

**First Regular Session  
Seventy-first General Assembly  
STATE OF COLORADO**

**PREAMENDED**

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

LLS NO. 17-0905.01 Ed DeCecco x4216

**SENATE BILL 17-273**

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**SENATE SPONSORSHIP**

**Hill and Williams A.,**

**HOUSE SPONSORSHIP**

**(None),**

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**Senate Committees**

Finance  
Appropriations

**House Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING THE MANUFACTURER'S LIST PRICE OF TOBACCO**  
102                    **PRODUCTS FOR PURPOSES OF THE STATE EXCISE TAX, AND, IN**  
103                    **CONNECTION THEREWITH, MAKING AND REDUCING**  
104                    **APPROPRIATIONS.**

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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://leg.colorado.gov>.)*

The total tax on tobacco products is 40% of the manufacturer's list price, which is based on a manufacturer's or supplier's invoice price to a distributor. The bill permits a distributor to use the price that the tobacco

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.*

product is sold to the first importer of record or first manufacturer of record as the manufacturer's list price, if the distributor is able to provide the department of revenue with evidence of this price.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-28.5-101, **amend**  
3 the introductory portion and (3) as follows:

4 **39-28.5-101. Definitions.** As used in this ~~article~~ ARTICLE 28.5,  
5 unless the context otherwise requires:

6 (3) "Manufacturer's list price" means the invoice price for which  
7 a manufacturer or supplier sells a tobacco product to a distributor  
8 exclusive of any discount or other reduction. IF A DISTRIBUTOR IS ABLE TO  
9 PROVIDE THE DEPARTMENT OF REVENUE WITH EVIDENCE OF THE PRICE  
10 THAT THE TOBACCO PRODUCT IS SOLD TO THE FIRST IMPORTER OF RECORD  
11 OR FIRST MANUFACTURER OF RECORD, THEN THE DISTRIBUTOR MAY USE  
12 THIS PRICE AS THE MANUFACTURER'S LIST PRICE.

13 **SECTION 2. Appropriation - adjustments to 2017 long bill. To**  
14 **implement this act, appropriations made in the annual general**  
15 **appropriation act for the 2017-18 state fiscal year to the department of**  
16 **health care policy and financing are adjusted as follows:**

17 **(1) The general fund appropriation for medical services premiums,**  
18 **which is subject to the "(M)" notation as defined in the annual general**  
19 **appropriation act for the same fiscal year, is increased by \$891,955.**

20 **(2) The cash funds appropriation for medical services premiums**  
21 **is decreased by \$921,040, which consists of \$891,955 from the health**  
22 **care expansion fund created in section 24-22-117 (2)(a)(I), C.R.S., and**  
23 **\$29,085 from the tobacco tax cash fund created in section 24-22-117**  
24 **(1)(a), C.R.S.**

1           (3) The cash funds appropriation from the tobacco tax cash fund  
2 created in section 24-22-117 (1)(a), C.R.S., for use by the indigent care  
3 program for appropriation from tobacco tax cash fund to the general fund  
4 is decreased by \$5,817.

5           (4) The cash funds appropriation from the primary care fund  
6 created in section 24-22-117 (2)(b)(I), C.R.S., for use by the indigent care  
7 program for primary care fund program is decreased by \$368,416.

8           (5) The general fund exempt appropriation from general fund  
9 exempt pursuant to 24-22-117 (1)(c)(I)(B), C.R.S., for use by the indigent  
10 care program for children's basic health plan medical and dental costs is  
11 decreased by \$5,817. This amount is not subject to the statutory limitation  
12 on general fund appropriations imposed by section 24-75-201.1, C.R.S.

13           **SECTION 3. Appropriation - adjustments to 2017 long bill. To**  
14 implement this act, appropriations made in the annual general  
15 appropriation act for the 2017-18 state fiscal year to the department of  
16 public health and environment are adjusted as follows:

17           (1) The general fund exempt appropriation from general fund  
18 exempt pursuant to section 21 (5)(e) of article X of the state constitution,  
19 for use by the disease control and environmental epidemiology division  
20 for immunization operating expenses is decreased by \$5,817. This amount  
21 is not subject to the statutory limitation on general fund appropriations  
22 pursuant to section 21 (8) of article X of the state constitution.

23           (2) The cash funds appropriation from the tobacco tax cash fund  
24 created in section 24-22-117 (1)(a), C.R.S., for use by the disease control  
25 and environmental epidemiology division for appropriation from the  
26 tobacco tax cash fund to the general fund is decreased by \$5,817.

27           (3) The cash funds appropriation from the prevention, early

1 detection, and treatment fund created in section 24-22-117 (2)(d)(I),  
2 C.R.S., for use by the prevention services division is decreased as  
3 follows:

4 (a) \$46,537 for transfer to the health disparities grant program  
5 fund;

6 (b) \$62,049 for breast and cervical cancer screening;

7 (c) \$201,659 for cancer, cardiovascular disease, and chronic  
8 pulmonary disease grants;

9 (4) The cash funds appropriation from the tobacco education  
10 programs fund created in section 24-22-117 (2)(c)(I), C.R.S., for use by  
11 the prevention services division for tobacco education, prevention, and  
12 cessation grants is decreased by \$310,245.

13 (5) The reappropriated funds appropriation for use by the office  
14 of health equity for health disparities grants is decreased by \$46,537. This  
15 amount is from the appropriation to the prevention services division for  
16 a transfer to the office of health equity, which appropriation is reduced in  
17 subsection (3)(a) of this section.

18 **SECTION 4. Appropriation - adjustments to 2017 long bill.** To  
19 implement this act, the cash funds appropriations made in the annual  
20 general appropriation act for the 2017-18 state fiscal year to the  
21 department of revenue for use by the taxation business group for  
22 amendment 35 distribution to local governments is decreased by \$17,451.  
23 This amount is from the tobacco tax cash fund created in section  
24 24-22-117 (1)(a) C.R.S.

25 **SECTION 5. Act subject to petition - effective date.** This act  
26 takes effect at 12:01 a.m. on the day following the expiration of the  
27 ninety-day period after final adjournment of the general assembly (August

1 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a  
2 referendum petition is filed pursuant to section 1 (3) of article V of the  
3 state constitution against this act or an item, section, or part of this act  
4 within such period, then the act, item, section, or part will not take effect  
5 unless approved by the people at the general election to be held in  
6 November 2018 and, in such case, will take effect on the date of the  
7 official declaration of the vote thereon by the governor.