

**Second Regular Session  
Sixty-seventh General Assembly  
STATE OF COLORADO**

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 10-0801.01 Brita Darling

**HOUSE BILL 10-1323**

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**HOUSE SPONSORSHIP**

**Pommer**, Ferrandino, Lambert

**SENATE SPONSORSHIP**

**Tapia**, Keller, White

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**House Committees**  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101     **CONCERNING THE USE OF TOBACCO LITIGATION FUNDS FOR HEALTH**  
102     **CARE PROGRAMS, AND MAKING AN APPROPRIATION THEREFOR.**

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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>.)*

**Budget Package Bill.** For the 2009-10 fiscal year, the bill limits the transfer of tobacco settlement moneys to the comprehensive primary and preventive care grant program to the amount of moneys committed for grants on or before September 30, 2009, and transfers the remaining amount to the general fund. For the 2010-11 fiscal year, transfers to 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.*

general fund all of the tobacco settlement moneys annually transferred to the comprehensive primary and preventive care grant program.

The bill reallocates the transfer of tobacco settlement moneys from the Colorado indigent care program to the children's basic health plan trust. For the 2009-10 fiscal year, the bill transfers to the general fund the amount of tobacco settlement moneys that would have gone to the Colorado indigent care program.

The bill repeals the supplemental tobacco litigation settlement moneys account in the comprehensive primary and preventive care fund.

The bill permits the use of moneys in the AIDS and HIV prevention fund for the AIDS drug assistance program in 2010-11 fiscal year.

The bill makes an appropriation.

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

2 **SECTION 1.** 24-75-1104.5 (1) (b) (II), Colorado Revised  
3 Statutes, is amended, and the said 24-75-1104.5 (1) (b) is further amended  
4 **BY THE ADDITION OF A NEW SUBPARAGRAPH, to read:**

5 **24-75-1104.5. Use of settlement moneys - programs - repeal.**  
6 (1) Except as otherwise provided in subsection (5) of this section, for the  
7 2004-05 fiscal year and for each fiscal year thereafter, the following  
8 programs, services, or funds shall receive the following specified amounts  
9 from the settlement moneys received by the state in the preceding fiscal  
10 year; except that fifteen million four hundred thousand dollars of strategic  
11 contribution fund moneys and, for the 2010-11 fiscal year and for each  
12 fiscal year thereafter only, the lesser of sixty-five million dollars of other  
13 settlement moneys or all other settlement moneys shall be allocated in  
14 each fiscal year in which they are received by the state and except that, of  
15 the other settlement moneys received by the state in the 2009-10 fiscal  
16 year, the lesser of sixty-five million dollars or all of such moneys shall be  
17 transferred to the general fund on June 30, 2010, and shall not be  
18 allocated:

1 (b) (II) Notwithstanding the provisions of subparagraph (I) of this  
2 paragraph (b), for the 2009-10 fiscal year, the amount transferred to the  
3 comprehensive primary and preventive care grant program shall be  
4 ~~reduced by two million four hundred thousand dollars, and such~~ THE  
5 amount OF GRANT MONEYS COMMITTED PURSUANT TO THE  
6 COMPREHENSIVE PRIMARY AND PREVENTIVE CARE GRANT PROGRAM ON OR  
7 BEFORE SEPTEMBER 30, 2009. ANY OF THE REMAINING SETTLEMENT  
8 MONEYS THAT WOULD HAVE BEEN TRANSFERRED TO THE COMPREHENSIVE  
9 PRIMARY AND PREVENTIVE CARE GRANT PROGRAM PURSUANT TO THE  
10 PROVISIONS OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (b) shall be  
11 transferred to the general fund. This subparagraph (II) is repealed,  
12 effective July 1, 2011.

13 (III) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (I)  
14 OF THIS PARAGRAPH (b), FOR THE 2010-11 FISCAL YEAR, THE SETTLEMENT  
15 MONEYS TRANSFERRED TO THE COMPREHENSIVE PRIMARY AND  
16 PREVENTIVE CARE GRANT PROGRAM PURSUANT TO THE PROVISIONS OF  
17 SUBPARAGRAPH (I) OF THIS PARAGRAPH (b) SHALL BE TRANSFERRED TO  
18 THE GENERAL FUND. THIS SUBPARAGRAPH (III) IS REPEALED, EFFECTIVE  
19 JULY 1, 2012.

20 **SECTION 2.** 24-75-1104.5 (1.5) (a) (III) (C), and (1.5) (a) (V),  
21 Colorado Revised Statutes, are amended, and the said 24-75-1104.5 (1.5)  
22 (a) (III) is further amended BY THE ADDITION OF A NEW  
23 SUB-SUBPARAGRAPH, to read:

24 **24-75-1104.5. Use of settlement moneys - programs - repeal.**  
25 (1.5) (a) Except as otherwise provided in subsections (5) and (6) of this  
26 section, for the 2007-08 fiscal year and for each fiscal year thereafter, the  
27 following programs, services, and funds shall receive the following

1 specified amounts from the portion of any settlement moneys received  
2 and allocated by the state in the current fiscal year that remains after the  
3 programs, services, and funds receiving such moneys pursuant to  
4 subsection (1) of this section have been fully funded, and the portion of  
5 all other settlement moneys received by the state in the preceding fiscal  
6 year that remains after the programs, services, and funds receiving such  
7 other settlement moneys pursuant to subsection (1) of this section have  
8 been fully funded and all overexpenditures and supplemental  
9 appropriations allowed for the 2006-07, 2007-08, 2008-09, or 2009-10  
10 fiscal years pursuant to section 24-22-115 (4) have been made:

11 (III) (C) Notwithstanding the provisions of sub-subparagraph (A)  
12 of this subparagraph (III), FOR THE 2009-10 FISCAL YEAR, the amount  
13 transferred to the supplemental tobacco litigation settlement moneys  
14 account of the comprehensive primary and preventive care fund shall be  
15 ~~one million nine hundred ninety thousand five hundred dollars for the~~  
16 ~~2009-10 fiscal year and two million two hundred forty-five thousand~~  
17 ~~dollars for the 2010-11 fiscal year. The difference between the amount~~  
18 ~~that would have been transferred to the supplemental tobacco litigation~~  
19 ~~settlement moneys account of the comprehensive primary and preventive~~  
20 ~~care fund pursuant to sub-subparagraph (A) of this subparagraph (III) and~~  
21 ~~the amount transferred pursuant to this sub-subparagraph (C) in each of~~  
22 ~~said fiscal years shall be transferred to the general fund. This~~  
23 ~~sub-subparagraph (C) is repealed, effective July 1, 2011~~ TRANSFERRED TO  
24 THE GENERAL FUND.

25 (D) THIS SUBPARAGRAPH (III) IS REPEALED, EFFECTIVE JULY 1,  
26 2010.

27 (V) (A) FOR FISCAL YEARS 2007-08 THROUGH 2009-10, the

1 children's basic health plan trust created in section 25.5-8-105, C.R.S.,  
2 shall receive five percent of the settlement moneys, which the state  
3 treasurer shall transfer thereto.

4 (B) FOR THE 2010-11 FISCAL YEAR AND EACH FISCAL YEAR  
5 THEREAFTER, THE CHILDREN'S BASIC HEALTH PLAN TRUST CREATED IN  
6 SECTION 25.5-8-105, C.R.S., SHALL RECEIVE THIRTEEN AND ONE-HALF  
7 PERCENT OF THE SETTLEMENT MONEYS, WHICH THE STATE TREASURER  
8 SHALL TRANSFER THERETO.

9 **SECTION 3.** 24-75-1104.5, Colorado Revised Statutes, is  
10 amended BY THE ADDITION OF A NEW SUBSECTION to read:

11 **24-75-1104.5. Use of settlement moneys - programs - repeal.**

12 (8) (a) AT THE END OF FISCAL YEAR 2010-11, THE STATE TREASURER  
13 SHALL TRANSFER THE BALANCE OF THE MONEYS IN THE SHORT-TERM  
14 INNOVATIVE HEALTH PROGRAM GRANT FUND CREATED IN SECTION  
15 25-36-101, C.R.S., TO THE GENERAL FUND. THIS TRANSFER SHALL  
16 AUGMENT FISCAL YEAR 2010-11 GENERAL FUND REVENUES.

17 (b) THIS SUBSECTION (8) IS REPEALED, EFFECTIVE JULY 1, 2012.

18 **SECTION 4.** 25.5-3-207 (4), Colorado Revised Statutes, is  
19 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

20 **25.5-3-207. Program funding - comprehensive primary and**  
21 **preventive care fund - supplemental tobacco litigation settlement**  
22 **moneys account - creation - repeal.** (4) (c) THIS SUBSECTION (4) IS  
23 REPEALED, EFFECTIVE JULY 1, 2010, AND ANY MONEYS REMAINING IN THE  
24 SUPPLEMENTAL TOBACCO LITIGATION SETTLEMENT MONEYS ACCOUNT  
25 SHALL BE TRANSFERRED TO THE GENERAL FUND.

26 **SECTION 5.** 24-75-1104.5 (1.5) (b), Colorado Revised Statutes,  
27 is amended to read:

1           **24-75-1104.5. Use of settlement moneys - programs - repeal.**

2           (1.5) (b) (I) Except as otherwise provided in sections 24-50-609 (5) and  
3           25.5-3-207 (4) (a), C.R.S., at the end of the 2007-08, 2008-09, AND  
4           2009-10 fiscal year and at the end of each fiscal year thereafter YEARS,  
5           any interest and income earned on moneys allocated for the fiscal year  
6           pursuant to paragraph (a) of this subsection (1.5), and any of such  
7           allocated moneys that are unexpended and unencumbered, shall be  
8           transferred to the short-term innovative health program grant fund created  
9           in section 25-36-101 (2), C.R.S.

10           (II) EXCEPT AS OTHERWISE PROVIDED IN SECTION 24-50-609 (5),  
11           AT THE END OF THE 2010-11 FISCAL YEAR AND AT THE END OF EACH  
12           FISCAL YEAR THEREAFTER, ANY INTEREST AND INCOME EARNED ON  
13           MONEYS ALLOCATED FOR THE FISCAL YEAR PURSUANT TO PARAGRAPH (a)  
14           OF THIS SUBSECTION (1.5), AND ANY OF SUCH ALLOCATED MONEYS THAT  
15           ARE UNEXPENDED AND UNENCUMBERED, SHALL BE TRANSFERRED TO THE  
16           SHORT-TERM INNOVATIVE HEALTH PROGRAM GRANT FUND CREATED IN  
17           SECTION 25-36-101 (2), C.R.S.

18           **SECTION 6.** 25-4-1415 (1), Colorado Revised Statutes, is  
19           amended to read:

20           **25-4-1415. Cash fund - administration - limitation.** (1) There  
21           is hereby created in the state treasury the AIDS and HIV prevention fund,  
22           referred to in this section as the "fund", that shall consist of moneys that  
23           may be appropriated to the fund by the general assembly. The moneys in  
24           the fund shall be subject to annual appropriation by the general assembly  
25           for the direct and indirect costs associated with the implementation of the  
26           program; except that, for the 2009-10 AND 2010-11 fiscal year YEARS, the  
27           general assembly may appropriate moneys from the fund to the

1 department of public health and environment for the implementation and  
2 administration of the AIDS drug assistance program described in section  
3 25-4-1411 (2). Any moneys in the fund not expended for the purpose of  
4 the program may be invested by the state treasurer as provided by law.  
5 All interest and income derived from the investment and deposit of  
6 moneys in the fund shall be credited to the fund. Any unexpended and  
7 unencumbered moneys remaining in the fund at the end of a fiscal year  
8 shall remain in the fund and shall not be credited or transferred to the  
9 general fund or another fund.

10 **SECTION 7.** 2-3-113 (7), Colorado Revised Statutes, is amended  
11 BY THE ADDITION OF A NEW PARAGRAPH to read:

12 **2-3-113. Programs that receive tobacco settlement moneys -**  
13 **program review.** (7) (c) (I) FOR PURPOSES OF THE APPROPRIATION TO  
14 THE STATE AUDITOR'S OFFICE PURSUANT TO PARAGRAPH (a) OF THIS  
15 SUBSECTION (7), SETTLEMENT MONEYS THAT WERE TRANSFERRED TO THE  
16 GENERAL FUND IN FISCAL YEARS 2009-10 AND 2010-11, BUT THAT WOULD  
17 OTHERWISE HAVE BEEN TRANSFERRED TO A TOBACCO SETTLEMENT  
18 PROGRAM PURSUANT TO SECTION 24-75-1104.5 (1), C.R.S., SHALL BE  
19 DEEMED TO HAVE BEEN RECEIVED BY THE TOBACCO SETTLEMENT  
20 PROGRAM.

21 (II) THIS PARAGRAPH (c) IS REPEALED, EFFECTIVE JULY 1, 2012.

22 **SECTION 8.** Part V (1) (A), (4), and the affected totals of section  
23 2 of chapter 464, Session Laws of Colorado 2009, are amended to read:

24 Section 2. **Appropriation.**

APPROPRIATION FROM

	ITEM & SUBTOTAL	TOTAL	GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
	\$	\$	\$	\$	\$	\$	\$
1	<b>PART V</b>						
2	<b>DEPARTMENT OF HEALTH CARE POLICY AND FINANCING</b>						
3							
4	<b>(1) EXECUTIVE DIRECTOR'S OFFICE</b>						
5	<b>(A) General Administration</b>						
6	Personal Services	19,679,334					
7		19,671,129					
8		(275.0 FTE)					
9		(274.8 FTE)					
10	Health, Life, and Dental	1,414,691					
11		1,414,226					
12	Short-term Disability	23,588					
13		23,578					
14	S.B. 04-257 Amortization						
15	Equalization Disbursement	317,902					

APPROPRIATION FROM

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	ITEM & SUBTOTAL	TOTAL	GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
	\$	\$	\$	\$	\$	\$	\$
1	317,767						
2	S.B. 06-235 Supplemental						
3	Amortization Equalization						
4	Disbursement	<del>197,328</del>					
5		197,243					
6	Workers' Compensation	36,279					
7	Operating Expenses	<del>1,511,489</del>					
8		1,511,418					
9	Legal Services and Third						
10	Party Recovery Legal						
11	Services for 13,089 hours	986,650					
12	Administrative Law Judge						
13	Services	456,922					
14	Purchase of Services from						
15	Computer Center	135,103					

APPROPRIATION FROM

	ITEM & SUBTOTAL	TOTAL	GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
	\$	\$	\$	\$	\$	\$	\$
1	Management and						
2	Administration of OIT	482,756					
3	Payment to Risk						
4	Management and Property						
5	Funds	83,182					
6	Leased Space	394,236					
7	Capitol Complex Leased						
8	Space	400,868					
9	General Professional						
10	Services and Special						
11	Projects	3,384,105					
12		<u>29,504,433</u>	12,360,725(M)		1,040,182 <sup>a</sup>	1,679,562 <sup>b</sup>	14,423,964
13		29,495,462			1,031,211 <sup>a</sup>		
14							



APPROPRIATION FROM

	ITEM & SUBTOTAL	TOTAL	GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
	\$	\$	\$	\$	\$	\$	\$
1	Safety Net Provider						
2	Payments	310,715,422	13,090,782(M)		142,266,929 <sup>a</sup>		155,357,711
3	Colorado Health Care						
4	Services Fund	15,000,000	15,000,000				
5	The Children's Hospital,						
6	Clinic Based Indigent Care	27,767,760	3,059,880(M)			10,824,000 <sup>b</sup>	13,883,880
7	Health Care Services Fund						
8	Programs	8,352,000				4,176,000 <sup>b</sup>	4,176,000
9	Pediatric Speciality Hospital	15,032,712	6,656,997(M)		355,359 <sup>c</sup>	504,000 <sup>d</sup>	7,516,356
10	H.B. 05-1262 Appropriation						
11	from General Fund to						
12	Pediatric Speciality Hospital						
13	Fund	504,000		504,000 <sup>e</sup>			

APPROPRIATION FROM

	ITEM & SUBTOTAL	TOTAL	GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
	\$	\$	\$	\$	\$	\$	\$
1	H.B. 05-1262 Appropriation						
2	from Tobacco Tax Cash						
3	Fund to the General Fund	504,000			504,000 <sup>f</sup>		
4	Primary Care Fund Program	31,920,000			31,920,000 <sup>g</sup>		
5	H.B. 97-1304 Children's						
6	Basic Health Plan Trust	2,500,000	2,500,000				
7	Children's Basic Health Plan						
8	Administration	5,537,590			2,473,301 <sup>h</sup>		3,064,289
9	Children's Basic Health Plan						
10	Premium Costs <sup>11</sup>	145,664,212			48,696,353 <sup>i</sup>	2,500,000 <sup>j</sup>	94,467,859
11	Children's Basic Health Plan						
12	Dental Benefit Costs <sup>12</sup>	10,948,462			3,831,962 <sup>k</sup>		7,116,500
13	Comprehensive Primary and						
14	Preventive Care Grants	866,075			866,075 <sup>l</sup>		
15		226,993			226,993 <sup>l</sup>		

	ITEM & SUBTOTAL	TOTAL	APPROPRIATION FROM				
			GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
	\$	\$	\$	\$	\$	\$	\$
1 Comprehensive Primary and							
2 Preventive Care Rural and							
3 Public Hospital Grant							
4 Program	6,041,096				3,020,548 <sup>d</sup>		3,020,548
5	1,041,096				1,030,048 <sup>d</sup>		11,048
6		581,353,329					
7		575,714,247					
8							

<sup>a</sup> This amount represents public funds certified as representing expenditures incurred by hospitals that are eligible for federal financial participation under the Medicaid upper payment limit and the Medicaid Disproportionate Share Payments to Hospitals program.

<sup>b</sup> These amounts shall be from the Health Care Services Fund created in Section 25.5-3-112 (1) (a), C.R.S.

<sup>c</sup> This amount shall be from the Supplemental Tobacco Litigation Settlement Moneys Account in the Pediatric Specialty Hospital Fund created in Section 24-22-117 (2) (e) (II), C.R.S.

<sup>d</sup> This amount shall be from the Pediatric Specialty Hospital Fund created in Section 24-22-117 (2) (e), C.R.S.

<sup>e</sup> This amount is not subject to the limitation on state fiscal year spending imposed by Article X, Section 20 of the State Constitution. This amount is also not subject to the statutory limitation on General Fund appropriation growth or any other spending limitation existing in law pursuant to Article X, Section 21 (8) of the State Constitution.

APPROPRIATION FROM

ITEM & SUBTOTAL	TOTAL	GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
\$	\$	\$	\$	\$	\$	\$

1 <sup>f</sup> This amount shall be from the Tobacco Tax Cash Fund created in Section 24-22-117 (l) (a), C.R.S. This appropriation partially meets the requirement to appropriate a portion of the  
 2 revenues collected from imposition of additional state cigarette and tobacco taxes to the General Fund pursuant to Section 21 of Article X of the State Constitution.

3 <sup>g</sup> This amount shall be from the Primary Care Fund created in Section 24-22-117 (2) (b) (I), C.R.S.

4 <sup>h</sup> Of this amount, \$1,933,301 shall be from the Children's Basic Health Plan Trust created in Section 25.5-8-105 (1), C.R.S., and \$540,000 shall be from the Health Care Expansion Fund  
 5 created in Section 24-22-117 (2) (a) (I), C.R.S.

6 <sup>i</sup> Of this amount, \$25,296,193 shall be from the Children's Basic Health Plan Trust created in Section 25.5-8-105 (1), C.R.S., \$21,177,045 shall be from the Health Care Expansion Fund  
 7 created in Section 24-22-117 (2) (a) (I), C.R.S., \$1,761,388 shall be from the Children's Basic Health Plan Trust and Supplemental Tobacco Litigation Settlement Moneys Account created  
 8 in Section 25.5-8-105 (1), C.R.S., and \$461,727 shall be from the Colorado Immunization Fund created in Section 25-4-2301, C.R.S.

9 <sup>j</sup> This amount is General Fund that is appropriated into the Children's Basic Health Plan Trust created in Section 25.5-8-105 (1), C.R.S.

10 <sup>k</sup> Of this amount, \$2,525,196 shall be from the Children's Basic Health Plan Trust created in Section 25.5-8-105 (1), C.R.S. and \$1,306,766 shall be from the Health Care Expansion Fund  
 11 created in Section 24-22-117 (2) (a) (I), C.R.S.

12 <sup>l</sup> This amount shall be from the Comprehensive Primary and Preventive Care Fund created in Section 25.5-3-207 (1), C.R.S.

13

14 **TOTALS PART V**

	ITEM & SUBTOTAL	TOTAL	APPROPRIATION FROM				
			GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
	\$	\$	\$	\$	\$	\$	\$
1	<b>(HEALTH CARE</b>						
2	<b>POLICY AND</b>						
3	<b>FINANCING)</b>	\$4,136,596,755	\$1,675,723,755	\$504,000 <sup>a</sup>	\$407,639,249	\$28,706,139	\$2,024,023,612
4		\$4,130,948,702			\$405,000,696		\$2,021,014,112
5							

6 <sup>a</sup> This amount shall be General Fund Exempt pursuant to Section 24-22-117 (1) (c) (I) (B), C.R.S. This amount is also not subject to the statutory limitation on General Fund  
7 appropriations imposed by Section 24-75-201.1, C.R.S.

8

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