

First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

REENGROSSED

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

LLS NO. 13-0706.02 Jason Gelender x4330

HOUSE BILL 13-1180

HOUSE SPONSORSHIP

Gerou, Duran, Levy

SENATE SPONSORSHIP

Steadman, Hodge, Lambert

House Committees

Health, Insurance & Environment
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE ALLOCATION OF TOBACCO LITIGATION SETTLEMENT**
102 **MONEYS THAT WERE ORIGINALLY TO BE ALLOCATED TO THE**
103 **NURSE HOME VISITOR PROGRAM BUT ARE CURRENTLY**
104 **SCHEDULED TO BE TRANSFERRED TO THE GENERAL FUND, AND,**
105 **IN CONNECTION THEREWITH, REQUIRING SUCH MONEYS TO BE**
106 **ALLOCATED TO THE NURSE HOME VISITOR PROGRAM AND THE**
107 **TOBACCO SETTLEMENT DEFENSE ACCOUNT OF THE TOBACCO**
108 **LITIGATION SETTLEMENT CASH FUND AND MAKING AN**
109 **APPROPRIATION.**

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

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 Unamended
March 11, 2013

HOUSE
Amended 2nd Reading
March 8, 2013

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. Senate Bill 11-224 reduced the original allocations of tobacco litigation settlement moneys (settlement moneys) to the nurse home visitor program (program) for fiscal years 2011-12 through 2016-17 and required the settlement moneys saved by reducing the allocations to be transferred to the general fund. The bill:

- ! Requires the settlement moneys saved by reducing the allocation for fiscal year 2012-13 to be transferred to the tobacco settlement defense account of the tobacco litigation settlement cash fund instead of the general fund; and
- ! Generally restores the allocations to the program to their original levels for fiscal years 2013-14 through 2016-17, but reduces the original allocations for fiscal years 2013-14 and 2014-15 by \$1 million each and requires the settlement moneys saved by reducing the allocations to be transferred to the tobacco settlement defense account of the tobacco litigation settlement cash fund.

In order to clarify the historical record of allocations of settlement moneys already made to the program, the bill also reorganizes through repeal and reenactment the statutory provision that has specified and continues to specify the allocation of settlement moneys to the program.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-22-115, **amend**
3 (2) (a) as follows:

4 **24-22-115. Tobacco litigation settlement cash fund - health**
5 **care supplemental appropriations and overexpenditures account -**
6 **creation.** (2) (a) There is hereby created in the state treasury, as an
7 account within the tobacco litigation settlement cash fund established
8 pursuant to subsection (1) of this section, the tobacco settlement defense
9 account, which shall be used by the department of law: To defend the
10 state in lawsuits arising out of challenges to or arising under the
11 provisions of the master settlement agreement, the smokeless tobacco

1 master settlement agreement, and the consent decree approved and
2 entered by the court in the case denominated *State of Colorado, ex rel.*
3 *Gale A. Norton, Attorney General v. R.J. Reynolds Tobacco Co.;*
4 *American Tobacco Co., Inc.; Brown & Williamson Tobacco Corp.;*
5 *Liggett & Myers, Inc.; Lorillard Tobacco Co., Inc.; Philip Morris, Inc.;*
6 *United States Tobacco Co.; B.A.T. Industries, P.L.C.; The Council For*
7 *Tobacco Research--U.S.A., Inc.; and Tobacco Institute, Inc.,* Case No. 97
8 CV 3432, in the district court for the city and county of Denver, or duly
9 enacted Colorado laws related to the tobacco litigation settlement,
10 including, but without limitation, this section, sections 24-22-115.5 and
11 24-22-116, and parts 2 and 3 of article 28 of title 39, C.R.S.; to defend the
12 state against claims of entitlement to tobacco litigation settlement moneys
13 by any person, as defined in section 2-4-401 (8), C.R.S.; to enforce and
14 defend all rights and obligations of the state under said settlement
15 agreements, decree, or laws; and to resolve any dispute with any
16 participating manufacturer, as defined in section 39-28-302 (6), C.R.S.,
17 or nonparticipating manufacturer, as defined in section 39-28-302 (5),
18 C.R.S., that arises under the provisions of said settlement agreements,
19 decree, or laws. Notwithstanding the provisions of subsection (1) of this
20 section and section 24-22-115.5, the tobacco settlement defense account
21 ~~shall consist~~ CONSISTS of all tobacco litigation settlement moneys
22 received by the attorney general and transmitted to the state treasurer to
23 compensate the state for attorney fees, court costs, or other expenses
24 incurred by the state in obtaining the tobacco litigation settlement, ALL
25 TOBACCO LITIGATION SETTLEMENT MONEYS TRANSFERRED TO THE
26 ACCOUNT AS REQUIRED BY SECTION 24-75-1104.5 (1) (a), and all interest
27 derived from the deposit and investment of moneys in the tobacco

1 settlement defense account. Any moneys received by the state treasurer
2 to compensate the state for attorney fees, court costs, or other expenses,
3 including all interest derived from the deposit and investment of such
4 moneys after receipt by the state treasurer, shall be transferred to the
5 tobacco settlement defense account for use in accordance with the
6 provisions of this subsection (2).

7 **SECTION 2.** In Colorado Revised Statutes, 24-75-1104.5, **repeal**
8 **and reenact, with amendments,** (1) (a) as follows:

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

10 (1) Except as otherwise provided in subsections (1.3) and (5) of this
11 section, for the 2004-05 fiscal year and for each fiscal year thereafter, the
12 following programs, services, or funds shall receive the following
13 specified amounts from the settlement moneys received by the state in the
14 preceding fiscal year:

15 (a) THE COLORADO NURSE HOME VISITOR PROGRAM CREATED IN
16 ARTICLE 31 OF TITLE 25, C.R.S., SHALL RECEIVE THE FOLLOWING
17 AMOUNTS, NOT TO EXCEED NINETEEN MILLION DOLLARS IN ANY FISCAL
18 YEAR, AS PROVIDED IN SECTION 25-31-107, C.R.S.:

19 (I) FOR THE 2004-05 FISCAL YEAR, NINE PERCENT OF THE TOTAL
20 AMOUNT OF SETTLEMENT MONEYS RECEIVED BY THE STATE;

21 (II) FOR THE 2005-06 FISCAL YEAR, TEN PERCENT OF THE TOTAL
22 AMOUNT OF SETTLEMENT MONEYS RECEIVED BY THE STATE;

23 (III) FOR THE 2006-07 FISCAL YEAR, ELEVEN PERCENT OF THE
24 TOTAL AMOUNT OF SETTLEMENT MONEYS RECEIVED BY THE STATE;

25 (IV) FOR THE 2007-08 FISCAL YEAR, TWELVE PERCENT OF THE
26 TOTAL AMOUNT OF SETTLEMENT MONEYS RECEIVED BY THE STATE;

27 (V) FOR THE 2008-09 AND 2009-10 FISCAL YEARS, THIRTEEN

1 PERCENT OF THE TOTAL AMOUNT OF SETTLEMENT MONEYS RECEIVED BY
2 THE STATE;

3 (VI) FOR THE 2010-11 FISCAL YEAR, FOURTEEN PERCENT OF THE
4 TOTAL AMOUNT OF SETTLEMENT MONEYS RECEIVED BY THE STATE;

5 (VII) FOR THE 2011-12 FISCAL YEAR, THE GREATER OF FOURTEEN
6 PERCENT OF THE TOTAL AMOUNT OF SETTLEMENT MONEYS RECEIVED BY
7 THE STATE OR TWELVE MILLION SEVEN HUNDRED TWENTY-SEVEN
8 THOUSAND THREE HUNDRED FIFTY DOLLARS. THE DIFFERENCE BETWEEN
9 FIFTEEN PERCENT OF THE TOTAL AMOUNT OF SETTLEMENT MONEYS
10 RECEIVED BY THE STATE AND THE AMOUNT ACTUALLY RECEIVED BY THE
11 PROGRAM PURSUANT TO THIS SUBPARAGRAPH (VII) SHALL BE
12 TRANSFERRED TO THE GENERAL FUND.

13 (VIII) FOR THE 2012-13 FISCAL YEAR, THE GREATER OF FOURTEEN
14 PERCENT OF THE TOTAL AMOUNT OF SETTLEMENT MONEYS RECEIVED BY
15 THE STATE OR TWELVE MILLION SEVEN HUNDRED TWENTY-SEVEN
16 THOUSAND THREE HUNDRED FIFTY DOLLARS. THE DIFFERENCE BETWEEN
17 SIXTEEN PERCENT OF THE TOTAL AMOUNT OF SETTLEMENT MONEYS
18 RECEIVED BY THE STATE AND THE AMOUNT ACTUALLY RECEIVED BY THE
19 PROGRAM PURSUANT TO THIS SUBPARAGRAPH (VIII) SHALL BE
20 TRANSFERRED TO THE TOBACCO SETTLEMENT DEFENSE ACCOUNT OF THE
21 TOBACCO LITIGATION SETTLEMENT CASH FUND.

22 (IX) FOR THE 2013-14 FISCAL YEAR, SEVENTEEN PERCENT OF THE
23 TOTAL AMOUNT OF SETTLEMENT MONEYS RECEIVED BY THE STATE LESS
24 ONE MILLION DOLLARS, WHICH ONE MILLION DOLLARS SHALL BE
25 TRANSFERRED TO THE TOBACCO SETTLEMENT DEFENSE ACCOUNT OF THE
26 TOBACCO LITIGATION SETTLEMENT CASH FUND;

27 (X) FOR THE 2014-15 FISCAL YEAR, EIGHTEEN PERCENT OF THE

1 TOTAL AMOUNT OF SETTLEMENT MONEYS RECEIVED BY THE STATE LESS
2 ONE MILLION DOLLARS, WHICH ONE MILLION DOLLARS SHALL BE
3 TRANSFERRED TO THE TOBACCO SETTLEMENT DEFENSE ACCOUNT OF THE
4 TOBACCO LITIGATION SETTLEMENT CASH FUND;

5 (XI) FOR THE 2015-16 FISCAL YEAR AND FOR EACH FISCAL YEAR
6 THEREAFTER, NINETEEN PERCENT OF THE TOTAL AMOUNT OF SETTLEMENT
7 MONEYS RECEIVED BY THE STATE.

8 **SECTION 3.** In Colorado Revised Statutes, 25-31-107, **amend**
9 (2) (d) (III) (C), (2) (d) (III) (D), (2) (d) (III) (E), and (2) (d) (III) (F) as
10 follows:

11 **25-31-107. Selection of entities to administer the program -**
12 **grants - nurse home visitor program fund - created.**

13 (2) (d) (III) (C) For the 2011-12 and 2012-13 fiscal years, the state
14 treasurer shall transfer to the fund the greater of FOURTEEN PERCENT OF
15 THE TOTAL AMOUNT OF SETTLEMENT MONEYS RECEIVED BY THE STATE OR
16 twelve million seven hundred thirty-seven thousand three hundred fifty
17 dollars. ~~or the same percentage of the total amount of moneys received by~~
18 ~~the state as was transferred to the fund for the 2010-11 fiscal year.~~

19 (D) For the 2013-14 fiscal year, the state treasurer shall transfer
20 to the fund ~~fifteen~~ SEVENTEEN percent of the total amount of moneys
21 received by the state LESS ONE MILLION DOLLARS.

22 (E) For the 2014-15 fiscal year, ~~and for each fiscal year thereafter~~
23 ~~through the 2016-17 fiscal year, the state treasurer shall increase the~~
24 ~~percentage transferred to the fund by one percent over the percentage~~
25 ~~transferred to the fund in the preceding fiscal year~~ THE STATE TREASURER
26 SHALL TRANSFER TO THE FUND EIGHTEEN PERCENT OF THE TOTAL AMOUNT
27 OF MONEYS RECEIVED BY THE STATE LESS ONE MILLION DOLLARS.

1 (F) For the ~~2017-18 fiscal~~ 2015-16 FISCAL year and for each fiscal
2 year thereafter, the state treasurer shall transfer to the fund nineteen
3 percent of the total amount of moneys received by the state.

4 **SECTION 4. Appropriation.** In addition to any other
5 appropriation, there is hereby appropriated, out of any moneys in the
6 nurse home visitor program fund created in section 25-31-107 (2) (b),
7 Colorado Revised Statutes, not otherwise appropriated, to the department
8 of public health and environment, for the fiscal year beginning July 1,
9 2013, the sum of \$803,330, or so much thereof as may be necessary, for
10 allocation to the nurse home visitor program related to the
11 implementation of this act.

12 **SECTION 5. Safety clause.** The general assembly hereby finds,
13 determines, and declares that this act is necessary for the immediate
14 preservation of the public peace, health, and safety.