL YEAR.

SECTION 5. The introductory portion to 24-75-1104.5 (1.5) (a), Colorado Revised Statutes, as enacted by Senate Bill 07-097, and 24-75-1104.5 (2), Colorado Revised Statutes, as amended by Senate Bill 07-097, enacted at the First Regular Session of the Sixty-sixth General Assembly, are amended, and the said 24-75-1104.5 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

24-75-1104.5. Use of settlement moneys - programs. (1.5) (a) For the 2007-08 fiscal year and for each fiscal year thereafter, the following programs, services, and funds shall receive the following specified amounts from the portion of ANY STRATEGIC CONTRIBUTION FUND moneys received by the state in the ~~preceding~~ CURRENT fiscal year that remains after the programs, services, and funds receiving ~~such~~ STRATEGIC CONTRIBUTION FUND moneys pursuant to subsection (1) of this

section have been fully funded, AND THE PORTION OF ALL OTHER SETTLEMENT MONIES RECEIVED BY THE STATE IN THE PRECEDING FISCAL YEAR THAT REMAINS AFTER THE PROGRAMS, SERVICES, AND FUNDS RECEIVING SUCH OTHER SETTLEMENT MONIES PURSUANT TO SUBSECTION (1) OF THIS SECTION HAVE BEEN FULLY FUNDED AND ALL OVEREXPENDITURES AND SUPPLEMENTAL APPROPRIATIONS ALLOWED FOR THE 2006-07 AND 2007-08 FISCAL YEARS PURSUANT TO SECTION 24-22-115 (4) HAVE BEEN MADE:

(2) The general assembly shall appropriate or the state treasurer shall transfer, as provided by law, the amounts specified in subsections (1) and (1.5) of this section from moneys credited to the tobacco litigation settlement cash fund created in section 24-22-115. EXCEPT FOR MONEYS CREDITED TO THE HEALTH CARE SUPPLEMENTAL APPROPRIATIONS AND OVEREXPENDITURES ACCOUNT OF THE CASH FUND PURSUANT TO SECTION 24-22-115 (4) (a), all SETTLEMENT MONIES OTHER THAN STRATEGIC CONTRIBUTION FUND moneys transferred pursuant to subsection (1.5) of this section shall be credited to the specified funds or accounts on July 1 of the fiscal year for which they are transferred, AND ALL STRATEGIC CONTRIBUTION FUND MONIES TRANSFERRED PURSUANT TO SAID SUBSECTION (1.5) SHALL BE CREDITED TO THE SPECIFIED FUNDS OR ACCOUNTS UPON RECEIPT BY THE STATE.

(4) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, FOR THE 2007-08 FISCAL YEAR ONLY, SIX MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS OF THE STRATEGIC CONTRIBUTION FUND MONIES RECEIVED BY THE STATE DURING THE FISCAL YEAR SHALL BE ALLOCATED PURSUANT TO SUBSECTION (1) OF THIS SECTION, AND NINE MILLION ONE HUNDRED FIFTY THOUSAND DOLLARS OF THE STRATEGIC CONTRIBUTION FUND MONIES RECEIVED BY THE STATE DURING THE FISCAL YEAR SHALL BE ALLOCATED PURSUANT TO SUBSECTION (1.5) OF THIS SECTION.

SECTION 6. Section 14 (1), (2) (a), (2) (b), (3) (a), (3) (b), (3) (d), (4), (5) (a), (5) (b), and (5) (c) of Senate Bill 07-097, enacted at the First Regular Session of the Sixty-sixth General Assembly, are amended to read:

Section 14. **Appropriation.** (1) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the tobacco litigation settlement moneys health education fund created in section 24-75-1104.5 (1.5) (a) (I), Colorado Revised Statutes, not otherwise appropriated, to the department of higher education, regents of the university of Colorado, for allocation to the health sciences center, for the fiscal year beginning July 1, 2007, the sum of ~~eleven million three hundred thousand dollars (\$11,300,000)~~; EIGHT MILLION THREE HUNDRED NINETY-THREE THOUSAND ONE HUNDRED FORTY-NINE DOLLARS (\$8,393,149), cash funds exempt, or so much thereof as may be necessary, for the implementation of this act.

(2) (a) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the supplemental tobacco litigation settlement moneys account within the comprehensive primary and preventive care fund created in section 25.5-3-207 (4) (a), Colorado Revised Statutes, not otherwise appropriated, to the department of health care policy and financing, indigent care program, for the comprehensive primary and preventive care grants program, for the fiscal year beginning July 1, 2007, the sum of ~~two million dollars (\$2,000,000)~~; ONE MILLION FOUR HUNDRED FIFTY-FIVE THOUSAND NINE HUNDRED FIFTY-FOUR DOLLARS (\$1,455,954) cash funds exempt, or so much thereof as may be necessary, for the

implementation of this act.

(b) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the supplemental tobacco litigation settlement moneys account within the pediatric speciality hospital fund created in section 24-22-117 (2) (e), Colorado Revised Statutes, not otherwise appropriated, to the department of health care policy and financing, indigent care program, for the pediatric speciality hospital, for the fiscal year beginning July 1, 2007, the sum of ~~two hundred thousand dollars (\$200,000)~~, ONE HUNDRED SEVENTY-ONE THOUSAND TWO HUNDRED EIGHTY-NINE DOLLARS (\$171,289) cash funds exempt, or so much thereof as may be necessary.

(3) (a) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the offender mental health services fund created in section 27-1-204 (5.5), Colorado Revised Statutes, not otherwise appropriated, to the department of human services, mental health and alcohol and drug abuse services, mental health community programs, mental health services for the medically indigent, for mental health services for juvenile and adult offenders, for the fiscal year beginning July 1, 2007, the sum of ~~two million eight hundred thousand dollars (\$2,800,000)~~, TWO MILLION FIFTY-FIVE THOUSAND FOUR HUNDRED SIXTY-FIVE DOLLARS (\$2,055,465) cash funds exempt, and 0.8 FTE, or so much thereof as may be necessary.

(b) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the alcohol and drug abuse community prevention and treatment fund created in section 24-75-1104.5 (1.5) (a) (VIII), Colorado Revised Statutes, not otherwise appropriated, to the department of human services, mental health and alcohol and drug abuse services, alcohol and drug abuse division, community programs, for treatment and detoxification contracts and for prevention contracts, for the fiscal year beginning July 1, 2007, the sum of ~~seven hundred thousand dollars (\$700,000)~~, FIVE HUNDRED THIRTEEN THOUSAND EIGHT HUNDRED SIXTY-SIX DOLLARS (\$513,866) cash funds exempt, or so much thereof as may be necessary.

(d) ~~In addition to any other appropriation, there is hereby appropriated, out of any moneys in the tobacco litigation settlement cash fund created in section 24-22-115 (1), Colorado Revised Statutes, not otherwise appropriated, to the department of health care policy and financing, for allocation to the children's basic health plan trust created in section 25.5-8-105 (1), Colorado Revised Statutes, for the fiscal year beginning July 1, 2007, the sum of one million three hundred thousand dollars (\$1,300,000), cash funds exempt.~~

(4) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the supplemental state contribution fund created in section 24-50-609 (5), Colorado Revised Statutes, not otherwise appropriated, to the department of personnel and administration, division of human resources, for supplementing the monthly state contribution for each employee enrolled in a group benefit plan that includes enrollment in medical benefits, for the fiscal year beginning July 1, 2007, the sum of ~~one million dollars (\$1,000,000)~~, SEVEN HUNDRED SEVENTY THOUSAND SEVEN HUNDRED NINETY-NINE DOLLARS (\$770,799) cash funds exempt, or so much thereof as may be necessary.

(5) (a) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the public health services per capita support fund created in section

25-1-516 (2), Colorado Revised Statutes, not otherwise appropriated, to the department of public health and environment, local health services, for local, district and regional health department distributions pursuant to section 25-1-516, C.R.S., for the fiscal year beginning July 1, 2007, the sum of ~~one million six hundred thousand dollars (\$1,600,000)~~; ONE MILLION ONE HUNDRED NINETY-NINE THOUSAND TWENTY-ONE DOLLARS (\$1,199,021) cash funds exempt, or so much thereof as may be necessary, for the implementation of this act.

(b) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the supplemental tobacco litigation settlement moneys account within the Colorado immunization fund created in section 25-4-2305, Colorado Revised Statutes, not otherwise appropriated, to the department of public health and environment, disease control and environmental epidemiology division, for the fiscal year beginning July 1, 2007, the sum of ~~nine hundred thousand dollars (\$900,000)~~; SIX HUNDRED EIGHTY-FIVE THOUSAND ONE HUNDRED FIFTY-FIVE DOLLARS (\$685,155) cash funds exempt, or so much thereof as may be necessary, for the implementation of this act.

(c) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the short-term innovative health program grant fund created in section 25-36-101 (2), Colorado Revised Statutes, not otherwise appropriated, to the department of public health and environment, for the fiscal year beginning July 1, 2007, the sum of ~~one million four hundred thousand dollars (\$1,400,000)~~; ONE MILLION TWENTY-SEVEN THOUSAND SEVEN HUNDRED THIRTY-TWO DOLLARS (\$1,027,732) cash funds exempt, and 1.0 FTE, or so much thereof as may be necessary, for the implementation of this act.

SECTION 7. Adjustments to the 2007 long bill. (1) For the implementation of this act, appropriations made in the annual general appropriation act for the fiscal year beginning July 1, 2007 are adjusted as follows:

(a) The appropriation to the department of education, assistance to public schools, grant programs and other distributions, read-to-achieve grant program, from the read-to-achieve cash fund created in section 22-7-506 (4) (a) (I), Colorado Revised Statutes, is increased by three hundred fifty-nine thousand one hundred six dollars (\$359,106) cash funds exempt.

(b) The appropriation to the department of health care policy and financing, indigent care program, comprehensive primary and preventive care grants program, from the comprehensive primary and preventive care fund created in section 25.5-3-207 (1), Colorado Revised Statutes, is increased by two hundred fifteen thousand four hundred sixty-four dollars (\$215,464) cash funds exempt.

(c) The appropriation to the department of military and veterans affairs, division of veterans affairs, Colorado state veterans trust fund expenditures, from the Colorado state veterans trust fund created in section 28-5-709 (1) (a), Colorado Revised Statutes, is increased by one hundred fourteen thousand four hundred sixty-eight dollars (\$114,468) cash funds exempt.

(d) The appropriation to the department of public health and environment, disease control and environmental epidemiology division, special purpose disease control

programs, sexually transmitted disease, HIV and AIDS, operating expenses, from the AIDS and HIV prevention fund created in Section 25-4-1415 (1), Colorado Revised Statutes, is increased by two hundred twenty-two thousand four hundred sixty-nine dollars (\$222,469) cash funds exempt.

(e) The appropriation to the department of public health and environment, disease control and environmental epidemiology division, special purpose disease control programs, sexually transmitted disease, Ryan White act, operating expenses, from the tobacco litigation settlement cash fund created in section 24-22-115 (1), Colorado Revised Statutes, is increased by two hundred fifty-one thousand three hundred seventy-five dollars (\$251,375) cash funds exempt.

(f) The appropriation to the department of public health and environment, prevention services division, prevention partnerships, Tony Grampsas youth services program, from the tobacco litigation settlement cash fund created in section 24-22-115 (1), Colorado Revised Statutes, is increased by two hundred eighty-seven thousand two hundred eighty-five dollars (\$287,285) cash funds exempt.

(g) The appropriation to the department of public health and environment, prevention services division, family and community health, child, adolescent, and school health, nurse home visitor program, from the nurse home visitor program fund created in section 25-31-107 (2) (b), Colorado Revised Statutes, is increased by eight hundred sixty-one thousand eight hundred fifty-five dollars (\$861,855) cash funds exempt.

SECTION 8. 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: June 1, 2007