

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

**PREAMENDED**

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

LLS NO. 12-0704.01 Jason Gelender x4330

**HOUSE BILL 12-1249**

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**HOUSE SPONSORSHIP**

**Gerou, Becker, Levy**

**SENATE SPONSORSHIP**

**Steadman, Hodge, Lambert**

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**House Committees**  
Appropriations

**Senate Committees**  
Appropriations

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**A BILL FOR AN ACT**

101     **CONCERNING THE MANNER IN WHICH TOBACCO LITIGATION**  
102             **SETTLEMENT MONEYS ARE ALLOCATED TO THE STATE**  
103             **AUDITOR'S OFFICE FOR THE COSTS OF CONDUCTING PROGRAM**  
104             **REVIEWS AND EVALUATIONS OF THE PERFORMANCE OF**  
105             **TOBACCO SETTLEMENT PROGRAMS.**

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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.** Current law requires the general

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.*

HOUSE  
3rd Reading Unam ended  
February 22, 2012

HOUSE  
2nd Reading Unam ended  
February 21, 2012

assembly to annually appropriate 0.1% of the tobacco litigation settlement moneys received by the state (settlement moneys) to the office of the state auditor for the costs of conducting program reviews and evaluations of the performance of tobacco settlement programs. The funding comes out of and proportionally reduces the amount of settlement moneys received by all tier 1 tobacco settlement programs reviewed and evaluated during a fiscal year.

Beginning with the 2012-13 fiscal year, the bill replaces the 0.1% appropriation with an annual allocation to the state auditor's office of \$89,000 of settlement moneys. The new funding comes out of and reduces by \$89,000 the amount of settlement moneys annually received by the short-term innovative health program grant 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, 2-3-113, **amend** (7)

3 (a) introductory portion and (7) (b); and **add** (7) (a.5) as follows:

4 **2-3-113. Programs that receive tobacco settlement moneys -**  
5 **program review - repeal.** (7) (a) Beginning with the 2006-07 fiscal year  
6 and for each fiscal year thereafter THROUGH THE 2011-12 FISCAL YEAR,  
7 the general assembly shall appropriate to the state auditor's office  
8 one-tenth of one percent of the total amount of moneys received by the  
9 state pursuant to the master settlement agreement in the most recently  
10 completed calendar year for the costs incurred by the state auditor's office  
11 in implementing the requirements of this section. The amount  
12 appropriated to the state auditor's office pursuant to this subsection (7)  
13 shall come from a proportionate reduction in the amounts annually  
14 received by each tobacco settlement program from the tobacco litigation  
15 settlement cash fund:

16 (a.5) BEGINNING WITH THE 2012-13 FISCAL YEAR AND FOR EACH  
17 FISCAL YEAR THEREAFTER, THE STATE AUDITOR'S OFFICE SHALL RECEIVE  
18 SETTLEMENT MONEYS AS SPECIFIED IN SECTION 24-75-1104.5 (1.5) (a)  
19 (XII), C.R.S., FOR THE COSTS INCURRED BY THE STATE AUDITOR'S OFFICE

1 IN IMPLEMENTING THE REQUIREMENTS OF THIS SECTION.

2 (b) Any unencumbered moneys appropriated from moneys  
3 received pursuant to the master settlement agreement remaining with the  
4 state auditor's office at the end of any fiscal year ENDING BEFORE JULY 1,  
5 2012, shall be transferred to the tobacco litigation settlement trust fund  
6 created in section 24-22-115.5, C.R.S.

7 **SECTION 2.** In Colorado Revised Statutes, 24-75-1104.5,  
8 **amend** (1.5) (a) (IX); and **add** (1.5) (a) (XII) as follows:

9 **24-75-1104.5. Use of settlement moneys - programs - repeal.**

10 (1.5) (a) Except as otherwise provided in subsections (5) and (6) of this  
11 section, for the 2007-08 fiscal year and for each fiscal year thereafter, the  
12 following programs, services, and funds shall receive the following  
13 specified amounts from the portion of any settlement moneys received  
14 and allocated by the state in the current fiscal year that remains after the  
15 programs, services, and funds receiving such moneys pursuant to  
16 subsection (1) of this section have been fully funded, and the portion of  
17 all other settlement moneys received by the state in the preceding fiscal  
18 year that remains after the programs, services, and funds receiving such  
19 other settlement moneys pursuant to subsection (1) of this section have  
20 been fully funded and all overexpenditures and supplemental  
21 appropriations allowed for the 2006-07, 2007-08, 2008-09, or 2009-10  
22 fiscal years pursuant to section 24-22-115 (4) have been made:

23 (IX) The short-term innovative health program grant fund created  
24 in section 25-36-101 (2), C.R.S., shall receive six percent of the  
25 settlement moneys, which the state treasurer shall transfer thereto, plus,  
26 for fiscal years prior to the 2011-12 fiscal year only, additional moneys  
27 as specified in section 24-22-115 (1) (b) and paragraph (b) of this

1 subsection (1.5); except that, for the 2011-12 fiscal year, ~~and for each~~  
2 ~~fiscal year thereafter~~, the amount allocated to the short-term innovative  
3 health program grant fund pursuant to this subparagraph (IX) is reduced  
4 by two hundred fifty thousand dollars AND FOR THE 2012-13 FISCAL YEAR  
5 AND FOR EACH FISCAL YEAR THEREAFTER, THE AMOUNT ALLOCATED TO  
6 THE SHORT-TERM INNOVATIVE HEALTH PROGRAM GRANT FUND PURSUANT  
7 TO THIS SUBPARAGRAPH (IX) IS REDUCED BY THREE HUNDRED  
8 THIRTY-NINE THOUSAND DOLLARS.

9 (XII) FOR THE 2012-13 FISCAL YEAR AND EACH FISCAL YEAR  
10 THEREAFTER, THE STATE AUDITOR'S OFFICE SHALL RECEIVE EIGHTY-NINE  
11 THOUSAND DOLLARS FOR THE COSTS OF IMPLEMENTING THE  
12 REQUIREMENTS OF SECTION 2-3-113, C.R.S.

13 **SECTION 3. Effective date.** This act takes effect upon passage;  
14 except that section 24-75-1104.5 (1.5) (a) (IX), as amended by section 2  
15 of this act, takes effect only if House Bill 12-1247 does not become law.

16 **SECTION 4. Safety clause.** The general assembly hereby finds,  
17 determines, and declares that this act is necessary for the immediate  
18 preservation of the public peace, health, and safety.