

SENATE COMMITTEE OF REFERENCE REPORT

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Chair of Committee

April 25, 2025  
Date

Committee on Appropriations.

After consideration on the merits, the Committee recommends the following:

SB25-072 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

1 Amend printed bill, page 6, line 25, strike "**fund.**" and substitute "**fund**  
2 **- loan - gifts, grants, and donations - repeal.**"

3 Page 7, line 7, after "(3)," insert "ANY AMOUNTS THE DEPARTMENT  
4 RECEIVES AND TRANSMITS FOR DEPOSIT IN THE FUND PURSUANT TO  
5 SUBSECTION (4) OF THIS SECTION,".

6 Page 7, line 8, strike "FUND." and substitute "FUND, INCLUDING THE  
7 AMOUNT TRANSFERRED TO THE FUND PURSUANT TO SUBSECTION (3) OF  
8 THIS SECTION.".

9 Page 7, after line 14 insert:

10 "(3) (a) (I) ON JULY 1, 2025, OR AS SOON AS POSSIBLE  
11 THEREAFTER, THE STATE TREASURER SHALL TRANSFER THREE HUNDRED  
12 SIX THOUSAND THREE HUNDRED FORTY-FOUR DOLLARS FROM THE  
13 TOBACCO LITIGATION SETTLEMENT CASH FUND CREATED IN SECTION  
14 24-22-115 TO THE KRATOM CONSUMER PROTECTION CASH FUND FOR THE  
15 PURPOSE OF DEFRAYING EXPENSES INCURRED BY THE DEPARTMENT  
16 BEFORE IT RECEIVES ANNUAL FEES PURSUANT TO SUBSECTION (1) OF THIS  
17 SECTION OR ANY CIVIL PENALTIES PURSUANT TO SECTION 44-15-104 (3).

18 (II) NOTWITHSTANDING ANY OTHER LAW, STATE FISCAL RULE, OR  
19 GENERALLY ACCEPTED ACCOUNTING PRINCIPLE THAT COULD OTHERWISE  
20 BE INTERPRETED TO REQUIRE A CONTRARY CONCLUSION:

21 (A) THE DEPARTMENT MAY ACCEPT AND EXPEND ANY MONEY  
22 TRANSFERRED PURSUANT TO THIS SUBSECTION (3);

23 (B) THE TRANSFER REQUIRED IN SUBSECTION (3)(a)(I) OF THIS  
24 SECTION IS A LOAN FROM THE STATE TREASURER TO THE DEPARTMENT

1 THAT IS REQUIRED TO BE REPAID; AND

2 (C) THE TRANSFER REQUIRED IN SUBSECTION (3)(a)(I) OF THIS  
3 SECTION IS NOT A GRANT FOR PURPOSES OF SECTION 20 (2)(d) OF ARTICLE  
4 X OF THE STATE CONSTITUTION OR AS DEFINED IN SECTION 24-77-102 (7).

5 (b) (I) AS THE DEPARTMENT RECEIVES SUFFICIENT REVENUE IN  
6 EXCESS OF EXPENSES, THE DEPARTMENT SHALL REPAY THE STATE  
7 TREASURER FOR THE PRINCIPAL AMOUNT OF THE LOAN PLUS  
8 ACCUMULATED INTEREST AS DETERMINED PURSUANT TO SUBSECTION  
9 (3)(b)(II) OF THIS SECTION AND SHALL FULLY REPAY THE PRINCIPAL AND  
10 INTEREST ON THE LOAN NO LATER THAN JUNE 30, 2027.

11 (II) INTEREST ACCRUES ON THE MONEY BORROWED FROM THE  
12 TOBACCO LITIGATION SETTLEMENT CASH FUND AT A RATE EQUIVALENT TO  
13 THE RATE PER ANNUM ON THE MOST RECENTLY ISSUED TEN-YEAR UNITED  
14 STATES TREASURY NOTE, ROUNDED TO THE NEAREST ONE-TENTH OF ONE  
15 PERCENT, AS REPORTED BY THE "WALL STREET JOURNAL", AS OF THE  
16 DATE THE TRANSFER REQUIRED BY SUBSECTION (3)(a)(I) OF THIS SECTION  
17 IS MADE. INTEREST ACCRUES AT THE RATE SPECIFIED IN THIS SUBSECTION  
18 (3)(b)(II) BEGINNING ON THE DATE OF THE TRANSFER UNTIL THE DATE ON  
19 WHICH THE TOTAL AMOUNT BORROWED, INCLUDING ACCRUED INTEREST,  
20 IS REPAID.

21 (c) THIS SUBSECTION (3) IS REPEALED, EFFECTIVE JULY 1, 2028.

22 (4) THE DEPARTMENT MAY SEEK, ACCEPT, AND EXPEND GIFTS,  
23 GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR THE  
24 PURPOSES OF THIS ARTICLE 15. THE DEPARTMENT SHALL TRANSMIT ALL  
25 MONEY RECEIVED THROUGH GIFTS, GRANTS, OR DONATIONS TO THE STATE  
26 TREASURER, WHO SHALL CREDIT THE MONEY TO THE FUND."

27

28 Page 10, after line 22 insert:

29 "SECTION 5. In Colorado Revised Statutes, 24-22-115, add (6)  
30 as follows:

31 **24-22-115. Tobacco litigation settlement cash fund -**  
32 **health-care supplemental appropriations and overexpenditures**  
33 **account - creation - repeal.** (6) (a) ON JULY 1, 2025, OR AS SOON AS  
34 POSSIBLE THEREAFTER, THE STATE TREASURER SHALL TRANSFER THREE  
35 HUNDRED SIX THOUSAND THREE HUNDRED FORTY-FOUR DOLLARS FROM  
36 THE TOBACCO LITIGATION SETTLEMENT CASH FUND CREATED IN THIS  
37 SECTION TO THE KRATOM CONSUMER PROTECTION CASH FUND CREATED IN  
38 SECTION 44-15-103 (2). THE AMOUNT TRANSFERRED PURSUANT TO THIS  
39 SUBSECTION (6) IS A LOAN FROM THE STATE TREASURER TO THE  
40 DEPARTMENT OF REVENUE THAT IS REQUIRED TO BE REPAID IN  
41 ACCORDANCE WITH SECTION 44-15-103 (3)(b).

42 (b) THIS SUBSECTION (6) IS REPEALED, EFFECTIVE JULY 1, 2028.

1           **SECTION 6.** In Colorado Revised Statutes, 24-75-1104.5,  
2 **amend** (1.7) introductory portion; and **add** (10) as follows:

3           **24-75-1104.5. Use of settlement money - programs - repeal.**  
4 (1.7) Except as otherwise provided in subsections (1.3), (1.8), ~~and~~ (5),  
5 AND (10) of this section, and except that disputed payments received by  
6 the state in the 2015-16 fiscal year or in any year thereafter are excluded  
7 from the calculation of allocations pursuant to this subsection (1.7), for  
8 the 2016-17 fiscal year and for each fiscal year thereafter, the following  
9 programs, services, and funds receive the following specified percentages  
10 of the total amount of settlement money received by the state in the  
11 preceding fiscal year:

12           (10) (a) FOR THE 2025-26 FISCAL YEAR, THE TOTAL AMOUNT OF  
13 SETTLEMENT MONEY RECEIVED BY THE STATE IN THE PRECEDING FISCAL  
14 YEAR SHALL BE REDUCED BY THREE HUNDRED SIX THOUSAND THREE  
15 HUNDRED FORTY-FOUR DOLLARS BEFORE THE CALCULATION OF  
16 ALLOCATIONS UNDER SUBSECTION (1.7) OF THIS SECTION, WHICH AMOUNT  
17 SHALL BE TRANSFERRED IN ACCORDANCE WITH SECTION 24-22-115 (6).

18           (b) THIS SUBSECTION (10) IS REPEALED, EFFECTIVE JULY 1, 2026."

19           Renumber succeeding sections accordingly.

20           Page 10, before line 23 insert:

21           **"SECTION 5. Appropriation.** (1) For the 2025-26 state fiscal  
22 year, \$280,606 is appropriated to the department of revenue. This  
23 appropriation is from the kratom consumer protection cash fund created  
24 in section 44-15-103 (2)(a), C.R.S. To implement this act, the department  
25 may use this appropriation as follows:

26           (a) \$103,108 for use by the kratom division for personal services,  
27 which amount is based on an assumption that the division will require an  
28 additional 1.3 FTE;

29           (b) \$33,059 for use by the kratom division for operating expenses;  
30 and

31           (c) \$144,439 for the purchase of legal services.

32           (2) For the 2025-26 state fiscal year, \$144,439 is appropriated to  
33 the department of law. This appropriation is from reappropriated funds  
34 received from the department of revenue under subsection (1)(c) of this  
35 section and is based on an assumption that the department of law will  
36 require an additional 0.6 FTE. To implement this act, the department of  
37 law may use this appropriation to provide legal services for the  
38 department of revenue."

39           Renumber succeeding sections accordingly.

1  
2 Page 1, line 101, strike "KRATOM." and substitute "KRATOM, AND, IN  
3 CONNECTION THEREWITH, MAKING AN APPROPRIATION."

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