

**NOTE: This bill has been prepared for the signature of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.**

# An Act

HOUSE BILL 05-1262

BY REPRESENTATIVE(S) Boyd, Buescher, Borodkin, Carroll M., Carroll T., Coleman, Frangas, Green, Hodge, Lindstrom, Madden, Marshall, McGihon, Merrifield, Paccione, Plant, Pommer, Riesberg, Solano, Todd, Romanoff, Berens, Gallegos, McCluskey, Stengel, and White;  
also SENATOR(S) Hagedorn, Sandoval, Tochtrop, Williams, Windels, Groff, Isgar, Keller, Shaffer, Tapia, and Tupa.

CONCERNING THE IMPLEMENTATION OF TOBACCO TAXES FOR HEALTH-RELATED PURPOSES PURSUANT TO SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION, AND MAKING AN APPROPRIATION THEREFOR.

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

**SECTION 1. Legislative declaration.** (1) The general assembly hereby finds that:

(a) Tobacco addiction is the leading cause of preventable death in Colorado;

(b) Colorado state policy should deter children and youth from starting to use tobacco, assist current tobacco users in quitting tobacco use, and protect nonsmokers from exposure to secondhand smoke; and

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

(c) Cigarette and tobacco taxes are effective at preventing and reducing tobacco use among children and youth.

(2) The general assembly declares that it is the best use of the tobacco tax revenues collected pursuant to section 21 of article X of the state constitution to expand health care and coverage for children and low-income populations, to fund tobacco education programs, and to provide programs for the prevention, early detection, and treatment of cancer and heart and lung diseases.

**SECTION 2.** Article 22 of title 24, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

**24-22-117. Tobacco tax cash fund - accounts - creation - repeal.**

(1) (a) THERE IS HEREBY CREATED IN THE STATE TREASURY THE TOBACCO TAX CASH FUND, WHICH FUND IS REFERRED TO IN THIS SECTION AS THE "CASH FUND". THE CASH FUND SHALL CONSIST OF MONEYS COLLECTED FROM THE CIGARETTE AND TOBACCO TAXES IMPOSED PURSUANT TO SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION. ALL INTEREST DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEYS IN THE CASH FUND SHALL BE CREDITED TO THE CASH FUND. ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE CASH FUND AT THE END OF A FISCAL YEAR SHALL REMAIN IN THE CASH FUND AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANY OTHER FUND, EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION.

(b) (I) WITHIN TEN DAYS FOLLOWING THE EFFECTIVE DATE OF THIS SECTION, THE STATE TREASURER SHALL TRANSFER TO THE CASH FUND ALL MONEYS COLLECTED FROM THE CIGARETTE AND TOBACCO TAXES IMPOSED PURSUANT TO SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION ON AND AFTER JANUARY 1, 2005, PLUS ANY INTEREST EARNED ON THOSE MONEYS.

(II) THIS PARAGRAPH (b) IS REPEALED, EFFECTIVE JANUARY 1, 2006.

(c) FOR THE 2004-05 FISCAL YEAR AND EACH FISCAL YEAR THEREAFTER, THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE THREE PERCENT OF THE MONEYS ESTIMATED TO BE DEPOSITED IN THAT FISCAL YEAR INTO THE CASH FUND, PLUS THREE PERCENT OF THE INTEREST EARNED ON THE MONEYS IN THE CASH FUND, FOR HEALTH-RELATED

PURPOSES TO PROVIDE REVENUE FOR THE STATE'S GENERAL FUND AND OLD AGE PENSION FUND AND FOR MUNICIPAL AND COUNTY GOVERNMENTS TO COMPENSATE PROPORTIONATELY FOR TAX REVENUE REDUCTIONS ATTRIBUTABLE TO LOWER CIGARETTE AND TOBACCO SALES RESULTING FROM THE IMPLEMENTATION OF THE TAX IMPOSED PURSUANT TO SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION, AS FOLLOWS:

(I) (A) TWENTY PERCENT OF THE MONEYS SPECIFIED IN THIS PARAGRAPH (c) TO THE STATE'S GENERAL FUND FOR HEALTH-RELATED PURPOSES;

(B) BEGINNING IN FISCAL YEAR 2006-07 AND FOR EACH FISCAL YEAR THEREAFTER, OF THE MONEYS SPECIFIED IN SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (I), FIFTY PERCENT SHALL BE APPROPRIATED FOR THE PURPOSES OF PROVIDING IMMUNIZATIONS PERFORMED BY COUNTY PUBLIC HEALTH NURSING SERVICES AND FIFTY PERCENT SHALL BE APPROPRIATED TO THE PEDIATRIC SPECIALTY HOSPITAL FUND, CREATED IN PARAGRAPH (e) OF SUBSECTION (2) OF THIS SECTION, FOR THE PURPOSES OF AUGMENTING HOSPITAL REIMBURSEMENT RATES FOR REGIONAL PEDIATRIC TRAUMA CENTERS AS DEFINED IN SECTION 25-3.5-703 (4) (f), C.R.S., UNDER THE "COLORADO MEDICAL ASSISTANCE ACT", ARTICLE 4 OF TITLE 26, C.R.S.

(II) FIFTY PERCENT OF THE MONEYS SPECIFIED IN THIS PARAGRAPH (c) TO THE SUPPLEMENTAL OLD AGE PENSION HEALTH AND MEDICAL CARE FUND TO PROVIDE SERVICES UNDER THE SUPPLEMENTAL HEALTH AND MEDICAL CARE PROGRAM, SECTION 26-2-117 (3), C.R.S., FOR PERSONS WHO QUALIFY TO RECEIVE OLD AGE PENSIONS; AND

(III) THIRTY PERCENT OF THE MONEYS SPECIFIED IN THIS PARAGRAPH (c) TO THE DEPARTMENT OF REVENUE TO BE APPORTIONED TO MUNICIPAL AND COUNTY GOVERNMENTS IN AMOUNTS CONSISTENT WITH THE PROVISIONS OF SECTION 39-22-623, C.R.S.

(2) THERE ARE HEREBY CREATED IN THE STATE TREASURY THE FOLLOWING FUNDS:

(a) (I) THE HEALTH CARE EXPANSION FUND TO BE ADMINISTERED BY THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING. THE STATE TREASURER AND THE CONTROLLER SHALL TRANSFER AN AMOUNT EQUAL TO FORTY-SIX PERCENT OF THE MONEYS DEPOSITED INTO THE CASH FUND, PLUS FORTY-SIX PERCENT OF THE INTEREST EARNED ON THE CASH FUND, TO THE

HEALTH CARE EXPANSION FUND; EXCEPT THAT FOR FISCAL YEAR 2004-05 THE STATE TREASURER AND THE STATE CONTROLLER SHALL TRANSFER AN AMOUNT EQUAL TO FORTY-SIX PERCENT OF THE MONEYS DEPOSITED INTO THE CASH FUND LESS THE AMOUNT OF MONEY SUFFICIENT TO FUND THE REINSTATEMENT OF MEDICAL ASSISTANCE BENEFITS FOR LEGAL IMMIGRANTS AS PROVIDED FOR IN HB 05-1086, ENACTED AT THE FIRST REGULAR SESSION OF THE SIXTY-FIFTH GENERAL ASSEMBLY. ALL INTEREST DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEYS IN THE HEALTH CARE EXPANSION FUND SHALL BE CREDITED TO THE HEALTH CARE EXPANSION FUND. ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE HEALTH CARE EXPANSION FUND AT THE END OF A FISCAL YEAR SHALL REMAIN IN THE FUND AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANY OTHER FUND.

(II) EXCEPT AS PROVIDED IN SUBPARAGRAPH (III) OF THIS PARAGRAPH (a), FOR FISCAL YEAR 2005-06 AND EACH FISCAL YEAR THEREAFTER, MONEYS IN THE HEALTH CARE EXPANSION FUND SHALL BE ANNUALLY APPROPRIATED BY THE GENERAL ASSEMBLY TO THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING FOR THE FOLLOWING PURPOSES:

(A) TO INCREASE ELIGIBILITY IN THE CHILDREN'S BASIC HEALTH PLAN, ARTICLE 19 OF TITLE 26, C.R.S., FOR CHILDREN AND PREGNANT WOMEN FROM ONE HUNDRED EIGHTY-FIVE PERCENT TO TWO HUNDRED PERCENT OF THE FEDERAL POVERTY LEVEL;

(B) TO REMOVE THE ASSET TEST UNDER THE MEDICAL ASSISTANCE PROGRAM, ARTICLE 4 OF TITLE 26, C.R.S., FOR CHILDREN AND FAMILIES;

(C) TO EXPAND THE NUMBER OF CHILDREN THAT CAN BE ENROLLED IN THE CHILDREN'S HOME- AND COMMUNITY-BASED SERVICE WAIVER PROGRAM, SECTION 26-4-509, C.R.S., AND THE CHILDREN'S EXTENSIVE SUPPORT WAIVER PROGRAM;

(D) TO INCREASE ELIGIBILITY IN THE MEDICAL ASSISTANCE PROGRAM, ARTICLE 4 OF TITLE 26, C.R.S., TO AT LEAST SIXTY PERCENT OF THE FEDERAL POVERTY LEVEL FOR A PARENT OF A CHILD WHO IS ELIGIBLE FOR THE MEDICAL ASSISTANCE PROGRAM OR THE CHILDREN'S BASIC HEALTH PLAN, ARTICLE 19 OF TITLE 26, C.R.S.;

(E) TO FUND MEDICAL ASSISTANCE TO LEGAL IMMIGRANTS PURSUANT TO SECTION 26-4-301, C.R.S.;

(F) TO PAY FOR ENROLLMENT INCREASES ABOVE THE AVERAGE ENROLLMENT FOR STATE FISCAL YEAR 2003-04 IN THE CHILDREN'S BASIC HEALTH PLAN, ARTICLE 19 OF TITLE 26, C.R.S.;

(G) TO PROVIDE UP TO FIVE HUNDRED FORTY THOUSAND DOLLARS FOR COST-EFFECTIVE MARKETING TO INCREASE THE ENROLLMENT OF ELIGIBLE CHILDREN AND PREGNANT WOMEN IN THE CHILDREN'S BASIC HEALTH PLAN, ARTICLE 19 OF TITLE 26, C.R.S.; AND

(H) TO PROVIDE PRESUMPTIVE ELIGIBILITY TO PREGNANT WOMEN UNDER THE MEDICAL ASSISTANCE PROGRAM, ARTICLE 4 OF TITLE 26, C.R.S.

(III) MONEYS TRANSFERRED TO THE HEALTH CARE EXPANSION FUND IN FISCAL YEAR 2004-05, LESS THE AMOUNT NECESSARY FOR THE ADMINISTRATIVE COSTS OF THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING TO FACILITATE THE PROGRAM EXPANSIONS SPECIFIED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (a), SHALL REMAIN IN THE HEALTH CARE EXPANSION FUND AS A RESERVE. BEGINNING IN FISCAL YEAR 2005-06 AND FOR EACH FISCAL YEAR THEREAFTER, TEN PERCENT OF THE MONEYS TRANSFERRED IN EACH FISCAL YEAR TO THE HEALTH CARE EXPANSION FUND AND ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE HEALTH CARE EXPANSION FUND AT THE END OF A FISCAL YEAR SHALL REMAIN IN THE FUND AND BE ADDED TO THE RESERVE UNTIL THE FIRST TIME THE RESERVE BALANCE IS EQUAL TO THE AMOUNT ANNUALLY TRANSFERRED TO THE HEALTH CARE EXPANSION FUND. MONEYS IN THE HEALTH CARE EXPANSION FUND THAT ARE DESIGNATED AS RESERVE MONEYS, UP TO ONE-HALF OF THE AMOUNT ANNUALLY TRANSFERRED TO THE HEALTH CARE EXPANSION FUND, MAY BE EXPENDED ONLY IF THE APPROPRIATIONS NECESSARY TO SUSTAIN THE POPULATIONS SPECIFIED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (a) EXCEED THE ANNUAL TRANSFER OF MONEYS TO THE HEALTH CARE EXPANSION FUND.

(b) (I) THE PRIMARY CARE FUND TO BE ADMINISTERED BY THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING. THE STATE TREASURER AND THE CONTROLLER SHALL TRANSFER AN AMOUNT EQUAL TO NINETEEN PERCENT OF THE MONEYS DEPOSITED INTO THE CASH FUND, PLUS NINETEEN PERCENT OF THE INTEREST EARNED ON THOSE MONEYS, TO THE PRIMARY CARE FUND. ALL INTEREST DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEYS IN THE PRIMARY CARE FUND SHALL BE CREDITED TO THE PRIMARY CARE FUND. ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE PRIMARY CARE FUND AT THE END OF A FISCAL YEAR SHALL

REMAIN IN THE FUND AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANY OTHER FUND.

(II) FOR FISCAL YEAR 2005-06 AND EACH FISCAL YEAR THEREAFTER, MONEYS IN THE PRIMARY CARE FUND SHALL BE ANNUALLY APPROPRIATED BY THE GENERAL ASSEMBLY TO THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING FOR COMPREHENSIVE PRIMARY CARE AS SPECIFIED IN ARTICLE 3 OF TITLE 25.5, C.R.S.

(c) (I) THE TOBACCO EDUCATION PROGRAMS FUND TO BE ADMINISTERED BY THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT. THE STATE TREASURER AND THE CONTROLLER SHALL TRANSFER AN AMOUNT EQUAL TO SIXTEEN PERCENT OF THE MONEYS DEPOSITED INTO THE CASH FUND, PLUS SIXTEEN PERCENT OF THE INTEREST EARNED ON THOSE MONEYS, TO THE TOBACCO EDUCATION PROGRAMS FUND. ALL INTEREST DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEYS IN THE TOBACCO EDUCATION PROGRAMS FUND SHALL BE CREDITED TO THE TOBACCO EDUCATION PROGRAMS FUND. ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE TOBACCO EDUCATION PROGRAMS FUND AT THE END OF A FISCAL YEAR SHALL REMAIN IN THE FUND AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANY OTHER FUND.

(II) THE INTEREST DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEYS IN THE TOBACCO EDUCATION PROGRAMS FUND MAY BE USED TO GIVE CREDIT TO A WHOLESALER OR DISTRIBUTOR FOR TAXES PAID ON CIGARETTES OR OTHER TOBACCO PRODUCTS THAT ARE BAD DEBTS PURSUANT TO SECTIONS 39-28-104 AND 39-28.5-107, C.R.S.; EXCEPT THAT THE INTEREST EARNED ON THE TOBACCO EDUCATION PROGRAMS FUND SHALL BE USED ONLY FOR THAT PORTION OF THE BAD DEBT ATTRIBUTABLE TO THE TAXES IMPOSED PURSUANT TO SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION.

(III) FOR FISCAL YEAR 2005-06 AND EACH FISCAL YEAR THEREAFTER, MONEYS IN THE TOBACCO EDUCATION PROGRAMS FUND SHALL BE ANNUALLY APPROPRIATED BY THE GENERAL ASSEMBLY AS FOLLOWS:

(A) TO THE PREVENTION SERVICES DIVISION OF THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT FOR THE TOBACCO EDUCATION, PREVENTION, AND CESSATION PROGRAMS SPECIFIED IN PART 8 OF ARTICLE 3.5 OF TITLE 25, C.R.S.; AND

(B) UP TO THREE HUNDRED FIFTY THOUSAND DOLLARS TO THE DIVISION OF LIQUOR ENFORCEMENT IN THE DEPARTMENT OF REVENUE FOR THE PURPOSE OF ENFORCING LAWS RELATING TO THE SALE OF TOBACCO TO MINORS.

(d) (I) THE PREVENTION, EARLY DETECTION, AND TREATMENT FUND TO BE ADMINISTERED BY THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT. THE STATE TREASURER AND THE CONTROLLER SHALL TRANSFER AN AMOUNT EQUAL TO SIXTEEN PERCENT OF THE MONEYS DEPOSITED INTO THE CASH FUND, PLUS SIXTEEN PERCENT OF THE INTEREST EARNED ON THOSE MONEYS, TO THE PREVENTION, EARLY DETECTION, AND TREATMENT FUND. ALL INTEREST DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEYS IN THE PREVENTION, EARLY DETECTION, AND TREATMENT FUND SHALL BE CREDITED TO THE PREVENTION, EARLY DETECTION, AND TREATMENT FUND. ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE PREVENTION, EARLY DETECTION, AND TREATMENT FUND AT THE END OF A FISCAL YEAR SHALL REMAIN IN THE FUND AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANY OTHER FUND. THE MONEYS IN THE PREVENTION, EARLY DETECTION, AND TREATMENT FUND SHALL BE ANNUALLY APPROPRIATED BY THE GENERAL ASSEMBLY TO THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT FOR ALLOCATION BY THE DEPARTMENT CONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH (d).

(II) OF THE MONEYS APPROPRIATED ANNUALLY BY THE GENERAL ASSEMBLY TO THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT PURSUANT TO SUBPARAGRAPH (I) OF THIS PARAGRAPH (d) MONEYS SHALL BE ANNUALLY ALLOCATED BY THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT FOR BREAST AND CERVICAL CANCER SCREENINGS PURSUANT TO SECTION 25-4-1505, C.R.S., AND TRANSFERRED TO THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING FOR THE BREAST AND CERVICAL CANCER TREATMENT PROGRAM ESTABLISHED IN SECTION 26-4-532, C.R.S., IN THE FOLLOWING AMOUNTS NOT TO EXCEED FIVE MILLION DOLLARS IN ANY FISCAL YEAR:

(A) FOR THE 2005-06 FISCAL YEAR, FOURTEEN PERCENT OF THE AMOUNT APPROPRIATED PURSUANT TO SUBPARAGRAPH (I) OF THIS PARAGRAPH (d);

(B) FOR THE 2006-07 FISCAL YEAR, SIXTEEN PERCENT OF THE AMOUNT APPROPRIATED PURSUANT TO SUBPARAGRAPH (I) OF THIS

PARAGRAPH (d);

(C) FOR THE 2007-08 FISCAL YEAR, EIGHTEEN PERCENT OF THE AMOUNT APPROPRIATED PURSUANT TO SUBPARAGRAPH (I) OF THIS PARAGRAPH (d); AND

(D) FOR THE 2008-09 FISCAL YEAR AND EACH FISCAL YEAR THEREAFTER, TWENTY PERCENT OF THE AMOUNT APPROPRIATED PURSUANT TO SUBPARAGRAPH (I) OF THIS PARAGRAPH (d).

(III) FOR FISCAL YEAR 2005-06, AND EACH FISCAL YEAR THEREAFTER, FIFTEEN PERCENT OF THE MONEYS TRANSFERRED TO THE PREVENTION, EARLY DETECTION, AND TREATMENT FUND REMAINING AFTER THE ALLOCATION AND TRANSFER REQUIRED BY SUBPARAGRAPH (II) OF THIS PARAGRAPH (d) SHALL BE ANNUALLY APPROPRIATED BY THE GENERAL ASSEMBLY TO THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT FOR THE HEALTH DISPARITIES GRANT PROGRAM IN PART 22 OF ARTICLE 4 OF TITLE 25, C.R.S.

(IV) (A) FOR FISCAL YEARS 2005-06 AND 2006-07, AFTER THE ALLOCATION AND TRANSFER REQUIRED BY SUBPARAGRAPHS (II) AND (III) OF THIS PARAGRAPH (d), TWO MILLION DOLLARS SHALL BE TRANSFERRED TO THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING FOR MEDICAID DISEASE MANAGEMENT PROGRAMS, AUTHORIZED BY SECTION 26-4-408.5, C.R.S., THAT ADDRESS CANCER, HEART DISEASE, AND LUNG DISEASE.

(B) THIS SUBPARAGRAPH (IV) IS REPEALED, EFFECTIVE JULY 1, 2007.

(V) FOR FISCAL YEAR 2005-06 AND EACH FISCAL YEAR THEREAFTER, AFTER THE ALLOCATION OF THE MONEYS PURSUANT TO SUBPARAGRAPHS (II), (III), AND (IV) OF THIS PARAGRAPH (d), MONEYS IN THE PREVENTION, EARLY DETECTION, AND TREATMENT FUND SHALL BE ANNUALLY APPROPRIATED BY THE GENERAL ASSEMBLY TO THE PREVENTION SERVICES DIVISION OF THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT FOR THE CANCER, CARDIOVASCULAR DISEASE, AND CHRONIC PULMONARY DISEASE PREVENTION, EARLY DETECTION, AND TREATMENT PROGRAM ESTABLISHED IN PART 3 OF ARTICLE 20.5 OF TITLE 25, C.R.S.

(e) THE PEDIATRIC SPECIALTY HOSPITAL FUND TO BE ADMINISTERED BY THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING. FOR FISCAL YEAR 2006-07 AND FOR EACH FISCAL YEAR THEREAFTER, MONEYS IN THE

PEDIATRIC SPECIALTY HOSPITAL FUND SHALL BE ANNUALLY APPROPRIATED BY THE GENERAL ASSEMBLY TO THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING TO AUGMENT HOSPITAL REIMBURSEMENT RATES FOR REGIONAL PEDIATRIC TRAUMA CENTERS AS DEFINED IN SECTION 25-3.5-703 (4) (f), C.R.S., UNDER THE "COLORADO MEDICAL ASSISTANCE ACT", ARTICLE 4 OF TITLE 26, C.R.S.

(3) FOR PURPOSES OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION AND ARTICLE 77 OF THIS TITLE, ANY MONEYS COLLECTED OR EXPENDED FROM THE IMPOSITION OF THE CIGARETTE AND TOBACCO TAX IMPOSED PURSUANT TO SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION ARE NOT INCLUDED IN FISCAL YEAR SPENDING, AS DEFINED IN SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION, AND ARE EXCLUDED FROM THE SPENDING LIMIT CONTAINED IN SECTION 24-75-201.1 AND ANY CORRESPONDING SPENDING LIMITS ON LOCAL GOVERNMENTS RECEIVING SUCH REVENUES.

(4) MONEYS APPROPRIATED TO THE HEALTH CARE EXPANSION FUND, THE PRIMARY CARE FUND, AND THE PREVENTION, EARLY DETECTION, AND TREATMENT FUND SHALL BE USED TO SUPPLEMENT REVENUES THAT ARE APPROPRIATED BY THE GENERAL ASSEMBLY FOR HEALTH-RELATED PURPOSES AS OF JANUARY 1, 2005, AND SHALL NOT BE USED TO SUPPLANT THOSE APPROPRIATIONS.

(5) THE MONEYS GENERATED BY THE IMPLEMENTATION OF THE TAX PURSUANT TO SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION SHALL BE APPROPRIATED BY THE GENERAL ASSEMBLY AND UTILIZED BY THE RECIPIENTS OF THE MONEYS ONLY FOR SUCH PURPOSES AS ARE SPECIFIED IN SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION. THE MONEYS SHALL NOT BE UTILIZED:

(a) FOR THE PURPOSES OF LOBBYING AS DEFINED IN SECTION 24-6-301 (3.5) (a); OR

(b) TO SUPPORT OR OPPOSE ANY BALLOT ISSUE OR BALLOT QUESTION.

(6) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE GENERAL ASSEMBLY MAY USE REVENUE GENERATED BY THE IMPLEMENTATION OF THE CIGARETTE AND TOBACCO TAXES PURSUANT TO SECTIONS 39-28-103.5 AND 39-28.5-102.5, C.R.S., AND SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION FOR ANY HEALTH-RELATED PURPOSE

AND TO SERVE POPULATIONS ENROLLED IN THE CHILDREN'S BASIC HEALTH PLAN AND THE COLORADO MEDICAL ASSISTANCE PROGRAM AT THE RESPECTIVE PROGRAM LEVELS OF ENROLLMENT AS OF JANUARY 1, 2005. SUCH USE OF REVENUE SHALL BE PRECEDED BY A DECLARATION OF A STATE FISCAL EMERGENCY, WHICH SHALL BE ADOPTED BY A JOINT RESOLUTION, APPROVED BY A TWO-THIRDS MAJORITY VOTE OF THE MEMBERS OF THE SENATE AND OF THE HOUSE OF REPRESENTATIVES, AND SIGNED BY THE GOVERNOR. THE DECLARATION SHALL APPLY ONLY TO A SINGLE FISCAL YEAR.

**SECTION 3.** Part 1 of article 28 of title 39, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

**39-28-103.5. Tax levied - state constitution.** PURSUANT TO SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION, THERE IS LEVIED, IN ADDITION TO THE TAX LEVIED PURSUANT TO SECTION 39-28-103, A TAX ON THE SALE OF CIGARETTES BY WHOLESALERS, AT A RATE OF THREE AND TWO-TENTHS CENTS PER CIGARETTE. THE TAX SHALL BE PAID TO AND COLLECTED BY THE DEPARTMENT.

**SECTION 4.** 39-28-104 (1) and (4) (a), Colorado Revised Statutes, are amended to read:

**39-28-104. Evidence of payment of tax - credits - redemptions.**  
(1) (a) Payment of the ~~tax~~ TAXES imposed by the provisions of this article AND SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION shall be evidenced by the affixing of stamps to, or by an imprint or impression by suitable metering machines approved by the department on, packages containing cigarettes. The department shall procure stamps of such design and legend as it deems necessary and suitable for the purpose. EXCEPT AS PROVIDED IN PARAGRAPH (b) OF THIS SUBSECTION (1), the department shall sell such stamps for cash to licensed wholesalers at a discount of four percent of their face value for sales occurring prior to July 1, 2003, or on or after July 1, 2005, and three percent of their face value for sales occurring on or after July 1, 2003, but before July 1, 2005, if payment is made on or before the tenth day of the month following the month in which the purchase is made to cover the licensed wholesaler's expense in the collection and remittance of such tax; but, if any licensed wholesaler is delinquent in remitting such payment, other than in unusual circumstances shown to the satisfaction of the executive director of the department, the licensed wholesaler shall not be allowed to retain any amounts to cover his

OR HER expense in collecting and remitting said tax, and, in addition, the penalty imposed under section 39-28-108 (2) shall apply. The department shall keep accurate records of all stamps sold to each wholesaler. No wholesaler shall sell or transfer any stamps purchased pursuant to the provisions of this article.

(b) THE TAX IMPOSED PURSUANT TO SECTION 39-28-103.5 AND SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION SHALL NOT BE SUBJECT TO THE DISCOUNT PROVIDED FOR IN PARAGRAPH (a) OF THIS SUBSECTION (1).

(c) WHOLESALERS SHALL ELECTRONICALLY REMIT TAX PAYMENTS DUE PURSUANT TO THIS ARTICLE AND SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION TO THE DEPARTMENT. THE DEPARTMENT MAY REQUIRE WHOLESALERS TO FILE TAX RETURNS ELECTRONICALLY. THE DEPARTMENT SHALL PROMULGATE RULES GOVERNING ELECTRONIC PAYMENT AND FILING.

(4) (a) Credit shall be given by the department to a wholesaler for all taxes LEVIED PURSUANT TO THIS ARTICLE AND SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION AND paid pursuant to the provisions of this article that are bad debts. Such credit shall offset taxes LEVIED PURSUANT TO THIS ARTICLE AND SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION AND paid pursuant to the provisions of this article only. No credit shall be given unless the bad debt has been charged off as uncollectible on the books of the wholesaler. Subsequent to receiving the credit, if the wholesaler receives a payment for the bad debt, the wholesaler shall be liable to the department for the amount received and shall remit this amount in the next payment to the department under this section or section 39-28-105.

**SECTION 5.** 39-28-105 (2), Colorado Revised Statutes, is amended to read:

**39-28-105. Use of metering machines.** (2) (a) The department may cause each metering machine approved by it to be read and inspected at least once each month. The department shall set the machine to the number of units requested by the wholesaler and shall determine as of the time of setting the amount of tax due from the wholesaler using such machine, after allowing the discount provided in section 39-28-104. The tax for each unit placed on the machine at the time of setting, less ~~the~~ ANY discount THAT IS NOT OTHERWISE PROHIBITED BY PARAGRAPH (b) OF THIS SUBSECTION (2) to cover the licensed wholesaler's expense in the collection

and remittance of such tax, shall be due and payable to the department on or before the tenth day of the month following the month in which the meter is set. If any licensed wholesaler is delinquent in remitting such payment, other than in unusual circumstances shown to the satisfaction of the executive director, the licensed wholesaler shall not be allowed to retain any amounts to cover his OR HER expense in collecting and remitting said tax, and, in addition, the penalty imposed under section 39-28-108 (2) shall apply.

(b) THE TAX IMPOSED PURSUANT TO SECTION 39-28-103.5 AND SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION SHALL NOT BE SUBJECT TO THE DISCOUNT PROVIDED FOR IN PARAGRAPH (a) OF THIS SUBSECTION (2).

**SECTION 6.** 39-28-106 (1), Colorado Revised Statutes, is amended to read:

**39-28-106. Nonresident wholesalers.** (1) When the department determines that the collection of the tax imposed by the provisions of this article AND SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION would be facilitated thereby, it may authorize any person, firm, limited liability company, partnership, or corporation outside of this state and engaged in the business of selling and shipping into this state cigarettes, upon complying with the requirements of this article, to affix or cause to be affixed the stamps, imprints, or impressions required by this article on behalf of the wholesalers within this state. The department may sell such stamps and approve the use of metering machines to such nonresident wholesalers as provided in this article; except that the nonresident wholesaler shall agree in writing to submit his or her books, accounts, and records to examination during reasonable business hours by any duly authorized agent of the department. Each such nonresident wholesaler shall appoint in writing the secretary of state of the state of Colorado to be his or her agent in this state for service of process, pursuant to part 7 of article 90 of title 7, C.R.S., with respect to foreign corporations.

**SECTION 7.** 39-28-107, Colorado Revised Statutes, is amended to read:

**39-28-107. Unstamped packages subject to confiscation.** (1) Any package of cigarettes found at any place in this state without a stamp or imprint affixed thereto as provided in this article, unless such cigarettes are

in the possession of a licensed wholesaler in the original unopened shipping package or in transit to such wholesaler, are declared to be contraband goods and may be seized without a warrant by the department, its agents or employees, or by any peace officer in this state when directed or requested by the department to do so. Nothing in this section shall be construed to require the department to confiscate unstamped packages of cigarettes when it has reason to believe that the owner thereof is not willfully or intentionally evading the ~~tax~~ TAXES imposed by the provisions of this article AND SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION.

(2) Any cigarettes seized by virtue of the provisions of this section shall be confiscated, and the department shall sell such confiscated goods at a public sale to a licensed wholesaler to the best advantage of this state. The proceeds from such sale shall be remitted to the state treasurer and distributed as provided in ~~section 39-28-110~~ SECTION 39-28-110 (1). Such sale by the state shall not relieve the purchaser at such sale from paying the tax and stamping the articles so sold to him OR HER in the manner provided in this article. The act or omission of any officer, agent, or other person acting for or employed by any person, firm, limited liability company, partnership, or corporation shall be deemed to be the act or omission of such person, firm, limited liability company, partnership, or corporation, as well as his OR HER own.

**SECTION 8.** 39-28-108 (1), Colorado Revised Statutes, is amended to read:

**39-28-108. Penalty.** (1) Any person, firm, limited liability company, partnership, or corporation or agent thereof who at retail sells or offers for sale, displays for sale, or possesses with intent to sell any cigarettes, the package of which does not bear the stamp, or an imprint or impression by a suitable metering machine approved by the department, evidencing the payment of the ~~tax~~ TAXES imposed by this article AND SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION, shall be punished as provided in section 39-21-118.

**SECTION 9.** 39-28-110, Colorado Revised Statutes, is amended to read:

**39-28-110. Distribution of tax collected.** (1) All sums of money received and collected in payment of the tax imposed by the provisions of this article, except license fees received under section 39-28-102 AND THE

MONEYS COLLECTED PURSUANT TO SECTION 39-28-103.5, shall be transmitted to the state treasurer who shall distribute ~~such~~ THE money as follows: Fifteen percent to the general fund, and eighty-five percent to the old age pension fund.

(2) ALL MONEYS RECEIVED AND COLLECTED IN PAYMENT OF THE TAX IMPOSED PURSUANT TO SECTION 39-28-103.5 SHALL BE TRANSMITTED TO THE STATE TREASURER FOR DEPOSIT IN THE TOBACCO TAX CASH FUND CREATED IN SECTION 24-22-117, C.R.S.

**SECTION 10.** Article 28.5 of title 39, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

**39-28.5-102.5. Tax levied - state constitution.** PURSUANT TO SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION, THERE IS LEVIED, IN ADDITION TO THE TAX LEVIED PURSUANT TO SECTION 39-28.5-102, A TAX ON THE SALE, USE, CONSUMPTION, HANDLING, OR DISTRIBUTION OF TOBACCO PRODUCTS BY DISTRIBUTORS, AT A RATE OF TWENTY PERCENT OF THE MANUFACTURER'S LIST PRICE. THE TAX SHALL BE PAID TO AND COLLECTED BY THE DEPARTMENT. THE TAX SHALL BE IMPOSED IN THE SAME MANNER AS THE TAX DESCRIBED IN SECTION 39-28.5-102.

**SECTION 11.** 39-28.5-106 (2), Colorado Revised Statutes, is amended, and the said 39-28.5-106 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

**39-28.5-106. Returns and remittance of tax.** (2) Every distributor shall file a return with the department by the twentieth day of the month following the month reported and shall therewith remit the amount of tax due, less three and one-third percent of any sum so remitted that consists of tax collected before July 1, 2003, or on or after July 1, 2005, and less two and one-third percent of any sum so remitted that consists of tax collected on or after July 1, 2003, but before July 1, 2005, to cover the distributor's expense in the collection and remittance of said tax; EXCEPT THAT NO PART OF THE TAX IMPOSED PURSUANT TO SECTION 39-28.5-102.5 AND SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION SHALL BE SUBJECT TO THE DISCOUNT PROVIDED FOR IN THIS SUBSECTION (2). If any distributor is delinquent in remitting said tax, other than in unusual circumstances shown to the satisfaction of the executive director of the department, the distributor shall not be allowed to retain any amounts to cover his or her expense in collecting and remitting said tax, and in addition the penalty imposed under

section 39-28.5-110 (2) (b) shall apply.

(3) DISTRIBUTORS SHALL ELECTRONICALLY REMIT TAX PAYMENTS DUE PURSUANT TO THIS ARTICLE AND SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION TO THE DEPARTMENT. THE DEPARTMENT MAY REQUIRE DISTRIBUTORS TO FILE TAX RETURNS ELECTRONICALLY. THE DEPARTMENT SHALL PROMULGATE RULES GOVERNING ELECTRONIC PAYMENT AND FILING.

**SECTION 12.** 39-28.5-107 (2) (a), Colorado Revised Statutes, is amended to read:

**39-28.5-107. When credit may be obtained for tax paid.**

(2) (a) Credit shall be given by the department to a distributor for all taxes LEVIED PURSUANT TO THIS ARTICLE AND SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION AND paid pursuant to the provisions of this article that are bad debts. Such credit shall offset taxes LEVIED PURSUANT TO THIS ARTICLE AND SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION AND paid pursuant to the provisions of this article only. No credit shall be given unless the bad debt has been charged off as uncollectible on the books of the distributor. Subsequent to receiving the credit, if the distributor receives a payment for the bad debt, the distributor shall be liable to the department for the amount received and shall remit this amount in the next payment to the department under section 39-28.5-106.

**SECTION 13.** 39-28.5-108, Colorado Revised Statutes, is amended to read:

**39-28.5-108. Distribution of tax collected.** (1) All sums of money received and collected in payment of the tax imposed by the provisions of this article, except license fees received under section 39-28.5-104 AND THE MONEYS COLLECTED PURSUANT TO SECTION 39-28.5-102.5, shall be transmitted to the state treasurer, who shall distribute such money as follows: Fifteen percent to the general fund and eighty-five percent to the old age pension fund.

(2) ALL MONEYS RECEIVED AND COLLECTED IN PAYMENT OF THE TAX IMPOSED PURSUANT TO SECTION 39-28.5-102.5 AND SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION SHALL BE TRANSMITTED TO THE STATE TREASURER FOR DEPOSIT IN THE TOBACCO TAX CASH FUND CREATED IN SECTION 24-22-117, C.R.S.

**SECTION 14.** 39-21-102 (1), Colorado Revised Statutes, is amended to read:

**39-21-102. Scope.** (1) Unless otherwise indicated, the provisions of this article apply to the taxes and the charge on oil and gas production imposed by articles 22 to 29 of this title and article 60 of title 34, C.R.S., SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION, and article 3 of title 42, C.R.S.

**SECTION 15.** 24-35-101 (1) (a), Colorado Revised Statutes, is amended to read:

**24-35-101. Functions of department of revenue.** (1) There is hereby created the department of revenue, the functions of which are the collection of the following:

(a) Taxes levied and the license fees imposed by the provisions of articles 22 and 26 to ~~28~~ 29 of title 39, C.R.S., AND SECTION 21 OF ARTICLE X OF THE STATE CONSTITUTION, and the administration and enforcement of said provisions;

**SECTION 16.** 26-4-201 (1) (f), Colorado Revised Statutes, is amended, and the said 26-4-201 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

**26-4-201. Mandatory provisions - eligible groups - repeal.** (1) In order to participate in the medicaid program, the federal government requires the state to provide medical assistance to certain eligible groups. Pursuant to federal law and except as provided in subsection (2) of this section, any person who is eligible for medical assistance under the mandated groups specified in this section shall receive both the mandatory services that are specified in sections 26-4-202 and 26-4-203 and the optional services that are specified in sections 26-4-302 and 26-4-303. Subject to the availability of federal financial aid funds, the following are the individuals or groups that are mandated under federal law to receive benefits under this article:

(f) Qualified pregnant women, and children under the age of seven, who meet the income ~~resource~~ requirements of the state's aid to families with dependent children program pursuant to rules that were in effect on

July 16, 1996.

(4) (a) AN ASSET TEST SHALL NOT BE APPLIED AS A CONDITION OF ELIGIBILITY FOR INDIVIDUALS OR FAMILIES DESCRIBED IN PARAGRAPHS (a), (b), AND (f) OF SUBSECTION (1) OF THIS SECTION.

(b) (I) THE STATE DEPARTMENT IS AUTHORIZED TO SEEK ANY NECESSARY FEDERAL APPROVAL TO ALLOW A CHILD ELIGIBLE TO RECEIVE BENEFITS UNDER ARTICLE 19 OF THIS TITLE, WHO, BECAUSE OF THE ENACTMENT OF THIS SUBSECTION (4), BECOMES ELIGIBLE TO RECEIVE BENEFITS UNDER THIS ARTICLE 4, TO CONTINUE TO RECEIVE BENEFITS UNDER ARTICLE 19 OF THIS TITLE TO ASSURE PATIENT CONTINUITY OF CARE AND PROVIDER NETWORK STABILIZATION PROVIDED THAT THOSE BENEFITS MAY NOT CONTINUE AFTER JULY 1, 2006. THE STATE DEPARTMENT IS AUTHORIZED TO IMPLEMENT THIS PROVISION CONSISTENT WITH THE FEDERAL AUTHORIZATION.

(II) THIS PARAGRAPH (b) IS REPEALED, EFFECTIVE JULY 1, 2007.

**SECTION 17.** 26-4-301 (1), Colorado Revised Statutes, as amended by House Bill 05-1086, enacted at the First Regular Session of the Sixty-fifth General Assembly, is amended, and said 26-4-301 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

**26-4-301. Optional provisions - optional groups - repeal.** (1) The federal government allows the state to select optional groups to receive medical assistance. Pursuant to federal law, any person who is eligible for medical assistance under the optional groups specified in this section shall receive both the mandatory services specified in sections 26-4-202 and 26-4-203 and the optional services specified in sections 26-4-302 and 26-4-303. Subject to the availability of federal financial aid funds, the following are the individuals or groups which Colorado has selected as optional groups to receive medical assistance pursuant to this article:

(a) Individuals who would be eligible for but are not receiving cash assistance;

(b) Individuals who would be eligible for cash assistance except for their institutionalized status;

(c) Individuals receiving home- and community-based services as

specified in part 6 of this article;

(d) Individuals who would be eligible for aid to families with dependent children if child care were paid from earnings;

(e) Individuals under the age of twenty-one who would be eligible for aid to families with dependent children but do not qualify as dependent children;

(f) Individuals receiving only optional state supplement;

(g) Individuals in institutions who are eligible under a special income level. Colorado's program for citizens sixty-five years of age or older or physically disabled or blind, whose gross income does not exceed three hundred percent of the current federal supplemental security income benefit level, qualifies for federal funding under this provision.

(h) Repealed.

(i) Individuals who are sentenced to the custody of the executive director of the department of corrections and are confined in a state correctional facility as set forth in section 26-4-530;

(j) Infants born to females who are in the custody of the executive director of the department of corrections as set forth in section 26-4-530;

(k) to (m) Repealed.

(n) Individuals transitioning between public assistance and self-sufficiency in the buy-in program established in section 26-4-110.5;

(o) Persons who are eligible for cash assistance under the works program pursuant to section 26-2-706;

(p) Individuals with disabilities who are participating in the medicaid buy-in program established in part 12 of this article;

(q) The breast and cervical cancer prevention and treatment program pursuant to section 26-4-532;

(r) Individuals who are qualified aliens and were or would have

been eligible for supplemental security income as a result of a disability but are not eligible for such supplemental security income as a result of the passage of the federal "Personal Responsibility and Work Opportunity Reconciliation Act of 1996", Public Law 104-193;

(s) Other qualified aliens who entered or were present in the United States before August 22, 1996;

(t) (I) PARENTS OF CHILDREN WHO ARE ELIGIBLE FOR THE MEDICAL ASSISTANCE PROGRAM OR THE CHILDREN'S BASIC HEALTH PLAN, ARTICLE 19 OF THIS TITLE, WHOSE FAMILY INCOME DOES NOT EXCEED A SPECIFIED PERCENT OF THE FEDERAL POVERTY LEVEL, ADJUSTED FOR FAMILY SIZE, AS SET BY THE STATE BOARD BY RULE, WHICH PERCENTAGE SHALL BE NOT LESS THAN SIXTY PERCENT.

(II) (A) THE PROVISIONS OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (t) SHALL TAKE EFFECT ON JULY 1, 2006; EXCEPT THAT THE DEPARTMENT MAY DELAY THE EFFECTIVE DATE OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (t) TO NOT LATER THAN JANUARY 1, 2007, IF NECESSARY TO FULFILL THE CONDITIONS OF IMPLEMENTING AN APPROVED FEDERAL WAIVER TO EXPAND ELIGIBILITY TO PARENTS AND DELIVER STREAMLINED HEALTH CARE TO FAMILIES AND CHILDREN. TO DELAY THE EFFECTIVE DATE, THE DEPARTMENT SHALL NOTIFY THE REVISOR OF STATUTES OF SUCH FACT ON OR BEFORE MAY 1, 2006, AND, ONCE THE DELAY IS NO LONGER NEEDED, THE DEPARTMENT SHALL PROMPTLY NOTIFY THE REVISOR OF STATUTES OF SUCH FACT.

(B) THIS SUBPARAGRAPH (II) IS REPEALED, EFFECTIVE JANUARY 1, 2007.

(9) (a) AN ASSET TEST SHALL NOT BE APPLIED AS A CONDITION OF ELIGIBILITY FOR INDIVIDUALS OR FAMILIES DESCRIBED IN PARAGRAPHS (a), (o), AND (t) OF SUBSECTION (1) OF THIS SECTION.

(b) (I) THE STATE DEPARTMENT IS AUTHORIZED TO SEEK ANY NECESSARY FEDERAL APPROVAL TO ALLOW A CHILD ELIGIBLE TO RECEIVE BENEFITS UNDER ARTICLE 19 OF THIS TITLE, WHO, BECAUSE OF THE ENACTMENT OF THIS SUBSECTION (9), BECOMES ELIGIBLE TO RECEIVE BENEFITS UNDER THIS ARTICLE 4, TO CONTINUE TO RECEIVE BENEFITS UNDER ARTICLE 19 OF THIS TITLE TO ASSURE PATIENT CONTINUITY OF CARE AND PROVIDER NETWORK STABILIZATION PROVIDED THAT THOSE BENEFITS MAY NOT CONTINUE AFTER JULY 1, 2006. THE STATE DEPARTMENT IS

AUTHORIZED TO IMPLEMENT THIS PROVISION CONSISTENT WITH THE FEDERAL AUTHORIZATION.

(II) THIS PARAGRAPH (b) IS REPEALED, EFFECTIVE JULY 1, 2007.

**SECTION 18.** Part 1 of article 4 of title 26, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

**26-4-105.8. State plan amendment - federal authorization - repeal.** (1) THE STATE DEPARTMENT SHALL AMEND THE STATE PLAN FOR MEDICAL ASSISTANCE OR SEEK THE NECESSARY FEDERAL AUTHORIZATION TO REFLECT THE ADDITION OF SECTIONS 26-4-201 (4) AND 26-4-301 (1) (t) AND (9).

(2) THE STATE DEPARTMENT SHALL AMEND THE STATE'S EXISTING WAIVERS FOR THE CHILDREN'S EXTENSIVE SUPPORT PROGRAM AND THE CHILDREN'S HOME- AND COMMUNITY-BASED SERVICE PROGRAM, AUTHORIZED BY SECTION 26-4-509, TO INCREASE THE NUMBER OF CHILDREN AUTHORIZED TO BE ENROLLED IN THE PROGRAMS TO EQUAL THE NUMBER OF CHILDREN ENROLLED IN EACH PROGRAM ON JULY 1, 2005, PLUS THE NUMBER OF CHILDREN ON THE WAITING LIST FOR EACH PROGRAM AS OF JANUARY 1, 2005.

(3) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2007.

**SECTION 19.** 26-4-508 (3) (a) (II) (A), Colorado Revised Statutes, is amended, and the said 26-4-508 (3) is further amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

**26-4-508. Baby and kid care program - creation - eligibility.** (3) (a) On and after April 1, 1990, children under the age of six years and pregnant women shall be eligible for benefits under the baby and kid care program; except that, for the purpose of eligibility under this subsection (3) only:

(II) (A) Except as otherwise provided in sub-subparagraph (B) of this subparagraph (II), children under six years of age shall meet the income ~~and resource~~ standard used to determine eligibility for aid to families with dependent children assistance except as provided in this subsection (3).

(d) AN ASSET TEST SHALL NOT BE APPLIED AS A CONDITION OF ELIGIBILITY FOR A CHILD UNDER THIS SUBSECTION (3).

**SECTION 20.** 26-19-103 (4), Colorado Revised Statutes, is amended to read:

**26-19-103. Definitions.** As used in this article, unless the context otherwise requires:

(4) "Eligible person" means:

(a) A person who is less than nineteen years of age, whose family income does not exceed ~~one hundred eighty-five~~ TWO HUNDRED percent of the federal poverty level, adjusted for family size; or

(b) A pregnant woman whose family income does not exceed ~~one hundred eighty-five~~ TWO HUNDRED percent of the federal poverty level, adjusted for family size, and who is not eligible for medicaid.

**SECTION 21.** Title 25.5, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW ARTICLE to read:

### **ARTICLE 3 Comprehensive Primary Care**

**25.5-3-101. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "COMPREHENSIVE PRIMARY CARE" SHALL HAVE THE SAME MEANING AS PROVIDED IN SECTION 26-4-1003 (1), C.R.S.

(2) "QUALIFIED PROVIDER" SHALL HAVE THE SAME MEANING AS PROVIDED IN SECTION 26-4-1003 (5), C.R.S.

(3) "UNINSURED OR MEDICALLY INDIGENT PATIENT" SHALL HAVE THE SAME MEANING AS PROVIDED IN SECTION 26-4-1003 (7), C.R.S.

**25.5-3-102. Annual allocation - primary care services - qualified provider.** (1) THE STATE DEPARTMENT SHALL ANNUALLY ALLOCATE THE MONEYS APPROPRIATED BY THE GENERAL ASSEMBLY TO THE PRIMARY CARE

FUND CREATED IN SECTION 24-22-117, C.R.S., TO ALL ELIGIBLE QUALIFIED PROVIDERS IN THE STATE WHO COMPLY WITH THE REQUIREMENTS OF SUBSECTION (2) OF THIS SECTION. THE STATE DEPARTMENT SHALL ALLOCATE THE MONEYS IN AMOUNTS PROPORTIONATE TO THE NUMBER OF UNINSURED OR MEDICALLY INDIGENT PATIENTS SERVED BY THE QUALIFIED PROVIDER. FOR A QUALIFIED PROVIDER TO BE ELIGIBLE FOR AN ALLOCATION PURSUANT TO THIS SECTION, THE QUALIFIED PROVIDER SHALL MEET EITHER OF THE FOLLOWING CRITERIA:

(a) THE QUALIFIED PROVIDER IS A COMMUNITY HEALTH CENTER, AS DEFINED IN SECTION 330 OF THE FEDERAL "PUBLIC HEALTH SERVICES ACT", 42 U.S.C. SEC. 254b; OR

(b) AT LEAST FIFTY PERCENT OF THE PATIENTS SERVED BY THE QUALIFIED PROVIDER ARE UNINSURED OR MEDICALLY INDIGENT PATIENTS, OR PATIENTS WHO ARE ENROLLED IN THE MEDICAL ASSISTANCE PROGRAM, ARTICLE 4 OF TITLE 26, C.R.S., OR THE CHILDREN'S BASIC HEALTH PLAN, ARTICLE 19 OF TITLE 26, C.R.S., OR ANY COMBINATION THEREOF.

(2) A QUALIFIED PROVIDER SHALL ANNUALLY SUBMIT TO THE STATE DEPARTMENT INFORMATION SUFFICIENT TO ESTABLISH THE PROVIDER'S ELIGIBILITY STATUS. A QUALIFIED PROVIDER, EXCEPT FOR A PROVIDER SPECIFIED IN PARAGRAPH (a) OF SUBSECTION (1) OF THIS SECTION, SHALL PROVIDE AN ANNUAL REPORT THAT INCLUDES THE TOTAL NUMBER OF PATIENTS SERVED, THE NUMBER OF UNINSURED OR MEDICALLY INDIGENT PATIENTS SERVED, AND THE NUMBER OF PATIENTS SERVED WHO ARE ENROLLED IN THE MEDICAL ASSISTANCE PROGRAM, ARTICLE 4 OF TITLE 26, C.R.S., OR THE CHILDREN'S BASIC HEALTH PLAN, ARTICLE 19 OF TITLE 26, C.R.S. A COMMUNITY HEALTH CENTER SPECIFIED IN PARAGRAPH (a) OF SUBSECTION (1) OF THIS SECTION SHALL ANNUALLY PROVIDE TO THE STATE DEPARTMENT THE NUMBER OF UNINSURED OR MEDICALLY INDIGENT PATIENTS SERVED. EACH ELIGIBLE QUALIFIED PROVIDER SHALL ANNUALLY DEVELOP AND SUBMIT TO THE STATE DEPARTMENT DOCUMENTATION REGARDING THE QUALITY ASSURANCE PROGRAM IN PLACE AT THE PROVIDER'S FACILITY TO ENSURE THAT QUALITY COMPREHENSIVE PRIMARY CARE SERVICES ARE BEING PROVIDED. ALL QUALIFIED PROVIDERS SHALL SUBMIT TO THE STATE DEPARTMENT THE INFORMATION REQUIRED UNDER THIS SECTION, AS SPECIFIED IN RULE BY THE STATE BOARD. THE DATA REGARDING THE NUMBER OF PATIENTS SERVED SHALL BE VERIFIED BY AN OUTSIDE ENTITY. FOR PURPOSES OF THIS ARTICLE, THE NUMBER OF PATIENTS SERVED SHALL BE THE NUMBER OF UNDUPLICATED USERS OF HEALTH CARE

SERVICES AND SHALL NOT BE THE NUMBER OF VISITS BY A PATIENT.

(3) THE STATE DEPARTMENT SHALL MAKE ANNUAL DIRECT ALLOCATIONS OF THE TOTAL AMOUNT OF MONEY ANNUALLY APPROPRIATED BY THE GENERAL ASSEMBLY TO THE PRIMARY CARE FUND PURSUANT TO SECTION 24-22-117, C.R.S., MINUS THREE PERCENT FOR THE ADMINISTRATIVE COSTS OF THE PROGRAM, TO ALL ELIGIBLE QUALIFIED PROVIDERS. AN ELIGIBLE QUALIFIED PROVIDER'S ALLOCATION SHALL BE BASED ON THE NUMBER OF UNINSURED OR MEDICALLY INDIGENT PATIENTS SERVED BY THE PROVIDER IN PROPORTION TO THE TOTAL NUMBER OF UNINSURED OR MEDICALLY INDIGENT PATIENTS SERVED BY ALL ELIGIBLE QUALIFIED PROVIDERS IN THE PREVIOUS CALENDAR YEAR. THE STATE DEPARTMENT SHALL ESTABLISH A SCHEDULE FOR ALLOCATING THE MONEYS IN THE PRIMARY CARE FUND FOR ELIGIBLE QUALIFIED PROVIDERS. THE DISBURSEMENT OF MONEYS IN THE PRIMARY CARE FUND TO ELIGIBLE QUALIFIED PROVIDERS UNDER THIS ARTICLE SHALL BE EXEMPT FROM THE PROVISIONS OF THE "PROCUREMENT CODE", ARTICLE 101 TO 112 OF TITLE 24, C.R.S.

(4) THE STATE BOARD SHALL ADOPT ANY RULES NECESSARY FOR THE ADMINISTRATION AND IMPLEMENTATION OF THIS ARTICLE.

**25.5-3-103. Consultation.** NOT LESS FREQUENTLY THAN ANNUALLY, THE STATE DEPARTMENT SHALL CONSULT WITH REPRESENTATIVES OF FEDERALLY QUALIFIED HEALTH CENTERS, SCHOOL-BASED HEALTH CENTERS, FAMILY RESIDENCY DIRECTORS, CERTIFIED RURAL HEALTH CLINICS, OTHER QUALIFIED PROVIDERS, AND CONSUMER ADVOCATES REGARDING THE IMPLEMENTATION AND ADMINISTRATION OF THE ALLOCATION OF MONEYS TO QUALIFIED PROVIDERS UNDER THIS ARTICLE.

**SECTION 22.** 25-3.5-802 (3) (d), Colorado Revised Statutes, is amended to read:

**25-3.5-802. Legislative declaration.** (3) The general assembly also finds that:

(d) Annual direct medical costs from tobacco use in Colorado currently exceed ~~five hundred million~~ ONE BILLION dollars;

**SECTION 23.** 25-3.5-803 (2), Colorado Revised Statutes, is amended to read:

**25-3.5-803. Definitions.** As used in this part 8, unless the context otherwise requires:

(2) "Entity" means any local government, local or regional health department, political subdivision of the state, county department of social services, state agency, state institution of higher education that offers a teacher education program, school, school district, or board of cooperative services or any private nonprofit or not-for-profit community-based organization. "ENTITY" ALSO MEANS A FOR-PROFIT ORGANIZATION THAT APPLIES FOR A GRANT FOR THE SOLE PURPOSE OF PROVIDING A STATEWIDE PUBLIC INFORMATION CAMPAIGN CONCERNING TOBACCO USE PREVENTION AND CESSATION.

**SECTION 24.** 25-3.5-804 (1) and (3) (a), Colorado Revised Statutes, are amended, and said 25-3.5-804 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

**25-3.5-804. Tobacco education, prevention, and cessation programs - review committee - grants.** (1) There is hereby created the tobacco education, prevention, and cessation grant program to provide funding for community-based and statewide tobacco education programs designed to reduce initiation of tobacco use by children and youth, promote cessation of tobacco use among youth and adults, and reduce exposure to second-hand smoke. Any such tobacco programs may be presented in combination with other substance abuse programs. The program shall be administered by the emergency medical services and prevention division within the department and coordinated with efforts pursuant to part 5 of article 35 of title 24, C.R.S. The state board shall award grants to selected entities from moneys appropriated to the tobacco program fund created in section 25-3.5-807 AND DEPARTMENT FROM THE TOBACCO EDUCATION PROGRAMS FUND CREATED IN SECTION 24-22-117, C.R.S.

(3) (a) The division shall review the applications received pursuant to this part 8 and make recommendations to the state board regarding those entities that may receive grants and the amounts of said grants. ON AND AFTER OCTOBER 1, 2005, THE REVIEW COMMITTEE SHALL REVIEW THE APPLICATIONS RECEIVED PURSUANT TO THIS PART 8 AND SUBMIT TO THE STATE BOARD AND THE DIRECTOR OF THE DEPARTMENT RECOMMENDED GRANT RECIPIENTS, GRANT AMOUNTS, AND THE DURATION OF EACH GRANT. WITHIN THIRTY DAYS AFTER RECEIVING THE REVIEW COMMITTEE'S RECOMMENDATIONS, THE DIRECTOR SHALL SUBMIT HIS OR HER

RECOMMENDATIONS TO THE STATE BOARD. THE REVIEW COMMITTEE'S RECOMMENDATIONS REGARDING GRANTEEES OF THE TONY GRAMPSAS YOUTH SERVICES PROGRAM, SECTION 25-20.5-201, PURSUANT TO SECTION 25-3.5-805 (5) SHALL BE SUBMITTED TO THE STATE BOARD AND THE TONY GRAMPSAS YOUTH SERVICES BOARD. WITHIN THIRTY DAYS AFTER RECEIVING THE REVIEW COMMITTEE'S RECOMMENDATIONS, THE TONY GRAMPSAS YOUTH SERVICES BOARD SHALL SUBMIT ITS RECOMMENDATIONS TO THE STATE BOARD. THE STATE BOARD SHALL HAVE THE FINAL AUTHORITY TO APPROVE THE GRANTS UNDER THIS PART 8. IF THE STATE BOARD DISAPPROVES A RECOMMENDATION FOR A GRANT RECIPIENT, THE REVIEW COMMITTEE MAY SUBMIT A REPLACEMENT RECOMMENDATION WITHIN THIRTY DAYS. In reviewing grant applications for programs to provide tobacco education, prevention, and cessation programs for persons with mental illness, the division OR THE REVIEW COMMITTEE shall consult with the programs for public psychiatry at the university of Colorado health sciences center, the national alliance for the mentally ill, the mental health association of Colorado, and the department of human services.

(5) (a) THERE IS HEREBY CREATED THE TOBACCO EDUCATION, PREVENTION, AND CESSATION GRANT PROGRAM REVIEW COMMITTEE, REFERRED TO IN THIS PART 8 AS THE "REVIEW COMMITTEE". THE REVIEW COMMITTEE IS ESTABLISHED IN THE DIVISION. THE REVIEW COMMITTEE IS RESPONSIBLE FOR ENSURING THAT PROGRAM PRIORITIES ARE ESTABLISHED CONSISTENT WITH THE COLORADO TOBACCO PREVENTION AND CONTROL STRATEGIC PLAN, OVERSEEING PROGRAM STRATEGIES AND ACTIVITIES, AND ENSURING THAT THE PROGRAM GRANTS ARE IN COMPLIANCE WITH SECTION 25-3.5-805.

(b) THE REVIEW COMMITTEE SHALL CONSIST OF THE FOLLOWING SIXTEEN MEMBERS:

(I) THE DIRECTOR OF THE DEPARTMENT OR THE DIRECTOR'S DESIGNEE;

(II) FIVE MEMBERS WHO SHALL BE APPOINTED BY THE DIRECTOR OF THE DEPARTMENT, ONE OF WHOM SHALL INCLUDE THE DIRECTOR OF THE TOBACCO EDUCATION, PREVENTION, AND CESSATION PROGRAM WITHIN THE DIVISION AND FOUR OF WHOM SHALL BE STAFF OF THE PROGRAM WITH EXPERTISE IN TOBACCO PREVENTION AMONG YOUTH, REDUCING EXPOSURE TO SECONDHAND SMOKE, TOBACCO CESSATION, OR PUBLIC EDUCATION.

(III) EIGHT MEMBERS WHO SHALL BE APPOINTED BY THE STATE BOARD AS FOLLOWS:

(A) ONE MEMBER WHO IS A MEMBER OF THE STATE BOARD;

(B) ONE MEMBER WHO IS A REPRESENTATIVE OF A LOCAL PUBLIC HEALTH AGENCY;

(C) ONE MEMBER WHO IS A REPRESENTATIVE OF A STATEWIDE ASSOCIATION REPRESENTING PHYSICIANS;

(D) ONE MEMBER WHO IS A REPRESENTATIVE OF AN ASSOCIATION REPRESENTING FAMILY PHYSICIANS;

(E) ONE MEMBER WHO IS A REPRESENTATIVE OF THE COLORADO DEPARTMENT OF EDUCATION;

(F) ONE MEMBER WHO IS A REPRESENTATIVE OF THE UNIVERSITY OF COLORADO HEALTH SCIENCES CENTER WHO HAS EXPERTISE IN EVALUATION;

(G) ONE MEMBER WHO REPRESENTS A SOCIO-DEMOGRAPHIC DISADVANTAGED POPULATION IN COLORADO; AND

(H) ONE MEMBER WHO IS A REPRESENTATIVE OF A STATEWIDE NONPROFIT ORGANIZATION WITH A DEMONSTRATED EXPERTISE IN AND COMMITMENT TO TOBACCO CONTROL.

(IV) THE PRESIDENT OF THE SENATE SHALL APPOINT ONE MEMBER OF THE SENATE.

(V) THE SPEAKER OF THE HOUSE OF REPRESENTATIVES SHALL APPOINT ONE MEMBER OF THE HOUSE OF REPRESENTATIVES.

(c) MEMBERS OF THE REVIEW COMMITTEE SHALL SERVE THREE-YEAR TERMS; EXCEPT THAT, OF THE MEMBERS INITIALLY APPOINTED TO THE REVIEW COMMITTEE, FIVE MEMBERS APPOINTED BY THE STATE BOARD SHALL SERVE TWO-YEAR TERMS. MEMBERS OF THE REVIEW COMMITTEE APPOINTED PURSUANT TO SUBPARAGRAPH (III) OF PARAGRAPH (b) OF THIS SUBSECTION (5) SHALL NOT SERVE MORE THAN TWO CONSECUTIVE TERMS.

(d) THE COMPOSITION OF THE REVIEW COMMITTEE SHALL REFLECT,

TO THE EXTENT PRACTICAL, COLORADO'S ETHNIC, RACIAL, AND GEOGRAPHIC DIVERSITY.

(e) MEMBERS OF THE REVIEW COMMITTEE SHALL SERVE WITHOUT COMPENSATION, BUT SHALL BE REIMBURSED FROM MONEYS DEPOSITED IN THE TOBACCO EDUCATION PROGRAMS FUND CREATED IN SECTION 24-22-117, C.R.S., FOR THEIR ACTUAL AND NECESSARY EXPENSES INCURRED IN THE PERFORMANCE OF THEIR DUTIES PURSUANT TO THIS PART 8.

(f) THE REVIEW COMMITTEE SHALL ELECT FROM ITS MEMBERSHIP A CHAIR AND A VICE-CHAIR OF THE COMMITTEE.

(g) THE DIVISION SHALL PROVIDE STAFF SUPPORT TO THE REVIEW COMMITTEE.

(h) IF A MEMBER OF THE REVIEW COMMITTEE HAS AN IMMEDIATE PERSONAL, PRIVATE, OR FINANCIAL INTEREST IN ANY MATTER PENDING BEFORE THE REVIEW COMMITTEE, THE MEMBER SHALL DISCLOSE THE FACT AND SHALL NOT VOTE UPON SUCH MATTER.

**SECTION 25.** 25-3.5-805, Colorado Revised Statutes, is amended to read:

**25-3.5-805. Tobacco education, prevention, and cessation programs - requirements.** (1) An entity that applies for a grant pursuant to the provisions of this part 8 shall in the application demonstrate that the tobacco education, prevention, or cessation program provides at least one of the following:

(a) Education designed for school-age children that, at a minimum, addresses tobacco USE prevention and cessation strategies and the dangers of tobacco use; or

(b) Education programs, INCLUDING BUT NOT LIMITED TO SCHOOL, WORKSITE, MASS MEDIA, AND HEALTH-CARE SETTING PROGRAMS, designed to prevent or reduce the use of all types of tobacco products OR HELP REDUCE EXPOSURE TO SECONDHAND SMOKE; or

(c) Counseling regarding the use of all types of tobacco products;  
or

(d) Programs that address prevention and cessation of the abuse of various types of drugs, with an emphasis on prevention and cessation of tobacco use; or

~~(e) Programs to help reduce exposure to secondhand smoke, with an emphasis on children and youth; or~~

(f) Tobacco use and substance abuse prevention and cessation services addressed to specific population groups such as adolescents and pregnant women and provided within specific ethnic and low-income communities; or

(g) Training of teachers, health professionals, and others in the field of tobacco use and prevention; or

(h) Tobacco addiction prevention and treatment strategies that are designed specifically for persons with mental illness; or

(i) Activities to prevent the sale or furnishing by other means of cigarettes or tobacco products to minors; OR

(j) PROGRAMS THAT ARE DESIGNED TO ELIMINATE HEALTH DISPARITIES AMONG SEGMENTS OF THE POPULATION THAT HAVE HIGHER THAN AVERAGE TOBACCO BURDENS.

(1.5) NOTWITHSTANDING THE REQUIREMENTS OF SUBSECTION (1) OF THIS SECTION, AN ENTITY MAY APPLY FOR A GRANT FOR THE PURPOSE OF EVALUATING THE ENTIRE STATEWIDE PROGRAM OR INDIVIDUAL COMPONENTS OF THE PROGRAM.

(2) If the entity applying for a grant pursuant to the provisions of this part 8 is a school district or board of cooperative services, in addition to the information specified in subsection (1) of this section, the entity shall demonstrate in the application that the tobacco education, prevention, and cessation program to be operated with moneys received from the grant is a program that has not been previously provided by the school district or board of cooperative services. The entity shall also demonstrate that the program is specifically designed to appeal to and address the concerns of the age group to which the program will be presented.

(3) In adopting criteria for awarding grants, the state board shall

adopt such criteria as will ensure that THE IMPLEMENTATION OF A COMPREHENSIVE PROGRAM IS CONSISTENT WITH THE COLORADO TOBACCO PREVENTION AND CONTROL STRATEGIC PLAN, THAT tobacco education, prevention, and cessation programs are available throughout the state, and that ~~said~~ THE programs are available to serve persons of all ages.

(4) AT LEAST FIFTEEN PERCENT OF THE MONEYS ANNUALLY AWARDED TO GRANTEEES PURSUANT TO THIS SECTION SHALL BE FOR THE PURPOSES OF PROVIDING FUNDING TO ELIMINATE HEALTH DISPARITIES AMONG MINORITY POPULATIONS AND HIGH-RISK POPULATIONS THAT HAVE HIGHER-THAN-AVERAGE TOBACCO BURDENS.

(5) UP TO FIFTEEN PERCENT OF THE MONEYS ANNUALLY AWARDED PURSUANT TO THIS SECTION SHALL BE ALLOCATED TO GRANTEEES OF THE TONY GRAMPSAS YOUTH SERVICES PROGRAM, SECTION 25-20.5-201, FOR PROVEN TOBACCO PREVENTION AND CESSATION PROGRAMS.

(6) THE MAJORITY OF MONEYS ANNUALLY AWARDED TO GRANTEEES THAT QUALIFY PURSUANT TO SUBSECTIONS (1), (2), AND (5) OF THIS SECTION SHALL BE FOR EVIDENCE-BASED PROGRAMS AND PROGRAMS THAT PREVENT AND REDUCE TOBACCO USE AMONG YOUTH AND YOUNG ADULTS.

**SECTION 26.** Part 8 of article 3.5 of title 25, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

**25-3.5-808. Administration - limitation.** THE PREVENTION SERVICES DIVISION OF THE DEPARTMENT MAY RECEIVE UP TO FIVE PERCENT OF THE MONEYS ANNUALLY APPROPRIATED BY THE GENERAL ASSEMBLY FROM THE TOBACCO EDUCATION PROGRAMS FUND CREATED IN SECTION 24-22-117, C.R.S., FOR THE ACTUAL COSTS INCURRED IN ADMINISTERING THE PROGRAM, INCLUDING THE HIRING OF SUFFICIENT STAFF WITHIN THE DIVISION TO EFFECTIVELY ADMINISTER THE PROGRAM AND REIMBURSEMENT OF REVIEW COMMITTEE MEMBERS PURSUANT TO SECTION 25-3.5-804 (5).

**SECTION 27.** Article 20.5 of title 25, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PART to read:

PART 3  
CANCER, CARDIOVASCULAR DISEASE, AND CHRONIC  
PULMONARY DISEASE PREVENTION, EARLY DETECTION,  
AND TREATMENT PROGRAM

**25-20.5-301. Definitions.** AS USED IN THIS PART 3, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "HEALTH DISPARITIES" MEANS AN UNEQUAL BURDEN OF CANCER, CARDIOVASCULAR DISEASE, OR CHRONIC PULMONARY DISEASE IMPACTING SPECIFIC POPULATIONS, INCLUDING BUT NOT LIMITED TO RACIAL AND ETHNIC POPULATIONS, MINORITY POPULATIONS, RURAL POPULATIONS, URBAN POPULATIONS, LOW-INCOME POPULATIONS, OR ANY OTHER UNDERSERVED POPULATION.

(2) "PROGRAM" MEANS THE CANCER, CARDIOVASCULAR DISEASE, AND CHRONIC PULMONARY DISEASE PREVENTION, EARLY DETECTION, AND TREATMENT PROGRAM CREATED IN SECTION 25-20.5-302.

(3) "REVIEW COMMITTEE" MEANS THE CANCER, CARDIOVASCULAR DISEASE, AND CHRONIC PULMONARY DISEASE PROGRAM REVIEW COMMITTEE CREATED PURSUANT TO SECTION 25-20.5-303.

**25-20.5-302. Program.** (1) THERE IS HEREBY CREATED, IN THE PREVENTION SERVICES DIVISION OF THE DEPARTMENT, THE CANCER, CARDIOVASCULAR DISEASE, AND CHRONIC PULMONARY DISEASE PREVENTION, EARLY DETECTION, AND TREATMENT PROGRAM FOR THE PURPOSE OF ASSISTING IN THE IMPLEMENTATION OF THE STATE'S STRATEGIC PLANS REGARDING CANCER AND CARDIOVASCULAR DISEASE. THE PROGRAM SHALL FUND COMPETITIVE GRANTS TO PROVIDE A COHESIVE APPROACH TO CANCER, CARDIOVASCULAR DISEASE, AND CHRONIC PULMONARY DISEASE PREVENTION, EARLY DETECTION, AND TREATMENT IN COLORADO. THE DIVISION SHALL ADMINISTER THE PROGRAM WITH THE GOAL OF DEVELOPING A COMPREHENSIVE APPROACH THAT WILL BRING TOGETHER STAKEHOLDERS AT THE COMMUNITY AND STATE LEVEL WHO ARE INTERESTED IN IMPACTING CANCER, CARDIOVASCULAR DISEASE, OR CHRONIC PULMONARY DISEASE. GRANT APPLICATIONS SHALL ADDRESS AT LEAST ONE OF THE FOLLOWING PROGRAM CRITERIA:

(a) TRANSLATING EVIDENCE-BASED STRATEGIES REGARDING THE PREVENTION AND EARLY DETECTION OF CANCER, CARDIOVASCULAR DISEASE, AND CHRONIC PULMONARY DISEASE INTO PRACTICAL APPLICATION IN HEALTHCARE, WORKPLACE, AND COMMUNITY SETTINGS;

(b) PROVIDING APPROPRIATE DIAGNOSIS AND TREATMENT SERVICES FOR ANYONE WHO HAS ABNORMALITIES DISCOVERED IN SCREENING AND

EARLY DETECTION PROGRAMS;

(c) IMPLEMENTING EDUCATION PROGRAMS FOR THE PUBLIC AND HEALTH CARE PROVIDERS REGARDING THE PREVENTION, EARLY DETECTION, AND TREATMENT OF CANCER, CARDIOVASCULAR DISEASE, AND CHRONIC PULMONARY DISEASE; AND

(d) PROVIDING EVIDENCE-BASED STRATEGIES TO OVERCOME HEALTH DISPARITIES IN THE PREVENTION AND EARLY DETECTION OF CANCER, CARDIOVASCULAR DISEASE, AND CHRONIC PULMONARY DISEASE.

**25-20.5-303. Review committee.** (1) THERE IS HEREBY CREATED THE CANCER, CARDIOVASCULAR DISEASE, AND CHRONIC PULMONARY DISEASE PROGRAM REVIEW COMMITTEE. THE REVIEW COMMITTEE IS ESTABLISHED IN THE PREVENTION SERVICES DIVISION OF THE DEPARTMENT. THE REVIEW COMMITTEE IS RESPONSIBLE FOR OVERSEEING PROGRAM STRATEGIES AND ACTIVITIES AND ENSURING COMPLIANCE WITH SECTION 25-20.5-302.

(2) THE REVIEW COMMITTEE SHALL CONSIST OF THE DIRECTOR OF THE DISEASE PREVENTION SERVICES DIVISION OF THE DEPARTMENT, OR THE DIRECTOR'S DESIGNEE, AND FIFTEEN MEMBERS APPOINTED AS FOLLOWS:

(a) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OR THE EXECUTIVE DIRECTOR'S DESIGNEE.

(b) THE EXECUTIVE DIRECTOR SHALL APPOINT THREE MEMBERS, ALL OF WHOM ARE DEPARTMENT STAFF WITH EXPERTISE IN CANCER, CARDIOVASCULAR DISEASE, OR CHRONIC PULMONARY DISEASE.

(III) ONE MEMBER WHO IS A DEPARTMENT STAFF PERSON WITH EXPERTISE IN CHRONIC PULMONARY DISEASE.

(c) THE STATE BOARD SHALL APPOINT:

(I) ONE MEMBER WHO IS A MEMBER OF THE STATE BOARD;

(II) ONE MEMBER WHO IS A CHRONIC PULMONARY DISEASE PROFESSIONAL;

(III) ONE MEMBER WHO IS CARDIOVASCULAR DISEASE PROFESSIONAL;

(IV) ONE MEMBER WHO IS A CANCER PROFESSIONAL;

(V) TWO MEMBERS WHO ARE PUBLIC HEALTH PROFESSIONALS;

(VI) ONE MEMBER WHO IS A RECOGNIZED EXPERT IN HEALTH DISPARITIES;

(VII) ONE MEMBER WHO REPRESENTS THE RURAL INTEREST IN REGARD TO THE PREVENTION, EARLY DETECTION, AND TREATMENT OF CANCER, CARDIOVASCULAR DISEASE, AND CHRONIC PULMONARY DISEASE; AND

(VIII) ONE MEMBER WHO IS A PRIMARY CARE PROVIDER.

(d) THE PRESIDENT OF THE SENATE SHALL APPOINT ONE MEMBER OF THE SENATE.

(e) THE SPEAKER OF THE HOUSE OF REPRESENTATIVES SHALL APPOINT ONE MEMBER OF THE HOUSE OF REPRESENTATIVES.

(3) MEMBERS OF THE REVIEW COMMITTEE SHALL SERVE THREE-YEAR TERMS; EXCEPT THAT, OF THE MEMBERS INITIALLY APPOINTED TO THE REVIEW COMMITTEE, FIVE MEMBERS APPOINTED BY THE STATE BOARD SHALL SERVE TWO-YEAR TERMS. MEMBERS OF THE REVIEW COMMITTEE APPOINTED PURSUANT TO PARAGRAPH (c) OF SUBSECTION (2) OF THIS SECTION SHALL NOT SERVE MORE THAN TWO CONSECUTIVE TERMS.

(4) THE COMPOSITION OF THE REVIEW COMMITTEE SHALL REFLECT, TO THE EXTENT PRACTICAL, COLORADO'S ETHNIC, RACIAL, AND GEOGRAPHICAL DIVERSITY.

(5) THE REVIEW COMMITTEE SHALL ELECT FROM ITS MEMBERSHIP A CHAIR AND A VICE-CHAIR OF THE COMMITTEE.

(6) THE DIVISION SHALL PROVIDE STAFF SUPPORT TO THE REVIEW COMMITTEE.

(7) MEMBERS OF THE REVIEW COMMITTEE SHALL SERVE WITHOUT COMPENSATION BUT SHALL BE REIMBURSED FROM MONEYS DEPOSITED IN THE PREVENTION, EARLY DETECTION, AND TREATMENT FUND CREATED IN SECTION 24-22-117, C.R.S., FOR THEIR ACTUAL AND NECESSARY EXPENSES

INCURRED IN THE PERFORMANCE OF THEIR DUTIES PURSUANT TO THIS PART 3.

(8) IF A MEMBER OF THE REVIEW COMMITTEE HAS AN IMMEDIATE PERSONAL, PRIVATE, OR FINANCIAL INTEREST IN ANY MATTER PENDING BEFORE THE REVIEW COMMITTEE, THE MEMBER SHALL DISCLOSE THE FACT AND SHALL NOT VOTE UPON SUCH MATTER.

**25-20.5-304. Grant program - repeal.** (1) THE PROGRAM SHALL FUND PROGRAMS AND INITIATIVES THAT PROVIDE EVIDENCE-BASED EDUCATION AND INTERVENTION STRATEGIES FOR CANCER, CARDIOVASCULAR DISEASE, AND CHRONIC PULMONARY DISEASE PREVENTION, EARLY DETECTION, AND TREATMENT THROUGH A COMPETITIVE GRANT PROGRAM WHICH SHALL BE OVERSEEN BY THE REVIEW COMMITTEE. THE STATE BOARD, UPON RECOMMENDATIONS OF THE REVIEW COMMITTEE, SHALL ADOPT RULES THAT SPECIFY, BUT NEED NOT BE LIMITED TO, THE FOLLOWING:

(a) THE PROCEDURES AND TIMELINES BY WHICH AN ENTITY MAY APPLY FOR PROGRAM GRANTS;

(b) GRANT APPLICATION CONTENTS;

(c) CRITERIA FOR SELECTING THE ENTITIES THAT SHALL RECEIVE GRANTS AND DETERMINING THE AMOUNT AND DURATION OF THE GRANTS;

(d) REPORTING REQUIREMENTS FOR ENTITIES THAT RECEIVE GRANTS PURSUANT TO THIS SECTION; AND

(e) THE QUALIFICATIONS OF AN ADEQUATE PROPOSAL.

(2) THE REVIEW COMMITTEE SHALL REVIEW THE APPLICATIONS RECEIVED PURSUANT TO THIS SECTION AND SUBMIT TO THE STATE BOARD AND THE EXECUTIVE DIRECTOR OF THE DEPARTMENT RECOMMENDED GRANT RECIPIENTS, GRANT AMOUNTS, AND THE DURATION OF EACH GRANT. WITHIN THIRTY DAYS AFTER RECEIVING THE REVIEW COMMITTEE'S RECOMMENDATIONS, THE EXECUTIVE DIRECTOR SHALL SUBMIT HIS OR HER RECOMMENDATIONS TO THE STATE BOARD. THE REVIEW COMMITTEE'S RECOMMENDATIONS REGARDING GRANTS FOR PROJECTS IMPACTING RURAL AREAS SHALL BE SUBMITTED TO THE STATE BOARD AND THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS. WITHIN THIRTY DAYS AFTER RECEIVING THE REVIEW COMMITTEE'S RECOMMENDATIONS, THE

EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS SHALL SUBMIT HIS OR HER RECOMMENDATIONS TO THE STATE BOARD. THE STATE BOARD SHALL HAVE THE FINAL AUTHORITY TO APPROVE THE GRANTS UNDER THIS PART 3. IF THE STATE BOARD DISAPPROVES A RECOMMENDATION FOR A GRANT RECIPIENT, THE REVIEW COMMITTEE MAY SUBMIT A REPLACEMENT RECOMMENDATION WITHIN THIRTY DAYS. IN MAKING GRANT RECOMMENDATIONS, THE REVIEW COMMITTEE SHALL FOLLOW THE INTENT OF THE PROGRAM AS OUTLINED IN SECTION 25-20.5-302. THE STATE BOARD SHALL AWARD GRANTS TO THE ENTITIES SELECTED BY THE REVIEW COMMITTEE, SPECIFYING THE AMOUNT AND DURATION OF EACH GRANT AWARD. IN REVIEWING AND APPROVING GRANT APPLICATIONS, THE REVIEW COMMITTEE AND THE STATE BOARD SHALL ENSURE THAT GRANTS ARE DISTRIBUTED STATEWIDE AND ADDRESS THE NEEDS OF COLORADO'S DISPARATE POPULATIONS, AS WELL AS THE NEEDS OF BOTH URBAN AND RURAL RESIDENTS OF COLORADO. GRANTS PROVIDING FOR TREATMENT SERVICES SHALL NOT EXCEED TEN PERCENT OF THE TOTAL AMOUNT OF GRANT FUNDS DISTRIBUTED IN ANY GIVEN YEAR.

(3) (a) FOR THE PREVENTION, EARLY DETECTION, AND TREATMENT OF CARDIOVASCULAR DISEASE, THE REVIEW COMMITTEE AND THE STATE BOARD ARE ENCOURAGED TO CONSIDER PROGRAMS THAT ADDRESS THE MAJOR RISK FACTORS OF CARDIOVASCULAR DISEASE INCLUDING BUT NOT LIMITED TO BLOOD PRESSURE, CHOLESTEROL, AND DIABETES SCREENINGS.

(b) FOR THE PREVENTION, EARLY DETECTION, AND TREATMENT OF CANCER, THE REVIEW COMMITTEE AND THE STATE BOARD ARE ENCOURAGED TO CONSIDER PROGRAMS TO INCREASE SCREENING FOR CANCER INCLUDING BUT NOT LIMITED TO COLORECTAL CANCER SCREENING.

(c) FOR THE PREVENTION, EARLY DETECTION, AND TREATMENT OF CHRONIC PULMONARY DISEASE, THE REVIEW COMMITTEE AND THE STATE BOARD ARE ENCOURAGED TO CONSIDER PROGRAMS TO EXPAND THE PREVENTION, EARLY DETECTION, AND TREATMENT OF CHRONIC PULMONARY DISEASES.

(5) A MINIMUM OF TEN PERCENT OF THE MONEYS AWARDED THROUGH THE GRANT PROGRAM SHALL BE DIRECTED TO PROJECTS IMPACTING RURAL AREAS AS PART OF THE GOVERNOR'S RURAL HEALTHCARE INITIATIVE AND A MINIMUM OF TEN PERCENT OF THE MONEYS AWARDED THROUGH THE GRANT PROGRAM SHALL BE DIRECTED TO EACH OF THE FOLLOWING THREE DISEASE AREAS: CANCER; CARDIOVASCULAR DISEASE;

AND CHRONIC PULMONARY DISEASE; EXCEPT THAT, IF THE REVIEW COMMITTEE DETERMINES THAT THERE ARE NO ADEQUATE PROPOSALS IN A GIVEN DISEASE OR GEOGRAPHIC AREA FOR A PARTICULAR GRANT CYCLE, THE REVIEW COMMITTEE MAY WAIVE THE TEN PERCENT REQUIREMENT.

**25-20.5-305. Evaluation.** COMMENCING WITH THE 2006-07 FISCAL YEAR, AND EACH FISCAL YEAR THEREAFTER, THE STATE BOARD SHALL SELECT A GRANT RECIPIENT TO EVALUATE THE EFFECTIVENESS OF THE PROGRAM AND THE HEALTH DISPARITIES GRANT PROGRAM ESTABLISHED PURSUANT TO PART 22 OF ARTICLE 4 OF THIS TITLE. COSTS FOR THE EVALUATION SHALL BE ADEQUATELY FUNDED FROM THE AMOUNT ANNUALLY APPROPRIATED BY THE GENERAL ASSEMBLY TO THE DIVISION FROM THE PREVENTION, EARLY DETECTION, AND TREATMENT FUND.

**25-20.5-306. Administration - limitation.** THE PREVENTION SERVICES DIVISION OF THE DEPARTMENT MAY RECEIVE UP TO FIVE PERCENT OF THE MONEYS ANNUALLY APPROPRIATED BY THE GENERAL ASSEMBLY TO THE DIVISION FROM THE PREVENTION, EARLY DETECTION, AND TREATMENT FUND CREATED IN SECTION 24-22-117, C.R.S., FOR THE ACTUAL COSTS INCURRED IN ADMINISTERING THE PROGRAM, INCLUDING THE HIRING OF SUFFICIENT STAFF WITHIN THE DIVISION TO EFFECTIVELY ADMINISTER THE PROGRAM AND THE REIMBURSEMENT OF REVIEW COMMITTEE MEMBERS PURSUANT TO SECTION 25-20.5-303 (4).

**SECTION 28.** 25-4-1505 (3), Colorado Revised Statutes, is amended to read:

**25-4-1505. Powers and duties of the department and the advisory board.** (3) Any program of breast cancer screening conducted pursuant to this part 15 shall be conducted so as to make such screening available to ~~women whose economic circumstances or geographic location otherwise serve to limit access to similar screening facilities. Emphasis shall be placed upon providing service to rural areas not otherwise served by alternate providers of breast cancer screening~~ PERSONS WHO ARE AT OR BELOW TWO HUNDRED FIFTY PERCENT OF THE FEDERAL POVERTY LEVEL AND WHO ARE AT LEAST FORTY YEARS OF AGE BUT LESS THAN SIXTY-FIVE YEARS OF AGE.

**SECTION 29.** Article 4 of title 25, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PART to read:

PART 22  
HEALTH DISPARITIES GRANT PROGRAM

**25-4-2201. Legislative declaration.** (1) THE GENERAL ASSEMBLY HEREBY FINDS THAT:

(a) ALTHOUGH COLORADO AS A WHOLE IS A HEALTHY STATE, AFRICAN AMERICANS, HISPANICS, AND NATIVE AMERICANS, WHO REPRESENT OVER TWENTY-FIVE PERCENT OF THE POPULATION, ARE DISPROPORTIONATELY IMPACTED BY DISEASE, INJURY, DISABILITY, AND DEATH;

(b) COMPARED TO THE STATE AVERAGE:

(I) AFRICAN AMERICANS HAVE A TWENTY-FIVE PERCENT HIGHER DEATH RATE FROM HEART DISEASE, A TWENTY-EIGHT PERCENT HIGHER DEATH RATE FROM STROKE, A THIRTY PERCENT HIGHER DEATH RATE FROM BREAST CANCER, A FIFTY PERCENT HIGHER DEATH RATE FROM COLON CANCER, AND NEARLY TWICE THE DEATH RATE FROM DIABETES;

(II) HISPANICS HAVE APPROXIMATELY TWICE THE INCIDENCE OF CERVICAL CANCER, A FIFTY PERCENT HIGHER DEATH RATE FROM CERVICAL CANCER, AND APPROXIMATELY TWICE THE DEATH RATE FROM DIABETES;

(III) HISPANICS ARE FOURTEEN AND ONE-HALF PERCENT LESS LIKELY TO BE SCREENED FOR CERVICAL CANCER AND BOTH AFRICAN AMERICANS AND HISPANICS ARE, RESPECTIVELY, TWENTY-EIGHT PERCENT AND THIRTY-NINE PERCENT LESS LIKELY TO BE SCREENED FOR COLON CANCER.

(2) THEREFORE, THE GENERAL ASSEMBLY HEREBY DECLARES THAT IT IS IN THE BEST INTERESTS OF THE STATE TO ESTABLISH A HEALTH DISPARITIES GRANT PROGRAM TO PROVIDE PREVENTION, EARLY DETECTION, AND TREATMENT OF CANCER AND CARDIOVASCULAR AND PULMONARY DISEASES TO MINORITY POPULATIONS.

**25-4-2202. Definitions.** AS USED IN THIS PART 22, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "DEPARTMENT" MEANS THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT.

(2) "STATE BOARD" MEANS THE STATE BOARD OF HEALTH.

**25-4-2203. Health disparities grant program - rules.** (1) THERE IS HEREBY CREATED IN THE DEPARTMENT THE HEALTH DISPARITIES GRANT PROGRAM, REFERRED TO IN THIS SECTION AS THE "GRANT PROGRAM", TO PROVIDE FINANCIAL SUPPORT FOR STATEWIDE INITIATIVES THAT ADDRESS PREVENTION, EARLY DETECTION, AND TREATMENT OF CANCER AND CARDIOVASCULAR AND PULMONARY DISEASES IN UNDERREPRESENTED POPULATIONS. THE DEPARTMENT SHALL ADMINISTER THE GRANT PROGRAM. THE STATE BOARD SHALL AWARD GRANTS TO SELECTED ENTITIES FROM MONEYS APPROPRIATED TO THE PREVENTION, EARLY DETECTION, AND TREATMENT FUND CREATED IN SECTION 24-22-117, C.R.S.

(2) THE STATE BOARD SHALL ADOPT RULES THAT SPECIFY, BUT ARE NOT NECESSARILY LIMITED TO, THE FOLLOWING:

(a) THE PROCEDURES AND TIMELINES BY WHICH AN ENTITY MAY APPLY FOR PROGRAM GRANTS;

(b) GRANT APPLICATION CONTENTS, INCLUDING BUT NOT LIMITED TO HOW THE PROGRAM MEETS AT LEAST ONE OF THE PROGRAM CRITERIA SPECIFIED IN SECTION 25-20.5-302 (1);

(c) CRITERIA FOR SELECTING THE ENTITIES THAT SHALL RECEIVE GRANTS AND DETERMINING THE AMOUNT AND DURATION OF THE GRANTS;

(d) REPORTING REQUIREMENTS FOR ENTITIES THAT RECEIVE GRANTS PURSUANT TO THIS SECTION;

(e) CRITERIA FOR THE DEPARTMENT AND THE STATE BOARD TO DETERMINE THE EFFECTIVENESS OF THE PROGRAMS THAT RECEIVE GRANTS PURSUANT TO THIS SECTION.

(3) THE DEPARTMENT SHALL REVIEW THE APPLICATIONS RECEIVED PURSUANT TO THIS SECTION AND MAKE RECOMMENDATIONS TO THE STATE BOARD REGARDING THE ENTITIES THAT MAY RECEIVE GRANTS AND THE AMOUNTS OF THE GRANTS. THE STATE BOARD SHALL AWARD GRANTS TO THE SELECTED ENTITIES, SPECIFYING THE AMOUNT AND DURATION OF EACH AWARD. A GRANT AWARDED PURSUANT TO THIS SECTION SHALL NOT EXCEED THREE YEARS WITHOUT RENEWAL.

**SECTION 30.** 25-1-610.5, Colorado Revised Statutes, is amended to read:

**25-1-610.5. Board to provide public health nursing services.** Every local board of health shall assure the provision of public health nursing services to areas within its jurisdiction. For purposes of this section, "public health nursing services" means those health services ~~which~~ THAT are deemed by the board to be necessary or desirable for the public health and ~~which~~ THAT are within the scope of the practice of nursing, as set forth in article 38 of title 12, C.R.S. SUCH SERVICES MAY INCLUDE BUT ARE NOT LIMITED TO IMMUNIZATIONS.

**SECTION 31. Appropriation.** (1) In addition to any other appropriation, for the fiscal year beginning July 1, 2004, there is hereby appropriated from the tobacco tax cash fund created in section 24-22-117 (1) (a), Colorado Revised Statutes, the sum of one million eight hundred eighty-seven thousand dollars (\$1,887,000), to be allocated as follows:

(a) Three hundred seventy-seven thousand four hundred dollars (\$377,400) to the state's general fund to be used for health-related purposes;

(b) Nine hundred forty-three thousand five hundred dollars (\$943,500) to the supplemental old age pension health and medical care fund created in section 26-2-117 (3), Colorado Revised Statutes; and

(c) Five hundred sixty-six thousand one hundred dollars (\$566,100) to the department of revenue to be apportioned to municipal and county governments in amounts consistent with the provisions of section 39-22-623, Colorado Revised Statutes.

(2) In addition to any other appropriation, for the fiscal year beginning July 1, 2005, there is hereby appropriated from the tobacco tax cash fund created in section 24-22-117 (1) (a), Colorado Revised Statutes, the sum of five million seventy-six thousand dollars (\$5,076,000), to be allocated as follows:

(a) One million fifteen thousand two hundred dollars (\$1,015,200) to the state's general fund to be used for health-related purposes;

(b) Two million five hundred thirty-eight thousand dollars (\$2,538,000) to the supplemental old age pension health and medical care

fund created in section 26-2-117 (3), Colorado Revised Statutes; and

(c) One million five hundred twenty-two thousand eight hundred dollars (\$1,522,800) to the department of revenue to be apportioned to municipal and county governments in amounts consistent with the provisions of section 39-22-623, Colorado Revised Statutes.

(3) In addition to any other appropriation, for the fiscal year beginning July 1, 2005, there is hereby appropriated from the primary care fund created in section 24-22-117 (2) (b) (I), Colorado Revised Statutes, to the department of health care policy and financing, indigent care program, the sum of forty-four million ninety-nine thousand dollars (\$44,099,000) and 1.0 FTE for the comprehensive primary care program created in article 3 of title 25.5, Colorado Revised Statutes. Said funding shall be allocated for the following purposes:

(a) Ninety-nine thousand dollars (\$99,000) for personal services and operating expenses associated with 1.0 FTE to administer the program and for expenses incurred by the advisory council members; and

(b) Forty-four million dollars (\$44,000,000) to be distributed to qualifying primary care providers as specified in article 3 of title 25.5, Colorado Revised Statutes.

(4) In addition to any other appropriation, for the fiscal year beginning July 1, 2005, there is hereby appropriated from the prevention, early detection, and treatment fund created in section 24-22-117 (2) (d) (I), Colorado Revised Statutes, to the department of public health and environment, prevention services division, the sum of thirty-seven million one hundred thirty-six thousand dollars (\$37,136,000) and 7.0 FTE. Said funding shall be allocated for the following purposes:

(a) Four hundred fifteen thousand two hundred thirty-six dollars (\$415,236) for personal services to fund 7.0 FTE to administer the program;

(b) Thirty-two thousand eight hundred thirty-six dollars (\$32,836) for operating expenses to administer the program;

(c) Nine hundred forty-eight thousand seventy-two dollars (\$948,072) for independent program evaluation pursuant to section 25-20.5-302 (1) (d), Colorado Revised Statutes;

(d) Four million eighty-nine thousand six hundred ninety-four dollars (\$4,089,694) for breast and cervical cancer screenings pursuant to section 24-22-117 (2) (d) (II) (D), Colorado Revised Statutes;

(e) Nine hundred ten thousand three hundred six dollars (\$910,306) to be transferred to the department of health care policy and financing for the breast and cervical cancer treatment program pursuant to section 24-22-117 (2) (d) (II) (D), Colorado Revised Statutes;

(f) Five million five hundred seventy thousand four hundred dollars (\$5,570,400) for the health disparities grant program pursuant to part 22 of article 4 of title 25, Colorado Revised Statutes;

(g) Two million dollars (\$2,000,000) to be transferred to the department of health care policy and financing for medicaid chronic disease management programs pursuant to section 24-22-117 (2) (d) (IV) Colorado Revised Statutes; and

(h) Twenty-three million one hundred sixty-nine thousand four hundred fifty-six dollars (\$23,169,456) to fund competitive grants to provide a cohesive approach to cancer, cardiovascular disease, and chronic pulmonary disease prevention, early detection, and treatment in Colorado pursuant to part 3 of article 20.5 of title 25, Colorado Revised Statutes.

**SECTION 32. Appropriation - adjustment in 2004 long bill.**

(1) For the implementation of this act, appropriations made in the annual general appropriation act to the department of health care policy and financing, executive director's office, for the fiscal year beginning July 1, 2004, shall be increased by forty-nine thousand eight hundred fifty-five dollars (\$49,855) and 0.3 FTE. Of said sum, twenty-three thousand three hundred eighty-one dollars (\$23,381) shall be from cash funds exempt from the health care expansion fund created in section 24-22-117 (2) (a) (I), Colorado Revised Statutes, and twenty-six thousand four hundred seventy-four dollars (\$26,474) shall be from federal funds.

**SECTION 33. Appropriation - adjustment in 2005 long bill.**

(1) For the implementation of this act, appropriations made in the annual general appropriation act to the department of health care policy and financing for the fiscal year beginning July 1, 2005, shall be adjusted as follows:

(a) The appropriation for the executive director's office is increased by one million three hundred fifty-five thousand five hundred thirty-eight dollars (\$1,355,538) and 6.3 FTE. Of said sum, four hundred forty-five thousand one hundred one dollars (\$445,101) shall be cash funds exempt from the health care expansion fund created in section 24-22-117 (2) (a) (I), Colorado Revised Statutes, twenty-nine thousand six hundred twelve dollars (\$29,612) shall be cash funds exempt transferred from the department of public health and environment pursuant to section 25-20.5-304 (4) (a), Colorado Revised Statutes, and eight hundred eighty thousand eight hundred twenty-five dollars (\$880,825) shall be from federal funds.

(b) The appropriation for the executive director's office is decreased by two hundred nineteen dollars (\$219). Said sum shall be from the general fund.

(c) The appropriation for the medical services premiums is increased by fifty-five million eight hundred seventy-one thousand seven hundred thirty-five dollars (\$55,871,735). Of said sum, twenty six million five hundred seventy-two thousand eight hundred fifty-five dollars (\$26,572,855) shall be cash funds exempt from the health care expansion fund created in section 24-22-117 (2) (a) (I), Colorado Revised Statutes, one million nine hundred seventy thousand three hundred eighty-eight dollars (\$1,970,388) shall be cash funds exempt transferred from the department of public health and environment pursuant to section 25-20.5-304 (4) (a), Colorado Revised Statutes, nine hundred five thousand eight hundred eighty-four dollars (\$905,884) shall be cash funds exempt transferred from the department of health care policy and financing pursuant to section 24-22-117 (2) (d) (II) (D), Colorado Revised Statutes, and twenty-six million four hundred twenty-two thousand six hundred eight dollars (\$26,422,608) shall be from federal funds.

(d) The appropriation for medical services premiums is decreased by three million eight hundred three thousand one hundred seventy-six dollars (\$3,803,176). Said sum shall be from the general fund.

(e) The appropriation for medicaid mental health community programs is increased by three million eight hundred seventy-one thousand forty-seven dollars (\$3,871,047). Of said sum, one million nine hundred twenty-nine thousand two hundred and eight dollars (\$1,929,208) shall be from cash funds exempt from the health care expansion fund created in

section 24-22-117 (2) (a) (I), Colorado Revised Statutes, four thousand four hundred twenty-two dollars (\$4,422) shall be cash funds exempt transferred from the department of health care policy and financing pursuant to section 24-22-117 (2) (d) (II) (D), Colorado Revised Statutes, and one million nine hundred thirty-seven thousand four hundred seventeen dollars (\$1,937,417) shall be from federal funds.

(f) The appropriation for the indigent care program, H.B. 97-1304 children's basic health plan trust, is increased by eighty-five thousand four hundred eighty-six dollars (\$85,486) from cash funds collected from annual premiums paid by participating families in the children's basic health plan.

(g) The appropriation for the indigent care program, H.B. 97-1304 children's basic health plan trust, is decreased by two million two hundred fifty-five thousand dollars (\$2,255,000). Said sum shall be from the general fund.

(h) The appropriation for the indigent care program, children's basic health plan administration costs, is increased by one million three hundred ninety-six thousand dollars (\$1,396,000). Of said sum, five hundred forty-five thousand four hundred five dollars (\$545,405) shall be cash funds exempt from the health care expansion fund created in section 24-22-117 (2) (a) (I), Colorado Revised Statutes, and eight hundred fifty thousand five hundred ninety-five dollars (\$850,595) shall be from federal funds.

(i) The appropriation for the indigent care program, children's basic health plan premiums costs is increased by eight million two hundred ninety-seven thousand ninety-eight dollars (\$8,297,098) cash funds exempt from the health care expansion fund created in section 24-22-117 (2) (a) (I), Colorado Revised Statutes.

(j) The appropriation for the indigent care program, children's basic health plan premiums costs is decreased by twelve million five hundred eighty-six thousand three hundred forty dollars (\$12,586,340). Of said sum, nine million seven hundred forty-two thousand seven hundred sixty-seven dollars (\$9,742,767) shall be cash funds exempt from the children's basic health plan trust created in section 26-19-105, Colorado Revised Statutes, and two million eight hundred forty-three thousand five hundred seventy-three dollars (\$2,843,573) shall be from federal funds.

(k) The appropriation for the indigent care program, children's basic

health plan dental costs, is increased by two hundred fifty-three thousand three hundred eighty-five dollars (\$253,385) cash funds exempt from the health care expansion fund created in section 24-22-117 (2) (a) (I), Colorado Revised Statutes.

(l) The appropriation for the indigent care program, children's basic health plan dental costs, is decreased by nine hundred fifty-four thousand three hundred fifty-three dollars (\$954,353). Of said sum four hundred ninety-eight thousand seven hundred twenty-four dollars (\$498,724) shall be cash funds exempt from the children's basic health plan trust created in section 26-19-105, Colorado Revised Statutes, and four hundred fifty-five thousand six hundred twenty-nine dollars (\$455,629) shall be from federal funds.

(m) The appropriation for other medical services, S.B. 97-101 public school health services, is increased by one million three hundred eighty-eight dollars (\$1,385,188). Of said sum, six hundred ninety-two thousand five hundred ninety-four dollars (\$692,594) shall be cash funds exempt from funds certified as representing expenditures incurred by school districts that are eligible for federal financial participation under medicaid, and six hundred ninety-two thousand five hundred ninety-four dollars (\$692,594) shall be from federal funds.

(n) The appropriation for the department of human services medicaid-funded programs, office of information technology services-medicaid funding, Colorado benefits management system is increased by three hundred four thousand five hundred eight dollars (\$304,508). Of said sum, one hundred fifty thousand eight hundred eighty-four dollars (\$150,884) shall be cash funds exempt from the health care expansion fund created in section 24-22-117 (2) (a) (I), Colorado Revised Statutes, and one hundred fifty-three thousand six hundred twenty-four dollars (\$153,624) shall be from federal funds.

(o) The appropriation to the department of human services medicaid-funded programs, services for people with disabilities-medicaid funding, community services adult program costs and CCMS replacement-medicaid funding, is increased by one hundred sixty-one thousand three hundred twenty dollars (\$161,320). Of said sum, fifty-three thousand eight hundred forty dollars (\$53,840) shall be from the general fund, twenty-six thousand eight hundred twenty dollars (\$26,820) shall be cash funds exempt from the health care expansion fund created in section

24-22-117 (2) (a) (I), Colorado Revised Statutes, and eighty thousand six hundred sixty dollars (\$80,660) shall be from federal funds.

(p) The appropriation to the department of human services medicaid-funded programs, services for people with disabilities-medicaid funding, services for children and families-medicaid funding, is increased by two million three hundred seventy thousand one hundred fourteen dollars (\$2,370,114). Of said sum, seven hundred ninety-two thousand eight hundred twenty-two dollars (\$792,822) shall be from the general fund, three hundred ninety-two thousand two hundred thirty-five dollars (\$392,235) shall be cash funds exempt from the health care expansion fund created in section 24-22-117 (2) (a) (I), Colorado Revised Statutes, and one million one hundred eighty-five thousand fifty-seven dollars (\$1,185,057) shall be from federal funds.

(2) For the implementation of this act, appropriations made in the annual general appropriation act to the department of human services for the fiscal year beginning July 1, 2005, shall be adjusted as follows:

(a) The cash funds exempt appropriation to the office of information technology services, Colorado benefits management system, is increased by three hundred four thousand five hundred eight dollars (\$304,508). Said sum shall be a transfer of medicaid funds appropriated in the department of health care policy and financing.

(b) The cash funds exempt appropriation for services for people with disabilities, developmental disability services, community services, adult program costs, is increased by one hundred sixty-nine thousand three hundred eighty-six dollars (\$169,386). Of said sum, one hundred sixty-one thousand three hundred twenty dollars (\$161,320) shall be cash fund exempt medicaid funds transferred from the department of health care policy and financing, and eight thousand sixty-six dollars (\$8,066) shall be cash funds exempt from local funds.

(c) The cash funds exempt appropriation for services for people with disabilities, developmental disability services, services for children and families, program funding, is increased by two million four hundred eighty-eight thousand six hundred nineteen dollars (\$2,488,619). Of said sum, two million three hundred seventy thousand one hundred fourteen dollars (\$2,370,114) shall be cash funds exempt medicaid funds transferred from the department of health care policy and financing, and one hundred

eighteen thousand five hundred five dollars (\$118,505) shall be cash funds exempt from local funds.

(3) For the implementation of this act, appropriations made in the annual general appropriation act to the department of revenue, for the fiscal year beginning July 1, 2005, shall be adjusted as follows:

(a) The cash funds exempt appropriation for the executive director's office is increased by forty-five thousand five hundred eighty-three dollars (\$45,583). Said sum shall be from the tobacco education programs fund created in section 24-22-117 (2) (c) (I), Colorado Revised Statutes.

(b) The cash funds exempt appropriation for the executive director's office is decreased by forty-five thousand five hundred eighty-three dollars (\$45,583). Said sum shall be from a grant provided to the department of revenue from the department of public health and environment from the prevention services division, tobacco education and prevention, tobacco cessation and prevention grants program.

(c) The cash funds exempt appropriation for the enforcement business group, tobacco enforcement program, personal services, is increased by two hundred sixty-seven thousand three hundred seventy-one dollars (\$267,371). Said sum shall be from the tobacco education programs fund created in section 24-22-117 (2) (c) (I), Colorado Revised Statutes.

(d) The cash funds exempt appropriation for the enforcement business group, tobacco enforcement program, personal services, is decreased by two hundred sixty-seven thousand three hundred seventy-one dollars (\$267,371). Said sum shall be from a grant provided to the department of revenue from the department of public health and environment from the prevention services division, tobacco education and prevention, tobacco cessation and prevention grants program.

(e) The cash funds exempt appropriation for the enforcement business group, tobacco enforcement program, operating expenses, is increased by twenty-two thousand three hundred eighty dollars (\$22,380). The said sum shall be from the tobacco education programs fund created in section 24-22-117 (2) (c) (I), Colorado Revised Statutes.

(f) The cash funds exempt appropriation for the enforcement business group, tobacco enforcement program, operating expenses, is

decreased by twenty-two thousand three hundred eighty dollars (\$22,380). Said sum shall be from a grant provided to the department of revenue from the department of public health and environment from the prevention services division, tobacco education and prevention, tobacco cessation and prevention grants program.

(4) For the implementation of this act, appropriations made in the annual general appropriation act to the department of education for the fiscal year beginning July 1, 2005, shall be adjusted as follows: The cash funds exempt appropriation for assistance to public schools, grants programs and other distributions, S.B. 97-101 public school health services, is increased by one million three hundred eighty-five thousand one hundred eighty-eight dollars (\$1,385,188). Said sum shall be from medicaid funds transferred from the department of health care policy and financing.

**SECTION 34. Appropriation - adjustment in 2005 long bill.**

(1) For the implementation of this act, appropriations made in the annual general appropriation act to the department of public health and environment, prevention services, tobacco education and prevention, for the fiscal year beginning July 1, 2005, shall be adjusted as follows:

(a) The cash funds exempt appropriation for personal services is increased by three hundred seventy-nine thousand eight hundred forty-nine dollars (\$379,849) and 7.0 FTE. Said sum shall be from the tobacco education programs fund created in section 24-22-117 (2) (c) (I), Colorado Revised Statutes.

(b) The cash funds exempt appropriation for operating expenses is increased by sixty-five thousand eight hundred sixty-eight dollars (\$65,868). Said sum shall be from the tobacco education programs fund created in section 24-22-117 (2) (c) (I), Colorado Revised Statutes.

(c) The cash funds exempt appropriation for tobacco cessation and prevention grants is increased by thirty million five hundred sixty-three thousand five hundred fifty-six dollars (\$30,563,556). Said sum shall be from the tobacco education programs fund created in section 24-22-117 (2) (c) (I), Colorado Revised Statutes.

**SECTION 35. Appropriation - adjustment in 2005 long bill.**

(1) For the implementation of this act, appropriations made in the annual general appropriation act to the department of public health and

environment, prevention services, tobacco education and prevention, for the fiscal year beginning July 1, 2005, shall be adjusted as follows:

(a) The cash funds exempt appropriation for personal services is increased by three hundred seventy-nine thousand eight hundred forty-nine dollars (\$379,849) and 7.0 FTE. Said sum shall be from the tobacco education programs fund created in section 24-22-117 (2) (c) (I), Colorado Revised Statutes.

(b) The cash funds exempt appropriation for operating expenses is increased by sixty-five thousand eight hundred sixty-eight dollars (\$65,868). Said sum shall be from the tobacco education programs fund created in section 24-22-117 (2) (c) (I), Colorado Revised Statutes.

(c) The cash funds exempt appropriation for tobacco cessation and prevention grants is increased by thirty-six million three hundred fifty-four thousand nine hundred forty-nine dollars (\$36,354,949). Said sum shall be from the tobacco education programs fund created in section 24-22-117 (2) (c) (I), Colorado Revised Statutes.

**SECTION 36. Effective date - applicability.** (1) Except as otherwise provided in subsections (3) and (4) of this section, this act shall take effect upon passage.

(2) Sections 3 through 15 of this act shall apply to taxes levied and collected pursuant to section 21 of article X of the state constitution on and after January 1, 2005.

(3) Section 34 of this act shall take effect only if House Bill 05-1261 is enacted during the First Regular Session of the Sixty-fifth General Assembly and becomes law.

(4) Section 35 of this act shall take effect only if House Bill 05-1261 is not enacted during the First Regular Session of the Sixty-fifth General Assembly and does not become law.

**SECTION 37. Safety clause.** The general assembly hereby finds,

determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

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Andrew Romanoff  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

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Joan Fitz-Gerald  
PRESIDENT OF  
THE SENATE

---

Marilyn Eddins  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

---

Karen Goldman  
SECRETARY OF  
THE SENATE

APPROVED \_\_\_\_\_

---

Bill Owens  
GOVERNOR OF THE STATE OF COLORADO