

SUPPORT HB21-1132

Distributions from the Limited Gaming Impact Fund

Clarifies that money from Colorado's Local Government Limited Gaming Impact Fund is distributed based on the *negative* community impacts of gambling, and establishes *greater fairness* by prioritizing grants based on financial need.

THE PROBLEM

Greater clarity is needed in the rules governing the distribution of the Colorado Local Government Limited Gaming Impact Fund. The legislative intent of the Fund was to set aside money for communities negatively impacted by the presence of the gaming industry, to allocate funds based on the severity of those impacts, and to distribute funds based on the financial needs of the impacted communities. For more than 20 years the state has operated the Limited Gaming Impact Fund through the Department of Local Affairs, awarding money to communities impacted by gambling. Without specific rules for distribution based on the Fund's legislative intent, Fund monies have been divvied up according to a wide variety of impacts. This has diluted the effectiveness of the Fund.

THE SOLUTION

HB 21-1132 will better address urgent and imminent economic impacts of gambling in places where the money is needed most by clarifying that authorized distributions from the Local Government Limited Gaming Impact Fund:

- Specify that "documented gaming impacts" are for negative impacts.
- Require that grant awards be prioritized for eligible local governmental entities that have lower property values compared to all eligible local governmental entities.
- Define "property values" as the sum of the actual value of all property, including the actual value of all tax-exempt property, as of December 31 of the prior year.
- Require documented negative gaming impacts to be explicitly identifiable.
- Allow grants from the gambling addiction account to be used to provide gambling addiction treatment training to staff at nonprofit community mental health centers or clinics (in addition to the current authorized use for gambling addiction counseling services to Colorado residents).

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