

Second Regular Session  
Sixty-eighth General Assembly  
STATE OF COLORADO

**ENGROSSED**

*This Version Includes All Amendments Adopted  
on Second Reading in the House of Introduction*

LLS NO. 12-0703.01 Jason Gelender x4330

**HOUSE BILL 12-1247**

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**HOUSE SPONSORSHIP**

**Gerou,** Becker, Levy

**SENATE SPONSORSHIP**

**Steadman,** Hodge, Lambert

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**House Committees**  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING ANNUAL REDUCTIONS IN THE AMOUNT OF TOBACCO**  
102 **LITIGATION SETTLEMENT MONEYS THAT ARE ALLOCATED IN THE**  
103 **FISCAL YEAR IN WHICH THE STATE RECEIVES THEM, AND, IN**  
104 **CONNECTION THEREWITH, OFFSETTING THE REDUCTIONS WITH**  
105 **TOBACCO LITIGATION SETTLEMENT CASH FUND MONEYS MADE**  
106 **AVAILABLE BY THE REPEAL OF THE SHORT-TERM INNOVATIVE**  
107 **HEALTH PROGRAM GRANT FUND.**

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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*

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  
2nd Reading Unamended  
February 21, 2012

*http://www.leg.state.co.us/bills/summaries.*)

**Joint Budget Committee.** Current law requires over 90% of the allocations of tobacco litigation settlement moneys (settlement moneys) for tobacco programs to be made through payments of settlement moneys received in the same fiscal year in which they are allocated (accelerated payments). Because the state receives settlement moneys in the last quarter of each fiscal year, it uses general fund moneys as working capital to operate tobacco programs until it receives each year's settlement moneys. This de facto loan of general fund moneys creates a risk of loss to the general fund if the settlement moneys received in any given fiscal year are substantially lower than anticipated, which might occur if, for example, the state lost an ongoing legal dispute with tobacco manufacturers.

To reduce the risk of loss to the general fund, the bill annually reduces the amount of accelerated payments. The bill offsets the reduction by repealing the short-term innovative health program grant fund, which currently receives 6% of Tier 2 settlement program allocations, and requiring the additional tobacco litigation settlement cash fund moneys made available by the elimination of the grant fund to be used to supplement annual allocations of settlement moneys.

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

2           **SECTION 1.** In Colorado Revised Statutes, 24-75-1104.5,  
3 **amend** (1) introductory portion, (1.5) (a) introductory portion, (1.5) (a)  
4 (I), and (1.5) (a) (VIII) (A); **repeal** (1.5) (a) (IX), (1.5) (b) (I), (1.5) (b)  
5 (II), (6), and (8); and **add** (1.3) as follows:

6           **24-75-1104.5. Use of settlement moneys - programs - repeal.**

7 (1) Except as otherwise provided in ~~subsection (5)~~ SUBSECTIONS (1.3)  
8 AND (5) of this section, for the 2004-05 fiscal year and for each fiscal year  
9 thereafter, the following programs, services, or funds shall receive the  
10 following specified amounts from the settlement moneys received by the  
11 state in the preceding fiscal year: ~~except that fifteen million four hundred~~  
12 ~~thousand dollars of strategic contribution fund moneys and, for the~~  
13 ~~2010-11 fiscal year and for each fiscal year thereafter only, the lesser of~~

1 ~~sixty-five million dollars of other settlement moneys or all other~~  
2 ~~settlement moneys shall be allocated in each fiscal year in which they are~~  
3 ~~received by the state and except that, of the other settlement moneys~~  
4 ~~received by the state in the 2009-10 fiscal year, the lesser of sixty-five~~  
5 ~~million dollars or all of such moneys shall be transferred to the general~~  
6 ~~fund on June 30, 2010, and shall not be allocated:~~

7 (1.3) (a) FOR THE 2012-13 FISCAL YEAR, AND FOR EACH FISCAL  
8 YEAR THEREAFTER, THE LESSER OF ALL SETTLEMENT MONEYS RECEIVED  
9 OR THE FOLLOWING AMOUNTS OF SETTLEMENT MONEYS SHALL BE  
10 ALLOCATED IN EACH FISCAL YEAR IN WHICH THE STATE RECEIVES THE  
11 MONEYS IN THE PERCENTAGES OR AMOUNTS SPECIFIED AND FOR THE  
12 PROGRAMS, SERVICES, AND FUNDS SPECIFIED IN SUBSECTIONS (1) AND (1.5)  
13 OF THIS SECTION:

14 (I) FOR THE 2012-13 FISCAL YEAR, EIGHTY MILLION FOUR  
15 HUNDRED THOUSAND DOLLARS LESS THE AMOUNT OF UNEXPENDED AND  
16 UNENCUMBERED MONEYS REMAINING IN THE TOBACCO LITIGATION  
17 SETTLEMENT CASH FUND, CREATED IN SECTION 24-22-115 (1) (a), AT THE  
18 END OF THE 2011-12 FISCAL YEAR;

19 (II) FOR THE 2013-14, 2014-15, 2015-16, AND 2016-17 FISCAL  
20 YEARS, AND FOR THE 2018-19 FISCAL YEAR AND FOR EACH FISCAL YEAR  
21 THEREAFTER, THE AMOUNT ALLOCATED PURSUANT TO THIS SUBSECTION  
22 (1.3) FOR THE PRIOR FISCAL YEAR LESS THE AMOUNT OF UNEXPENDED AND  
23 UNENCUMBERED MONEYS REMAINING IN THE TOBACCO LITIGATION  
24 SETTLEMENT CASH FUND AT THE END OF THE PRIOR FISCAL YEAR; AND

25 (III) FOR THE 2017-18 FISCAL YEAR, THE AMOUNT ALLOCATED  
26 PURSUANT TO THIS SUBSECTION (1.3) FOR THE 2016-17 FISCAL YEAR LESS  
27 FIFTEEN MILLION DOLLARS AND LESS THE AMOUNT OF UNEXPENDED AND

1 UNENCUMBERED MONEYS REMAINING IN THE TOBACCO LITIGATION  
2 SETTLEMENT CASH FUND AT THE END OF THE 2016-17 FISCAL YEAR.

3 (b) FOR THE 2012-13 FISCAL YEAR, AND FOR EACH FISCAL YEAR  
4 THEREAFTER, IN ADDITION TO THE AMOUNTS ALLOCATED PURSUANT TO  
5 PARAGRAPH (a) OF THIS SUBSECTION (1.3), THE AMOUNT OF UNEXPENDED  
6 AND UNENCUMBERED MONEYS REMAINING IN THE TOBACCO LITIGATION  
7 SETTLEMENT CASH FUND, CREATED IN SECTION 24-22-115 (1) (a), AT THE  
8 END OF THE PRIOR FISCAL YEAR SHALL BE ALLOCATED TO THE PROGRAMS  
9 THAT RECEIVE SETTLEMENT MONEYS PURSUANT TO SUBSECTIONS (1) AND  
10 (1.5) OF THIS SECTION IN PROPORTION TO THEIR SHARES OF THE  
11 SETTLEMENT MONEYS.

12 (c) NOTWITHSTANDING THE PROVISIONS OF SECTION 24-1-136, NO  
13 LATER THAN OCTOBER 1, 2013, AND NOT LATER THAN OCTOBER 1 OF  
14 EACH YEAR THEREAFTER, THE STATE TREASURER SHALL SUBMIT A  
15 WRITTEN REPORT TO THE JOINT BUDGET COMMITTEE THAT SETS FORTH THE  
16 TOTAL AMOUNT ALLOCATED PURSUANT TO THIS SUBSECTION (1.3) DURING  
17 THE PRIOR FISCAL YEAR AND THE TOTAL AMOUNT ANTICIPATED TO BE  
18 ALLOCATED PURSUANT TO THIS SUBSECTION (1.3) DURING THE CURRENT  
19 FISCAL YEAR.

20 (1.5) (a) Except as otherwise provided in ~~subsections (5) and (6)~~  
21 SUBSECTION (5) of this section, for the 2007-08 fiscal year and for each  
22 fiscal year thereafter, the following programs, services, and funds shall  
23 receive the following specified amounts from the portion of any  
24 settlement moneys received and allocated by the state in the current fiscal  
25 year that remains after the programs, services, and funds receiving such  
26 moneys pursuant to subsection (1) of this section have been fully funded,  
27 and the portion of all other settlement moneys received by the state in the

1 preceding fiscal year that remains after the programs, services, and funds  
2 receiving such other settlement moneys pursuant to subsection (1) of this  
3 section have been fully funded and all overexpenditures and supplemental  
4 appropriations allowed for the 2006-07, 2007-08, 2008-09, or 2009-10  
5 fiscal years pursuant to section 24-22-115 (4) have been made:

6 (I) The university of Colorado at Denver and health sciences  
7 center shall receive forty-nine percent of the settlement moneys, which  
8 shall be transferred by the state treasurer to the tobacco litigation  
9 settlement moneys health education fund, which is hereby created in the  
10 state treasury. ~~Interest and income earned on the deposit and investment~~  
11 ~~of moneys in the fund before July 1, 2011, shall be credited to the fund~~  
12 ~~and shall remain in the fund until the end of the fiscal year in which~~  
13 ~~credited, when it shall be transferred to the short-term innovative health~~  
14 ~~program grant fund created in section 25-36-101 (2), C.R.S., in~~  
15 ~~accordance with paragraph (b) of this subsection (1.5).~~ The principal of  
16 the fund shall be subject to annual appropriation by the general assembly  
17 to the health sciences center; except that, ~~at the end of the 2007-08 fiscal~~  
18 ~~year and at the end of each fiscal year thereafter through the 2010-11~~  
19 ~~fiscal year, all unexpended and unencumbered principal of the fund shall~~  
20 ~~be transferred to the short-term innovative health program grant fund~~  
21 ~~created in section 25-36-101 (2), C.R.S., and, at the end of the 2011-12~~  
22 ~~fiscal year and at the end of each fiscal year thereafter, all unexpended~~  
23 ~~and unencumbered principal of the account shall be transferred to the~~  
24 ~~general fund, in accordance with paragraph (b) of this subsection (1.5).~~

25 (VIII) (A) The unit in the department of human services that  
26 administers behavioral health programs and services, including those  
27 related to mental health and substance abuse, shall receive three percent

1 of the settlement moneys, which shall be transferred by the state treasurer  
2 to the alcohol and drug abuse community prevention and treatment fund,  
3 which is hereby created in the state treasury. ~~Interest and income earned~~  
4 ~~on the deposit and investment of moneys in the fund before July 1, 2011,~~  
5 ~~shall be credited to the fund and shall remain in the fund until the end of~~  
6 ~~the fiscal year in which credited, when it shall be transferred to the~~  
7 ~~short-term innovative health program grant fund created in section~~  
8 ~~25-36-101 (2), C.R.S., in accordance with paragraph (b) of this subsection~~  
9 ~~(1.5).~~ The principal of the fund shall be subject to annual appropriation  
10 by the general assembly to provide or purchase community prevention  
11 and treatment services in accordance with section 27-80-106, C.R.S.,  
12 except that, ~~at the end of the 2007-08 fiscal year and at the end of each~~  
13 ~~fiscal year thereafter through the 2010-11 fiscal year, all unexpended and~~  
14 ~~unencumbered principal of the fund shall be transferred to the short-term~~  
15 ~~innovative health program grant fund created in section 25-36-101 (2),~~  
16 ~~C.R.S., and, at the end of the 2011-12 fiscal year and at the end of each~~  
17 ~~fiscal year thereafter, all unexpended and unencumbered principal of the~~  
18 ~~account shall be transferred to the general fund, in accordance with~~  
19 ~~paragraph (b) of this subsection (1.5).~~

20 (IX) ~~The short-term innovative health program grant fund created~~  
21 ~~in section 25-36-101 (2), C.R.S., shall receive six percent of the~~  
22 ~~settlement moneys, which the state treasurer shall transfer thereto, plus,~~  
23 ~~for fiscal years prior to the 2011-12 fiscal year only, additional moneys~~  
24 ~~as specified in section 24-22-115 (1) (b) and paragraph (b) of this~~  
25 ~~subsection (1.5); except that, for the 2011-12 fiscal year and for each~~  
26 ~~fiscal year thereafter, the amount allocated to the short-term innovative~~  
27 ~~health program grant fund pursuant to this subparagraph (IX) is reduced~~

1 by two hundred fifty thousand dollars.

2 (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 years, any interest and income earned on moneys allocated  
5 for the fiscal year pursuant to paragraph (a) of this subsection (1.5), and  
6 any of such allocated moneys that are unexpended and unencumbered,  
7 shall be transferred to the short-term innovative health program grant  
8 fund created in section 25-36-101 (2), C.R.S.

9 (II) Except as otherwise provided in section 24-50-609 (5), at the  
10 end of the 2010-11 fiscal year, any interest and income earned on moneys  
11 allocated for the fiscal year pursuant to paragraph (a) of this subsection  
12 (1.5), and any of such allocated moneys that are unexpended and  
13 unencumbered, shall be transferred to the short-term innovative health  
14 program grant fund created in section 25-36-101 (2), C.R.S.

15 (6) On June 1, 2009, the state treasurer shall transfer one million  
16 one hundred thousand dollars from the tobacco litigation settlement cash  
17 fund created in section 24-22-115, C.R.S., to the general fund. To  
18 accommodate the transfer, the amount of the allocation to the short-term  
19 innovative health program grant fund created in section 25-36-101,  
20 C.R.S., pursuant to subparagraph (IX) of paragraph (a) of subsection (1.5)  
21 of this section for fiscal year 2009-10 shall be reduced by one million one  
22 hundred thousand dollars.

23 (8) (a) At the end of fiscal years 2010-11 and 2011-12, the state  
24 treasurer shall transfer the balance of the moneys in the short-term  
25 innovative health program grant fund created in section 25-36-101,  
26 C.R.S., to the general fund. These transfers shall augment fiscal year  
27 2010-11 and 2011-12 general fund revenues.

1           ~~(b) This subsection (8) is repealed, effective July 1, 2013.~~

2           **SECTION 2.** In Colorado Revised Statutes, 24-22-115, **amend**

3           (1) (b) as follows:

4           **24-22-115. Tobacco litigation settlement cash fund - health**  
5           **care supplemental appropriations and overexpenditures account -**

6           **creation.** (1) (b) Except as provided in subsection (2) of this section, for  
7           the 2006-07 fiscal year and the 2007-08 fiscal year, an amount needed, up  
8           to one million dollars, to pay the state's share of the annual funding  
9           required by the "Home- and Community-based Services for Children with  
10          Autism Act", part 8 of article 6 of title 25.5, C.R.S., shall be transferred  
11          from the tobacco litigation settlement cash fund to the Colorado autism  
12          treatment fund created pursuant to section 25.5-6-805, C.R.S. The amount  
13          to be transferred shall be taken into account when determining the amount  
14          of cash fund moneys available for allocation to tobacco settlement  
15          programs pursuant to section 24-75-1104.5 (1.5) and shall be transferred  
16          at the end of the 2006-07 fiscal year and at the end of the 2007-08 fiscal  
17          year. ~~Except as provided in subsection (2) of this section, at the end of~~  
18          ~~any fiscal year commencing on or after July 1, 2006, but before July 1,~~  
19          ~~2011, all unexpended and unencumbered moneys in the cash fund, all~~  
20          ~~moneys in the cash fund not appropriated for the following fiscal year,~~  
21          ~~and all moneys in the cash fund not required for transfers pursuant to~~  
22          ~~section 24-75-1104.5 (1) or (1.5) in the following fiscal year shall be~~  
23          ~~transferred to the short-term innovative health program grant fund created~~  
24          ~~in section 25-36-101 (2), C.R.S. At the end of any fiscal year~~  
25          ~~commencing on or~~ ON AND after July 1, 2011, all unexpended and  
26          unencumbered moneys in the cash fund ~~all moneys in the cash fund not~~  
27          ~~appropriated for the following fiscal year, and all moneys in the cash fund~~



1 ~~not required for transfers pursuant to section 24-75-1104.5 (1) or (1.5) in~~  
2 ~~the following fiscal year shall be transferred to the general fund~~ SHALL  
3 REMAIN IN THE FUND UNTIL EXPENDED IN ORDER TO REDUCE THE SHARE  
4 OF ALLOCATIONS MADE FROM CURRENT-YEAR RECEIPTS OF SETTLEMENT  
5 MONEYS AS REQUIRED BY SECTION 24-75-1104.5 (1.3).

6 **SECTION 3.** In Colorado Revised Statutes, 25-1-512, **amend** (2)  
7 as follows:

8 **25-1-512. Allocation of moneys - public health services support**  
9 **fund - created.** (2) The public health services support fund is hereby  
10 created in the state treasury and shall be known in this section as the  
11 "fund". The principal of the fund shall consist of tobacco litigation  
12 settlement moneys transferred by the state treasurer to the fund pursuant  
13 to section 24-75-1104.5 (1.5) (a) (IV), C.R.S., and shall, subject to annual  
14 appropriation by the general assembly to the state department, be  
15 allocated by the state department to all agencies authorized pursuant to  
16 this part 5 as specified in subsection (1) of this section; except that, ~~at the~~  
17 ~~end of the 2007-08 fiscal year and at the end of each fiscal year thereafter~~  
18 ~~through the 2010-11 fiscal year, all unexpended and unencumbered~~  
19 ~~principal of the fund shall be transferred to the short-term innovative~~  
20 ~~health program grant fund created in section 25-36-101 (2) and,~~ at the end  
21 of the 2011-12 fiscal year and at the end of each fiscal year thereafter, all  
22 unexpended and unencumbered principal of the fund shall be transferred  
23 to the general fund, in accordance with section 24-75-1104.5 (1.5) (b),  
24 C.R.S. Interest and income earned on the deposit and investment of  
25 moneys in the public health services support fund before July 1, 2011,  
26 shall be credited to the fund and shall remain in the fund until the end of  
27 the fiscal year in which credited, when it shall be transferred to the

1 ~~short-term innovative health program grant fund created in section~~  
2 ~~25-36-101 (2) in accordance with section 24-75-1104.5 (1.5) (b), C.R.S.~~  
3 GENERAL FUND.

4 **SECTION 4.** In Colorado Revised Statutes, **amend** 25-4-2301 as  
5 follows:

6 **25-4-2301. Colorado immunization fund - supplemental**  
7 **tobacco litigation settlement moneys account - creation.** There are  
8 hereby created in the state treasury the Colorado immunization fund and  
9 an account within the fund to be known as the supplemental tobacco  
10 litigation settlement moneys account. The principal of the portion of the  
11 fund that is not the account shall consist of general fund appropriations  
12 made by the general assembly to the fund and gifts, grants, or awards  
13 received by the department of public health and environment from the  
14 federal government or private sources for the fund. The principal of the  
15 account shall consist of tobacco litigation settlement moneys transferred  
16 by the state treasurer to the account in accordance with section  
17 24-75-1104.5 (1.5) (a) (VII), C.R.S. All interest and income earned on the  
18 deposit and investment of moneys in the portion of the fund that is not the  
19 account shall be credited to that portion of the fund, and all interest and  
20 income earned on the deposit and investment of moneys in the account  
21 before July 1, 2011, shall be credited to the account and remain therein  
22 until transferred as required by this section. Except as otherwise provided  
23 in this section, and subject to annual appropriation by the general  
24 assembly to the department, the department shall expend the principal of  
25 the fund and the account only for the purpose of immunization and  
26 immunization strategies; except that, at the end of the 2007-08 fiscal year  
27 and at the end of any fiscal year thereafter, any unexpended and

1 unencumbered moneys in the portion of the fund that is not the account  
2 shall remain in that portion of the fund and may be used by the  
3 department through the state immunization program to support infant,  
4 child, and adolescent vaccination ~~at the end of the 2007-08 fiscal year and~~  
5 ~~at the end of any fiscal year thereafter through the 2010-11 fiscal year,~~  
6 ~~any unexpended and unencumbered moneys in the account shall be~~  
7 ~~transferred to the short-term innovative health program grant fund created~~  
8 ~~in section 25-36-101 (2); and, at the end of the 2011-12 fiscal year and at~~  
9 ~~the end of each fiscal year thereafter, any unexpended and unencumbered~~  
10 ~~moneys in the account shall be transferred to the general fund, in~~  
11 ~~accordance with section 24-75-1104.5 (1.5) (b), C.R.S.~~

12           **SECTION 5.** In Colorado Revised Statutes, 25-36-101, **amend**  
13 **(2) (a); and repeal (1), (2) (b), (3), (4), (5), (6), (7), (9), and (10) as**  
14 **follows:**

15           **25-36-101. Short-term grants for innovative health programs**  
16 **- grant fund - creation - appropriation from fund - transfer of**  
17 **moneys for fiscal years 2007-08 through 2011-12 - repeal.** (1) ~~The~~  
18 ~~department of public health and environment, subject to annual~~  
19 ~~appropriation by the general assembly, may make short-term grants of no~~  
20 ~~more than one fiscal year in duration to fund innovative health programs~~  
21 ~~designed to improve the health of Coloradans from the short-term~~  
22 ~~innovative health program grant fund created in subsection (2) of this~~  
23 ~~section. Grant applicants shall apply for grants using forms furnished by~~  
24 ~~the department, and grant applications shall contain such information as~~  
25 ~~the department may require. The department may promulgate rules in~~  
26 ~~accordance with the requirements of article 4 of title 24, C.R.S., in order~~  
27 ~~to establish grant application requirements and criteria for the awarding~~

1 of grants.

2 (2) (a) (I) The short-term innovative health program grant fund is  
3 hereby created in the state treasury. The principal of the fund shall include  
4 settlement moneys, as defined in section 24-75-1102 (2), C.R.S.,  
5 transferred to the fund pursuant to sections 24-22-115 (1) (b) and  
6 24-75-1104.5 (1.5) (a) (IX) and (1.5) (b), C.R.S., and any other moneys  
7 that the general assembly may appropriate or transfer to the fund. Interest  
8 and income earned on the deposit and investment of fund moneys shall  
9 remain in the fund and shall not be credited to the general fund or to any  
10 other fund at the end of any fiscal year; EXCEPT THAT, EFFECTIVE JUNE 30,  
11 2012, ALL MONEYS IN THE FUND SHALL BE TRANSFERRED TO THE TOBACCO  
12 LITIGATION SETTLEMENT CASH FUND CREATED IN SECTION 24-22-115 (1)  
13 (a), C.R.S.

14 (II) THIS PARAGRAPH (a) IS REPEALED, EFFECTIVE DECEMBER 31,  
15 2012.

16 ~~(b) Notwithstanding any provision of this section to the contrary,~~  
17 ~~on April 20, 2009, the state treasurer shall deduct four million three~~  
18 ~~hundred fifty-two thousand three hundred nineteen dollars from the~~  
19 ~~short-term innovative health program grant fund and transfer such sum to~~  
20 ~~the general fund.~~

21 ~~(3) (a) For the 2007-08 fiscal year, of the moneys transferred~~  
22 ~~pursuant to sections 24-22-115 (1) (b) and 24-75-1104.5 (1.5) (a) (IX)~~  
23 ~~and (1.5) (b), C.R.S., the lesser of one hundred thirty-four thousand two~~  
24 ~~hundred twelve dollars or thirteen and four-tenths percent of the total~~  
25 ~~amount transferred to the fund shall be appropriated to the unit in the~~  
26 ~~department of human services that administers behavioral health~~  
27 ~~programs and services, including those related to mental health and~~

1 ~~substance abuse, for implementation of article 69 of title 27, C.R.S., and~~  
2 ~~the lesser of thirty-eight thousand five hundred three dollars or three and~~  
3 ~~nine-tenths percent of the total amount transferred to the fund shall be~~  
4 ~~appropriated to the division of criminal justice in the department of public~~  
5 ~~safety for implementation of article 69 of title 27, C.R.S.~~

6 (b) ~~For the 2008-09 fiscal year, the 2009-10 fiscal year, and the~~  
7 ~~2010-11 fiscal year, of the moneys transferred pursuant to sections~~  
8 ~~24-22-115 (1) (b) and 24-75-1104.5 (1.5) (a) (IX) and (1.5) (b), C.R.S.,~~  
9 ~~the lesser of one hundred eighty-five thousand seventeen dollars or eight~~  
10 ~~and eight-tenths percent of the total amount transferred to the fund shall~~  
11 ~~be annually appropriated to the unit in the department of human services~~  
12 ~~that administers behavioral health programs and services, including those~~  
13 ~~related to mental health and substance abuse, for implementation of~~  
14 ~~article 69 of title 27, C.R.S., and the lesser of thirty-six thousand seven~~  
15 ~~hundred dollars or one and seven-tenths percent of the total amount~~  
16 ~~transferred to the fund shall be appropriated to the division of criminal~~  
17 ~~justice in the department of public safety for implementation of article 69~~  
18 ~~of title 27, C.R.S.~~

19 (4) ~~Notwithstanding any other provision of this section, for the~~  
20 ~~2007-08 fiscal year, the general assembly shall appropriate up to one~~  
21 ~~hundred sixty thousand dollars from the short-term innovative health~~  
22 ~~program grant fund to the department of personnel for the establishment~~  
23 ~~of a pilot disease management program. The program shall include, but~~  
24 ~~shall not be limited to, a pilot childhood asthma program aimed at~~  
25 ~~eliminating access barriers to care for lower-income state employees and~~  
26 ~~their dependents who have at least one asthma-related hospital admission~~  
27 ~~or emergency room visit. Moneys appropriated may be used to make~~

1 copayments for appropriate asthma drugs and specialty pulmonary  
2 supervision. The department shall review data from the pilot program and  
3 existing group benefit plan contract to determine the extent to which  
4 disease management and other health plan innovations may lower health  
5 insurance costs for state employees.

6 (5) Notwithstanding any other provision of this section, for the  
7 2007-08 fiscal year, the state treasurer shall transfer from the short-term  
8 innovative health program grant fund to the supplemental tobacco  
9 litigation settlement moneys account of the children's basic health plan  
10 trust created in section 25.5-8-105, C.R.S., for the purposes of the  
11 "Children's Basic Health Plan Act", article 8 of title 25.5, C.R.S., the  
12 lesser of twenty-two thousand three hundred seven dollars or two and  
13 two-tenths percent of the amount allocated to the short-term innovative  
14 health program grant fund for the fiscal year pursuant to section  
15 24-75-1104.5 (1.5) (a) (IX), C.R.S., enacted by Senate Bill 07-097 at the  
16 first regular session of the sixty-sixth general assembly. Notwithstanding  
17 any other provision of this section, for the 2008-09 and 2009-10 fiscal  
18 years, the state treasurer shall transfer from the short-term innovative  
19 health program grant fund to the children's basic health plan trust created  
20 in section 25.5-8-105, C.R.S., for the purposes of the "Children's Basic  
21 Health Plan Act", article 8 of title 25.5, C.R.S., the lesser of twenty-nine  
22 thousand five hundred fifteen dollars or one and four-tenths percent of the  
23 amount allocated to the short-term innovative health program grant fund  
24 for the fiscal year pursuant to section 24-75-1104.5 (1.5) (a) (IX), C.R.S.,  
25 enacted by Senate Bill 07-097 at the first regular session of the sixty-sixth  
26 general assembly.

27 (6) Notwithstanding any other provision of this section, for the

1 ~~2007-08 fiscal year, the general assembly shall appropriate from the~~  
2 ~~short-term innovative health program grant fund to the office of the~~  
3 ~~executive director in the department of health care policy and financing~~  
4 ~~for the administration of section 25.5-1-124, C.R.S., the lesser of~~  
5 ~~thirty-one thousand four hundred twenty-three dollars or three and~~  
6 ~~one-tenth percent of the amount allocated to the short-term innovative~~  
7 ~~health program grant fund for the fiscal year pursuant to section~~  
8 ~~24-75-1104.5 (1.5) (a) (IX), C.R.S., enacted by Senate Bill 07-097 at the~~  
9 ~~first regular session of the sixty-sixth general assembly. Notwithstanding~~  
10 ~~any other provision of this section, for the 2008-09 and 2009-10 fiscal~~  
11 ~~years, the general assembly shall appropriate from the short-term~~  
12 ~~innovative health program grant fund to the office of the executive~~  
13 ~~director in the department of health care policy and financing for the~~  
14 ~~administration of section 25.5-1-124, C.R.S., the lesser of twenty-nine~~  
15 ~~thousand seven hundred eighty-four dollars or one and four-tenths percent~~  
16 ~~of the amount allocated to the short-term innovative health program grant~~  
17 ~~fund for the fiscal year pursuant to section 24-75-1104.5 (1.5) (a) (IX);~~  
18 ~~C.R.S., enacted by Senate Bill 07-097 at the first regular session of the~~  
19 ~~sixty-sixth general assembly.~~

20 (7) ~~Notwithstanding any other provision of this section, for the~~  
21 ~~2007-08, 2008-09, and 2009-10 fiscal years, the state treasurer shall~~  
22 ~~transfer from the short-term innovative health program grant fund to the~~  
23 ~~supplemental tobacco litigation settlement moneys account of the mental~~  
24 ~~health services pilot program fund, created in section 27-68-105 (1);~~  
25 ~~C.R.S., the lesser of three hundred thousand dollars or thirty percent of~~  
26 ~~the amount allocated to the short-term innovative health program grant~~  
27 ~~fund for the fiscal year pursuant to section 24-75-1104.5 (1.5) (a) (IX);~~

1 C.R.S., enacted by Senate Bill 07-097 at the first regular session of the  
2 sixty-sixth general assembly.

3 (9) ~~Notwithstanding any other provision of this section, for the~~  
4 ~~2007-08 fiscal year, the state treasurer shall transfer the lesser of one~~  
5 ~~hundred twenty-five thousand dollars or twelve and five-tenths percent~~  
6 ~~of the amount allocated to the short-term innovative health program grant~~  
7 ~~fund for the fiscal year as provided by law, from the short-term innovative~~  
8 ~~health program grant fund to the lifesaver program cash fund created in~~  
9 ~~section 24-33.5-415.9 (6), C.R.S., for purposes of grants to encourage~~  
10 ~~county sheriffs' departments to establish lifesaver programs.~~

11 (10) (a) ~~Notwithstanding any other provision of this section, for~~  
12 ~~the 2007-08 and 2008-09 fiscal years, the state treasurer shall transfer~~  
13 ~~from the short-term innovative health program grant fund to the health~~  
14 ~~care professional loan repayment fund created in section 25-20.5-706, for~~  
15 ~~purposes of the state health care professional loan repayment program, the~~  
16 ~~lesser of sixty thousand dollars or six percent of the amount allocated to~~  
17 ~~the short-term innovative health program grant fund for the fiscal year~~  
18 ~~pursuant to section 24-75-1104.5 (1.5) (a) (IX), C.R.S., enacted by Senate~~  
19 ~~Bill 07-097 at the first regular session of the sixty-sixth general assembly.~~

20 (b) ~~Notwithstanding any other provision of this section, for the~~  
21 ~~2009-10 and 2010-11 fiscal years, the state treasurer shall transfer from~~  
22 ~~the short-term innovative health program grant fund to the Colorado~~  
23 ~~health service corps fund created in section 25-20.5-706, for purposes of~~  
24 ~~the Colorado health service corps, the lesser of ninety thousand seventy~~  
25 ~~dollars or six percent of the amount allocated to the short-term innovative~~  
26 ~~health program grant fund for the fiscal year pursuant to section~~  
27 ~~24-75-1104.5 (1.5) (a) (IX), C.R.S., enacted by Senate Bill 07-097 at the~~



1 ~~first regular session of the sixty-sixth general assembly.~~

2 **SECTION 6.** In Colorado Revised Statutes, 25.5-1-124, **repeal**  
3 (4) as follows:

4 **25.5-1-124. Early intervention payment system - participation**  
5 **by state department - rules.** (4) For the 2007-08 fiscal year, the general  
6 assembly shall appropriate from the short-term innovative health program  
7 grant fund ~~created in section 25-36-101, C.R.S., to the office of the~~  
8 ~~executive director in the state department for the administration of this~~  
9 ~~section the lesser of thirty-one thousand four hundred twenty-three dollars~~  
10 ~~or three and one-tenth percent of the amount allocated to the short-term~~  
11 ~~innovative health program grant fund for the fiscal year pursuant to~~  
12 ~~section 24-75-1104.5 (1.5) (a) (IX), C.R.S., enacted by Senate Bill 07-097~~  
13 ~~at the first regular session of the sixty-sixth general assembly. For the~~  
14 ~~2008-09 and 2009-10 fiscal years, the general assembly shall appropriate~~  
15 ~~from the short-term innovative health program grant fund created in~~  
16 ~~section 25-36-101, C.R.S., to the office of the executive director in the~~  
17 ~~state department for the administration of this section the lesser of~~  
18 ~~twenty-nine thousand seven hundred eighty-four dollars or one and~~  
19 ~~four-tenths percent of the amount allocated to the short-term innovative~~  
20 ~~health program grant fund for the fiscal year pursuant to section~~  
21 ~~24-75-1104.5 (1.5) (a) (IX), C.R.S., enacted by Senate Bill 07-097 at the~~  
22 ~~first regular session of the sixty-sixth general assembly.~~

23 **SECTION 7.** In Colorado Revised Statutes, 25.5-8-105, **amend**  
24 (3) (b) as follows:

25 **25.5-8-105. Trust - created.** (3) (b) Pursuant to section  
26 24-75-1104.5 (1.5) (a) (V), C.R.S., and except as otherwise provided in  
27 section 24-75-1104.5 (5), C.R.S., beginning in the 2007-08 fiscal year and

1 each fiscal year thereafter so long as the state receives moneys pursuant  
2 to the master settlement agreement, the state treasurer shall transfer to the  
3 trust five percent of the portion of the moneys annually received by the  
4 state pursuant to the master settlement agreement, not including attorney  
5 fees and costs, during the preceding fiscal year that remains after the  
6 programs, services, and funds that receive such moneys pursuant to  
7 section 24-75-1104.5 (1), C.R.S., have been fully funded. ~~For the 2007-08~~  
8 ~~fiscal year, the state treasurer shall transfer from the short-term innovative~~  
9 ~~health program grant fund created in section 25-36-101, C.R.S., to the~~  
10 ~~trust the lesser of twenty-two thousand three hundred seven dollars or two~~  
11 ~~and two-tenths percent of the amount allocated to the short-term~~  
12 ~~innovative health program grant fund for the fiscal year pursuant to~~  
13 ~~section 24-75-1104.5 (1.5) (a) (IX), C.R.S., enacted by Senate Bill 07-097~~  
14 ~~at the first regular session of the sixty-sixth general assembly. For the~~  
15 ~~2008-09 and 2009-10 fiscal years, the state treasurer shall transfer from~~  
16 ~~the short-term innovative health program grant fund created in section~~  
17 ~~25-36-101, C.R.S., to the trust the lesser of twenty-nine thousand five~~  
18 ~~hundred fifteen dollars or one and four-tenths percent of the amount~~  
19 ~~allocated to the short-term innovative health program grant fund for the~~  
20 ~~fiscal year pursuant to section 24-75-1104.5 (1.5) (a) (IX), C.R.S.,~~  
21 ~~enacted by Senate Bill 07-097 at the first regular session of the sixty-sixth~~  
22 ~~general assembly.~~

23 **SECTION 8.** In Colorado Revised Statutes, 27-66-104, **amend**  
24 (4) (a) as follows:

25 **27-66-104. Types of services purchased - limitation on**  
26 **payments - offender mental health services fund.** (4) (a) The offender  
27 mental health services fund, referred to in this subsection (4) as the

1 "fund", is hereby created in the state treasury. The principal of the fund  
2 shall consist of tobacco litigation settlement moneys transferred by the  
3 state treasurer to the fund in accordance with section 24-75-1104.5 (1.5)  
4 (a) (II), C.R.S., for the purchase of mental health services for juvenile and  
5 adult offenders who have mental health problems and are involved in the  
6 criminal justice system. The unit, subject to annual appropriation by the  
7 general assembly, shall distribute the principal of the fund to the  
8 community mental health centers; except that, ~~at the end of the 2007-08~~  
9 ~~fiscal year and at the end of each fiscal year thereafter through the~~  
10 ~~2010-11 fiscal year, all unexpended and unencumbered principal of the~~  
11 ~~fund shall be transferred to the short-term innovative health program~~  
12 ~~grant fund created in section 25-36-101 (2), C.R.S., and, at the end of the~~  
13 ~~2011-12 fiscal year and at the end of each fiscal year thereafter, all~~  
14 ~~unexpended and unencumbered principal of the fund shall be transferred~~  
15 ~~to the general fund, in accordance with section 24-75-1104.5 (1.5) (b),~~  
16 ~~C.R.S. Interest and income earned on the deposit and investment of~~  
17 ~~moneys in the fund before July 1, 2011, shall be credited to the fund and~~  
18 ~~shall remain in the fund until the end of the fiscal year in which credited,~~  
19 ~~when it shall be transferred to the short-term innovative health program~~  
20 ~~grant fund in accordance with section 24-75-1104.5 (1.5) (b), C.R.S.~~

21 **SECTION 9. Effective date.** This act takes effect upon passage;  
22 except that the introductory portion to section 24-75-1104.5 (1), Colorado  
23 Revised Statutes, as amended in section 1 of this act, takes effect July 1,  
24 2012.

25 **SECTION 10. Safety clause.** The general assembly hereby finds,  
26 determines, and declares that this act is necessary for the immediate  
27 preservation of the public peace, health, and safety.