

# An Act

HOUSE BILL 20-1380

BY REPRESENTATIVE(S) McCluskie and Ransom, Esgar, Roberts;  
also SENATOR(S) Moreno and Zenzinger, Rankin.

CONCERNING THE REDIRECTION OF A PORTION OF TOBACCO LITIGATION  
SETTLEMENT MONEYS TO THE GENERAL FUND.

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

**SECTION 1.** In Colorado Revised Statutes, 24-22-115, **amend** (1)(b) and (2)(b); and **add** (1)(d) as follows:

**24-22-115. Tobacco litigation settlement cash fund - health care supplemental appropriations and overexpenditures account - creation - repeal.** (1) (b) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (1)(d) OF THIS SECTION, on and after July 1, 2011, all unexpended and unencumbered moneys in the cash fund shall remain in the fund until expended in order to reduce the share of allocations made from current-year receipts of settlement moneys as required by section 24-75-1104.5 (1.3).

(d) (I) ON JULY 1, 2020, THE STATE TREASURER SHALL TRANSFER TWENTY MILLION DOLLARS FROM THE TOBACCO LITIGATION SETTLEMENT CASH FUND TO THE GENERAL FUND.

*Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.*

(II) THIS SUBSECTION (1)(d) IS REPEALED, EFFECTIVE JULY 1, 2021.

(2) (b) (I) All ~~moneys~~ MONEY in the tobacco settlement defense account ~~shall be~~ IS subject to annual appropriation by the general assembly to the department of law and the department of revenue. Notwithstanding the provisions of subsection (1) of this section AND EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (2)(b)(II) OF THIS SECTION, at the end of any fiscal year, all unexpended and unencumbered ~~moneys~~ MONEY and all ~~moneys~~ MONEY not appropriated for the following fiscal year in the tobacco settlement defense account remain in the tobacco settlement defense account to be used for the purposes set forth in this subsection (2).

(II) ON JULY 1, 2020, THE STATE TREASURER SHALL TRANSFER EIGHT MILLION DOLLARS FROM THE TOBACCO SETTLEMENT DEFENSE ACCOUNT TO THE GENERAL FUND.

**SECTION 2.** In Colorado Revised Statutes, 24-75-1104.5, **amend** (1.3)(a.5), (1.7) introductory portion, (1.7)(i), and (1.7)(m); and **add** (1.8) as follows:

**24-75-1104.5. Use of settlement moneys - programs.**  
(1.3) (a.5) For the 2016-17 fiscal year, and for each fiscal year thereafter, the lesser of all settlement moneys received or the following amounts of settlement moneys shall be allocated in each fiscal year in which the state receives the moneys in the percentages specified and for the programs, services, and funds specified in subsection (1.7) of this section:

(I) For the 2016-17 fiscal year, ~~and~~ for the 2018-19 AND 2019-20 fiscal year YEARS, and for THE 2021-22 FISCAL YEAR AND each fiscal year thereafter, the amount allocated pursuant to this subsection (1.3) for the prior fiscal year less the amount of any disputed payments in the tobacco litigation settlement cash fund that were credited to the fund pursuant to ~~subparagraph (I) of paragraph (a) of subsection (5)~~ SUBSECTION (5)(a)(I) of this section and less the amount of unexpended and unencumbered moneys remaining in the tobacco litigation settlement cash fund at the end of the prior fiscal year; ~~and~~

(II) For the 2017-18 fiscal year, the amount allocated pursuant to ~~subparagraph (I) of this paragraph (a.5)~~ SUBSECTION (1.3)(a.5)(I) OF THIS

SECTION for the 2016-17 fiscal year less fifteen million dollars, less the amount of any disputed payments in the tobacco litigation settlement cash fund that were credited to the fund pursuant to ~~subparagraph (I) of paragraph (a) of subsection (5)~~ SUBSECTION (5)(a)(I) of this section, and less the amount of unexpended and unencumbered moneys remaining in the tobacco litigation settlement cash fund at the end of the 2016-17 fiscal year;  
AND

(III) FOR THE 2020-21 FISCAL YEAR, THE AMOUNT ALLOCATED PURSUANT TO SUBSECTION (1.3)(a.5)(I) OF THIS SECTION FOR THE 2019-20 FISCAL YEAR LESS THE AMOUNT OF ANY DISPUTED PAYMENTS IN THE TOBACCO LITIGATION SETTLEMENT CASH FUND THAT WERE CREDITED TO THE FUND PURSUANT TO SUBSECTION (5)(a)(I) OF THIS SECTION, LESS THE AMOUNT OF UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE TOBACCO LITIGATION SETTLEMENT CASH FUND AT THE END OF THE 2019-20 FISCAL YEAR, AND PLUS TWENTY MILLION DOLLARS.

(1.7) Except as otherwise provided in subsections (1.3), ~~(1.8)~~, and (5) of this section, and except that disputed payments received by the state in the 2015-16 fiscal year or in any year thereafter are excluded from the calculation of allocations under this subsection (1.7), for the 2016-17 fiscal year and for each fiscal year thereafter, the following programs, services, and funds shall receive the following specified percentages of the total amount of settlement moneys received by the state in the preceding fiscal year:

(i) (I) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (1.7)(i)(II) OF THIS SECTION, the tobacco settlement defense account of the tobacco litigation settlement cash fund created in section 24-22-115 (2)(a) shall receive two and one-half percent of the settlement moneys;

(II) FOR THE 2020-21 FISCAL YEAR, THE TOBACCO SETTLEMENT DEFENSE ACCOUNT OF THE TOBACCO LITIGATION SETTLEMENT CASH FUND SHALL RECEIVE SEVENTY-FIVE ONE-HUNDREDTHS PERCENT OF THE SETTLEMENT MONEYS;

(m) (I) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (1.7)(m)(II) OF THIS SECTION, the state dental loan repayment program created in article 23 of title 25 ~~C.R.S.~~, shall receive one percent of the settlement moneys;  
and

(II) FOR THE 2020-21 FISCAL YEAR, THE STATE DENTAL LOAN REPAYMENT PROGRAM SHALL RECEIVE ONE PERCENT OF THE SETTLEMENT MONEYS LESS ONE HUNDRED SIXTY THOUSAND SEVEN HUNDRED SEVENTEEN DOLLARS; AND

(1.8) (a) FOR THE 2020-21 FISCAL YEAR, THE TOTAL AMOUNT OF SETTLEMENT MONEYS RECEIVED BY THE STATE IN THE PRECEDING FISCAL YEAR SHALL BE REDUCED BY TWO MILLION DOLLARS BEFORE THE CALCULATION OF ALLOCATIONS UNDER SUBSECTION (1.7) OF THIS SECTION.

(b) ON JULY 1, 2020, THE STATE TREASURER SHALL TRANSFER ALL SETTLEMENT MONEYS RECEIVED DURING THE 2019-20 FISCAL YEAR THAT ARE NOT ALLOCATED UNDER SUBSECTION (1.7) OF THIS SECTION TO THE GENERAL FUND.

**SECTION 3.** In Colorado Revised Statutes, 25-23-104, **amend** (2) as follows:

**25-23-104. Dental loan repayment fund - acceptance of grants and donations.** (2) (a) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (2)(b) OF THIS SECTION, pursuant to ~~section 24-75-1104.5 (1.7)(m)~~, C.R.S. SECTION 24-75-1104.5 (1.7)(m)(I), for fiscal year 2016-17 and for each fiscal year thereafter so long as the state receives ~~moneys~~ MONEY pursuant to the master settlement agreement, the state treasurer shall transfer to the state dental loan repayment fund one percent of the ~~moneys~~ MONEY received by the state pursuant to the master settlement agreement for the preceding fiscal year.

(b) PURSUANT TO SECTION 24-75-1104.5 (1.7)(m)(II), FOR FISCAL YEAR 2020-21, THE STATE TREASURER SHALL TRANSFER TO THE STATE DENTAL LOAN REPAYMENT FUND ONE PERCENT OF THE MONEY RECEIVED BY THE STATE PURSUANT TO THE MASTER SETTLEMENT AGREEMENT LESS ONE HUNDRED SIXTY THOUSAND SEVEN HUNDRED SEVENTEEN DOLLARS.

(c) The state treasurer shall transfer the amount specified in ~~this subsection (2)~~ SUBSECTION (2)(a) OR (2)(b) OF THIS SECTION from ~~moneys~~ MONEY credited to the tobacco litigation settlement cash fund created in section 24-22-115. ~~C.R.S. Moneys~~ MONEY in the fund ~~are~~ IS subject to annual appropriation by the general assembly for the purposes of this ~~article~~ ARTICLE 23. The amount appropriated pursuant to this subsection (2) is in

addition to and not in replacement of any general fund moneys MONEY appropriated to the state dental loan repayment fund.

**SECTION 4.** In Colorado Revised Statutes, 26-6.4-107, **amend** (2)(b) as follows:

**26-6.4-107. Selection of entities to administer the program - grants - nurse home visitor program fund - created.** (2) (b) (I) Grants awarded pursuant to subsection (2)(a) of this section are 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", is administered by the state department and consists of money transferred thereto by the state treasurer from money received pursuant to the master settlement agreement in the amount described in subsection (2)(d) of this section. In addition, the state treasurer shall credit to the fund any public or private gifts, grants, or donations received by the state department to implement the program, including any money received from the United States federal government for the program. The fund is subject to annual appropriation by the general assembly to the state department for grants to entities for operation of the program. The state department may retain the amount needed to pay for the program's share of the state department's indirect costs, as calculated under the federally approved cost allocation plan. In addition, the state department may retain a total of up to five percent of the amount annually appropriated from the fund for the program, in order to compensate the health sciences facility pursuant to section 26-6.4-105 (3), as set forth in the scope of work in the agreement between the state department and the health sciences facility, and to compensate the state department for the actual costs the state department incurs in implementing subsection (2)(a.5) of this section, as determined by the state department; except that the portion of the costs to compensate the state department for implementing subsection (2)(a.5) of this section shall not exceed two percent of the amount annually appropriated from the fund for the program, and the portion of such costs to compensate the health sciences facility under section 26-6.4-105 (3), as set forth in the scope of work in the contract between the state department and the health sciences facility, shall not exceed three percent of the amount annually appropriated from the fund for the program. In addition, if the total amount annually appropriated from the fund for the program exceeds nineteen million dollars, the state department and the health sciences facility shall assess whether a smaller percentage of the appropriated funds exceeding nineteen

million dollars is adequate to cover their actual costs and shall jointly submit to the general assembly a report articulating their conclusions on this subject. The actual costs of the state department include state department personnel and operating costs and any necessary transfers to the department of health care policy and financing for administrative costs incurred for the medicaid program associated with the program. The actual costs of the health sciences facility include the facility's own actual program costs and those of its contractors and subcontractors. Any costs for time studies required to obtain medicaid reimbursement for the program may be paid from program funds and are not subject to the five percent limit in this section. Notwithstanding section 24-36-114, all interest derived from the deposit and investment of money in the fund shall be credited to the fund. EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (2)(b)(II) OF THIS SECTION, all unexpended and unencumbered money in the fund at the end of any fiscal year remains in the fund and shall not be transferred to the general fund or any other fund.

(II) ON JULY 1, 2020, THE STATE TREASURER SHALL TRANSFER FOUR MILLION TWO HUNDRED THIRTY-SEVEN THOUSAND THREE HUNDRED SEVENTY-FIVE DOLLARS FROM THE FUND TO THE GENERAL FUND.


**SECTION 5.** In Colorado Revised Statutes, 28-5-709, **amend** (1)(c) as follows:

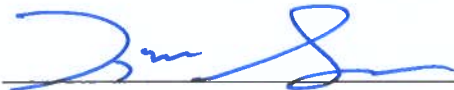
**28-5-709. Colorado state veterans trust fund - created - report.**

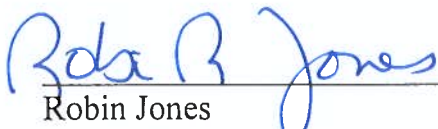
(1)(c)(I) The division may retain up to five percent of the amount annually appropriated from the trust fund for the actual costs incurred by the division and the board in implementing the provisions of this ~~article~~ ARTICLE 5. Notwithstanding the provisions of section 24-36-114, ~~C.R.S.~~, all interest derived from the deposit and investment of ~~moneys~~ MONEY in the trust fund shall be credited to the trust fund. EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (1)(c)(II) OF THIS SECTION, all unexpended and unencumbered ~~moneys~~ MONEY remaining in the trust fund at the end of any fiscal year shall remain in the trust fund and shall neither revert to the general fund nor be transferred to the tobacco litigation settlement trust fund created in section 24-22-115.5, ~~C.R.S.~~, nor be transferred or credited to any other fund.

(II) ON JULY 1, 2020, THE STATE TREASURER SHALL TRANSFER THREE MILLION DOLLARS FROM THE TRUST FUND TO THE GENERAL FUND.

**SECTION 6. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.

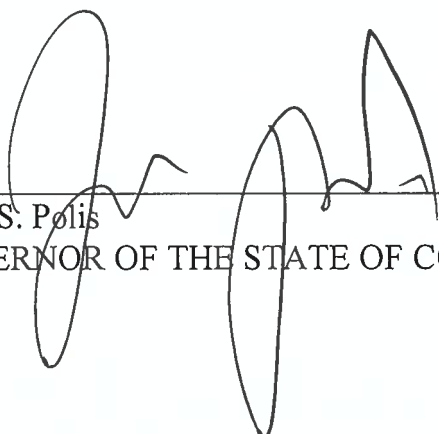
  
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KC Becker  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

  
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Leroy M. Garcia  
PRESIDENT OF  
THE SENATE

  
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Robin Jones  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

  
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Cindi L. Markwell  
SECRETARY OF  
THE SENATE

APPROVED June 29, 2020 at 2:44 pm  
(Date and Time)

  
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Jared S. Polis  
GOVERNOR OF THE STATE OF COLORADO