

Second Regular Session  
Seventy-second General Assembly  
STATE OF COLORADO

DRAFT  
5.5.20

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LLS NO. 20-1208.01 Duane Gall x4335

COMMITTEE BILL

Joint Budget Committee

**BILL TOPIC:** "Temp Mod Of Ltd Gaming Tax Revenue Allocation"

**A BILL FOR AN ACT**

101 **CONCERNING THE TEMPORARY REALLOCATION OF LIMITED GAMING**  
102 **TAX REVENUES TO ADDRESS RECOVERY FOLLOWING THE 2020**  
103 **BUDGET CRISIS.**

**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)*

**Joint Budget Committee.** The bill temporarily modifies the manner in which limited gaming tax revenues are allocated between the limited gaming fund and the extended limited gaming fund (*i.e.*, the portion of limited gaming tax revenues derived from increased hours of operation, enlarged wagering limit, and the addition of craps and roulette)

*Capital letters or bold & italic numbers indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.*

in order to more equitably address recovery in the years immediately following the global pandemic and economic recession of 2020. The modification ends in the fiscal year following the fiscal year in which total limited gaming tax revenues again equal or exceed the total limited gaming tax revenues collected in state fiscal year 2018-19.

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

2           **SECTION 1.** In Colorado Revised Statutes, 44-30-702, **amend**  
3 (3)(b) introductory portion and (4)(d) introductory portion; and **add** (7)  
4 as follows:

5           **44-30-702. Revenues attributable to local revisions to gaming**  
6 **limits - extended limited gaming fund - identification - separate**  
7 **administration - distribution - definitions - legislative declaration.**

8 (3) From the fund, the state treasurer shall pay:

9           (b) Second, EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (7)  
10 OF THIS SECTION, annual adjustments, in connection with distributions to  
11 limited gaming fund recipients listed in section 9 (5)(b)(II) of article  
12 XVIII of the state constitution, to reflect the lesser of six percent, or the  
13 actual percentage, of annual growth in extended limited gaming tax  
14 revenues. As used in this subsection (3)(b), "annual adjustment" means  
15 an annual payment to limited gaming fund recipients listed in section 9  
16 (5)(b)(II) of article XVIII of the state constitution, calculated as follows:

17           (4) **Definitions.** As used in this section:

18           (d) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (7) OF THIS  
19 SECTION, "limited gaming tax revenues attributable to extended limited  
20 gaming" means all limited gaming tax revenue in excess of the amount  
21 collected during fiscal year 2008-09, adjusted as follows:

22           (7) **Reduction in revenues due to force majeure - operation of**  
23 **hold-harmless provisions - continuity of funding - recovery.**

1 (a) **Legislative declaration.** THE GENERAL ASSEMBLY FINDS,  
2 DETERMINES, AND DECLARES THAT:

3 (I) SECTION 9 (7) OF ARTICLE XVIII OF THE STATE CONSTITUTION,  
4 INITIATED AND ENACTED BY THE PEOPLE OF COLORADO IN 2008 AND  
5 COMMONLY REFERRED TO AS "AMENDMENT 50", AUTHORIZED THE  
6 EXTENSION OF LIMITED GAMING ACTIVITY FOR THE PURPOSE OF HELPING  
7 FUND COLORADO'S COMMUNITY COLLEGES, JUNIOR COLLEGES, AND LOCAL  
8 DISTRICT COLLEGES THROUGH AN INCREASE IN GAMING TAX REVENUES;

9 (II) AMENDMENT 50 EXPLICITLY AUTHORIZED THE GENERAL  
10 ASSEMBLY TO "ENACT, AS NECESSARY, LEGISLATION THAT WILL  
11 FACILITATE THE OPERATION OF THIS [INITIATIVE]"; AND

12 (III) PURSUANT TO THAT AUTHORITY, IT IS REASONABLE FOR THE  
13 GENERAL ASSEMBLY TO ADDRESS THE EFFECTS OF THE GLOBAL PANDEMIC  
14 AND ECONOMIC RECESSION OF 2020 IN A WAY THAT:

15 (A) AVOIDS LONG-TERM ECONOMIC DAMAGE TO ANY OF THE  
16 BENEFICIARIES OF LIMITED GAMING TAX REVENUES; AND

17 (B) EQUITABLY ALLOCATES THE LIMITED GAMING TAX REVENUES  
18 IN FISCAL YEARS IMMEDIATELY FOLLOWING THIS SEVERE FUNDING  
19 DECLINE AMONG ALL RECIPIENTS.

20 (b) <{Option 1}>(I) NOTWITHSTANDING ANY PROVISION OF  
21 SUBSECTION (3)(b) OR (4)(d) OF THIS SECTION TO THE CONTRARY, FOR  
22 GAMING TAX REVENUES COLLECTED IN STATE FISCAL YEAR 2019-20 AND  
23 ANY SUBSEQUENT FISCAL YEAR IN WHICH GAMING TAX REVENUE  
24 COLLECTIONS REMAIN BELOW THE AMOUNT OF GAMING TAX REVENUES  
25 COLLECTED IN STATE FISCAL YEAR 2018-19, THE DISTRIBUTIONS TO  
26 LIMITED GAMING FUND RECIPIENTS LISTED IN SECTION 9 (5)(b)(II) OF  
27 ARTICLE XVIII OF THE STATE CONSTITUTION AND THE DISTRIBUTIONS TO

1 RECIPIENTS OF LIMITED GAMING TAX REVENUES ATTRIBUTABLE TO  
2 EXTENDED LIMITED GAMING UNDER SECTION 9 (7) OF ARTICLE XVIII OF  
3 THE STATE CONSTITUTION SHALL BE MADE, TO THE EXTENT PRACTICABLE  
4 AND IN ACCORDANCE WITH CONSTITUTIONAL REQUIREMENTS, IN THE SAME  
5 PROPORTIONS AS THEY WERE MADE IN STATE FISCAL YEAR 2018-19. THE  
6 COMMISSION MAY MAKE ANY ADJUSTMENTS NECESSARY TO ENSURE THAT  
7 THE FINAL DISTRIBUTIONS TO ALL RECIPIENTS COMPLY WITH  
8 CONSTITUTIONAL REQUIREMENTS WHILE ACHIEVING THE INTENT OF THIS  
9 SUBSECTION (7). SO LONG AS THIS SUBSECTION (7) REMAINS IN EFFECT,  
10 THE ANNUAL ADJUSTMENTS REQUIRED UNDER SUBSECTIONS (3)(b) AND  
11 (4)(d) OF THIS SECTION SHALL BE SUSPENDED AND ARE SUPERSEDED BY  
12 THE SPECIFIC ALLOCATIONS MADE PURSUANT TO THIS SUBSECTION (7).

13 (II) AS USED IN THIS SUBSECTION (7)(b), "LIMITED GAMING TAX  
14 REVENUES ATTRIBUTABLE TO EXTENDED LIMITED GAMING" MEANS THAT  
15 PORTION OF TOTAL LIMITED GAMING TAX REVENUES ALLOCATED  
16 PURSUANT TO SUBSECTION (7)(b)(I) OF THIS SECTION TO RECIPIENTS OF  
17 REVENUES DERIVED FROM EXTENDED LIMITED GAMING UNDER SECTION 9  
18 (7) OF ARTICLE XVIII OF THE STATE CONSTITUTION.

19 (b) <{Option 2}>(I) NOTWITHSTANDING ANY PROVISION OF  
20 SUBSECTION (3)(b) OR (4)(d) OF THIS SECTION TO THE CONTRARY,  
21 BEGINNING IN STATE FISCAL YEAR 2020-21 AND CONTINUING THROUGH  
22 EACH SUBSEQUENT FISCAL YEAR UNTIL THE FISCAL YEAR IMMEDIATELY  
23 FOLLOWING THE FISCAL YEAR IN WHICH TOTAL LIMITED GAMING TAX  
24 REVENUE COLLECTIONS HAVE AGAIN EQUALED OR EXCEEDED THE AMOUNT  
25 OF TOTAL LIMITED GAMING TAX REVENUES COLLECTED IN STATE FISCAL  
26 YEAR 2018-19, ANY ANNUAL GROWTH OR DECLINE IN TOTAL NET GAMING  
27 TAX DISTRIBUTIONS SHALL BE ALLOCATED BETWEEN THE LIMITED GAMING

1 FUNDRECIPIENTS LISTED IN SECTION 9 (5)(b)(II) OF ARTICLE XVIII OF THE  
2 STATE CONSTITUTION AND THE RECIPIENTS OF LIMITED GAMING TAX  
3 REVENUES ATTRIBUTABLE TO EXTENDED LIMITED GAMING UNDER SECTION  
4 9 (7) OF ARTICLE XVIII OF THE STATE CONSTITUTION BASED ON THE  
5 RELATIVE PERCENTAGES IN WHICH EACH GROUP OF RECIPIENTS SHARED IN  
6 THE DECREASE IN TOTAL NET GAMING TAX DISTRIBUTIONS FROM STATE  
7 FISCAL YEAR 2018-19 TO STATE FISCAL YEAR 2019-20. THE COMMISSION  
8 MAY MAKE ANY ADJUSTMENTS NECESSARY TO ENSURE THAT THE FINAL  
9 DISTRIBUTIONS TO ALL RECIPIENTS COMPLY WITH CONSTITUTIONAL  
10 REQUIREMENTS WHILE ACHIEVING THE INTENT OF THIS SUBSECTION (7). SO  
11 LONG AS THIS SUBSECTION (7) REMAINS IN EFFECT, THE ANNUAL  
12 ADJUSTMENTS REQUIRED UNDER SUBSECTIONS (3)(b) AND (4)(d) OF THIS  
13 SECTION SHALL BE SUSPENDED AND ARE SUPERSEDED BY THE SPECIFIC  
14 ALLOCATIONS MADE PURSUANT TO THIS SUBSECTION (7).

15 (II) AS USED IN THIS SUBSECTION (7)(b), "LIMITED GAMING TAX  
16 REVENUES ATTRIBUTABLE TO EXTENDED LIMITED GAMING" MEANS THAT  
17 PORTION OF TOTAL LIMITED GAMING TAX REVENUES ALLOCATED  
18 PURSUANT TO SUBSECTION (7)(b)(I) OF THIS SECTION TO RECIPIENTS OF  
19 REVENUES DERIVED FROM EXTENDED LIMITED GAMING UNDER SECTION 9  
20 (7) OF ARTICLE XVIII OF THE STATE CONSTITUTION.

21 **SECTION 2. Safety clause.** The general assembly hereby finds,  
22 determines, and declares that this act is necessary for the immediate  
23 preservation of the public peace, health, or safety.