

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

Attachment B

DRAFT

LLS NO. 20-0522.01 Duane Gall x4335

SUNSET BILL

Sunset Process - House Business Affairs and Labor Committee

BILL TOPIC: "Sunset Regulation Of Fantasy Sports"
DEADLINES: Finalize by: JAN 27, 2020 File by: JAN 29, 2020

A BILL FOR AN ACT

101 **CONCERNING THE CONTINUATION OF THE REGULATION OF FANTASY**
102 **CONTEST OPERATORS, AND, IN CONNECTION THEREWITH,**
103 **IMPLEMENTING THE RECOMMENDATIONS CONTAINED IN THE**
104 **2019 SUNSET REPORT BY THE DEPARTMENT OF REGULATORY**
105 **AGENCIES.**

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/>.)

Sunset Process - House Business Affairs and Labor Committee. The bill implements the recommendations of the department

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

of regulatory agencies' sunset review and report of the "Fantasy Contests Act" by:

- Extending the repeal date of the regulatory provisions until September 1, 2027 (*recommendation 1, sections 1 and 2 of the bill*);
- Transferring regulatory authority over fantasy contest operators from the director of the division of professions and occupations in the department of regulatory agencies to the director of the division of gaming in the department of revenue (*recommendation 2, sections 2 through 12*); and
- Requiring small fantasy contest operators (i.e., those with 7,500 or fewer active customer accounts in Colorado) to undergo annual audits by an independent third party and submit the results to the department of revenue, as larger operators are currently required to do (*recommendation 3, section 2*).

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

2 *Recommendation 1*

3 **SECTION 1.** In Colorado Revised Statutes, 24-34-104, repeal
4 (19)(a)(X); and add (28)(a)(III) as follows:

5 **24-34-104. General assembly review of regulatory agencies**
6 **and functions for repeal, continuation, or reestablishment - legislative**
7 **declaration - repeal.** (19) (a) The following agencies, functions, or both,
8 are scheduled for repeal on September 1, 2020:

9 ~~(X) The regulation of fantasy contest operators by the director of~~
10 ~~the division of professions and occupations in the department pursuant to~~
11 ~~sections 12-125-104 to 12-125-108, 12-125-110, and 12-125-111;~~

12 (28) (a) The following agencies, functions, or both, are scheduled
13 for repeal on September 1, 2027:

14 (III) THE REGULATION OF FANTASY CONTEST OPERATORS BY THE
15 DIRECTOR OF THE DIVISION OF GAMING IN THE DEPARTMENT OF REVENUE
16 PURSUANT TO PART 16 OF ARTICLE 30 OF TITLE 44.

1 ***Recommendation 2***

2 **SECTION 2.** In Colorado Revised Statutes, **add with amended**
3 **and relocated provisions** part 16 to article 30 of title 44 as follows:

4 **PART 16**

5 **FANTASY CONTESTS**

6 **44-30-1601. [Formerly 12-125-101] Short title.** The short title of
7 this ~~article 125~~ PART 16 is the "Fantasy Contests Act".

8 **44-30-1602. [Formerly 12-125-103] Definitions.** As used in this
9 ~~article 125~~ PART 16, unless the context otherwise requires:

10 (1) "Confidential information" means information related to the
11 play of a fantasy contest by fantasy contest players obtained as a result of
12 or by virtue of a person's employment.

13 (2) "DIRECTOR" MEANS THE DIRECTOR OF THE DIVISION OF GAMING
14 OR THE DIRECTOR'S DESIGNEE.

15 ~~(2)~~ (3) "Entry fee" means cash or cash equivalents that are
16 required to be paid by a fantasy contest player to a fantasy contest
17 operator in order to participate in a fantasy contest.

18 ~~(3)~~ (4) "Fantasy contest" means a fantasy or simulated game or
19 contest in which:

20 (a) The value of all prizes and awards offered to winning
21 participants is established and made known to the participants in advance
22 of the contest;

23 (b) All winning outcomes reflect the relative knowledge and skill
24 of the participants and are determined predominantly by accumulated
25 statistical results of the performance of athletes in fully completed
26 sporting events; except that a sporting event that has been called or
27 suspended due to weather or any other natural or unforeseen event is

1 considered fully completed; and

2 (c) Winning outcomes are not based on randomized or historical
3 events or on the score, point spread, or any performance of any single
4 actual sports team or combination of the teams or solely on any single
5 performance of an individual athlete in any single actual sporting event.

6 ~~(4)~~ (5) "Fantasy contest operator" means a person or entity that
7 offers fantasy contests with an entry fee for a cash prize to members of
8 the public.

9 ~~(5)~~ (6) "Fantasy contest player" means a person who participates
10 in a fantasy contest with an entry fee offered by a fantasy contest
11 operator.

12 ~~(6)~~ (7) "Small fantasy contest operator" means a fantasy contest
13 operator that has no more than seven thousand five hundred fantasy
14 contest players in Colorado with active accounts who participate in
15 fantasy contests with an entry fee.

16 **44-30-1603. [Formerly 12-125-104] Rules - procedures -**
17 **continuity of provisions and enforcement actions - repeal.** (1) (a) The
18 director OF THE DIVISION OF GAMING shall promulgate reasonable rules for
19 the ADMINISTRATION AND ENFORCEMENT OF THIS PART 16, INCLUDING
20 RULES GOVERNING THE identification, licensing, and fingerprinting of
21 applicants for licensure.

22 (b) (I) ANY RULES OF THE DIRECTOR OF THE DIVISION OF
23 PROFESSIONS AND OCCUPATIONS IN THE DEPARTMENT OF REGULATORY
24 AGENCIES IN EFFECT ON SEPTEMBER 1, 2020, UNDER ARTICLE 125 OF TITLE
25 12 CONTINUE IN EFFECT THEREAFTER AS THOUGH THEY HAD BEEN
26 PROMULGATED BY THE DIRECTOR OF THE DIVISION OF GAMING UNDER THIS
27 PART 16. REFERENCES IN ANY SUCH RULE TO THE DIRECTOR OF THE

1 DIVISION OF PROFESSIONS AND OCCUPATIONS ARE DEEMED TO REFER TO
2 THE DIRECTOR OF THE DIVISION OF GAMING.

3 (II) THIS SUBSECTION (1)(b) WILL BE REPEALED IF THE DIRECTOR
4 OF THE DIVISION OF GAMING PROMULGATES RULES PURSUANT TO
5 SUBSECTION (1)(a) OF THIS SECTION AND THE RULES TAKE EFFECT. THE
6 DIRECTOR OF THE DIVISION OF GAMING SHALL NOTIFY THE REVISOR OF
7 STATUTES IN WRITING OF THE DATE ON WHICH THE CONDITION SPECIFIED
8 IN THIS SUBSECTION (1)(b)(II) HAS OCCURRED BY E-MAILING THE NOTICE
9 TO REVISOROFSTATUTES.GA@STATE.CO.US. THIS SUBSECTION (1)(b) IS
10 REPEALED, EFFECTIVE UPON THE DATE IDENTIFIED IN THE NOTICE THAT
11 THE RULES TAKE EFFECT OR, IF THE NOTICE DOES NOT SPECIFY THAT DATE,
12 UPON THE DATE OF THE NOTICE TO THE REVISOR OF STATUTES.

13 (2) (a) ~~For purposes of Any hearing, investigation, accusation, or~~
14 ~~other matter coming before the director pursuant to this article 125,~~
15 ~~section 12-20-403 (2) and (3) apply~~ INITIATED BY OR PENDING BEFORE
16 THE DIRECTOR OF THE DIVISION OF PROFESSIONS AND OCCUPATIONS AS OF
17 SEPTEMBER 1, 2020, UNDER ARTICLE 125 OF TITLE 12 CONTINUES
18 THEREAFTER AS THOUGH INITIATED BY OR PENDING BEFORE THE DIRECTOR
19 OF THE DIVISION OF GAMING UNDER THIS PART 16. IN ANY SUCH MATTER,
20 REFERENCES IN PLEADINGS OR OTHER DOCUMENTS TO THE DIRECTOR OF
21 THE DIVISION OF PROFESSIONS AND OCCUPATIONS ARE DEEMED TO REFER
22 TO THE DIRECTOR OF THE DIVISION OF GAMING.

23 (b) THIS SUBSECTION (2) WILL BE REPEALED IF THE DIRECTOR OF
24 THE DIVISION OF GAMING RESOLVES ALL MATTERS SPECIFIED IN
25 SUBSECTION (2)(a) OF THIS SECTION AND ALL APPLICABLE JUDICIAL
26 REVIEW OF THE MATTERS HAVE BEEN FINALIZED. THE DIRECTOR OF THE
27 DIVISION OF GAMING SHALL NOTIFY THE REVISOR OF STATUTES IN WRITING

1 OF THE DATE ON WHICH THE CONDITION SPECIFIED IN THIS SUBSECTION
2 (2)(b) HAS OCCURRED BY E-MAILING THE NOTICE TO
3 REVISOROFSTATUTES.GA@STATE.CO.US. THIS SUBSECTION (2) IS
4 REPEALED, EFFECTIVE UPON THE DATE IDENTIFIED IN THE NOTICE THAT
5 THE CONDITION HAS OCCURRED OR, IF THE NOTICE DOES NOT SPECIFY THAT
6 DATE, UPON THE DATE OF THE NOTICE TO THE REVISOR OF STATUTES.

7 **44-30-1604. [Formerly 12-125-105] Registration.** (1) On and
8 after ~~July 1, 2017~~ SEPTEMBER 1, 2020, an entity shall not operate as a
9 small fantasy contest operator unless the entity is registered with the
10 director. On and after ~~July 1, 2017~~ SEPTEMBER 1, 2020, an individual who
11 is not operating through an entity shall not operate as a small fantasy
12 contest operator unless the individual is registered with the director.

13 (2) A small fantasy contest operator is subject to all of the
14 provisions of this ~~article 125~~ PART 16; except that:

15 ***Recommendation 3***

16 (a) A small fantasy contest operator need only be registered, not
17 licensed, in order to offer fantasy contests for a fee, ~~a small fantasy~~
18 ~~contest operator is not subject to the requirements of section 12-125-107~~
19 ~~(2) regarding an annual audit;~~ and a small fantasy operator is subject to
20 section ~~12-125-106 (3)~~ 44-30-1605 (3); and

21 (b) The director shall:

22 (I) Establish a registration process for small fantasy contest
23 operators; and

24 (II) Not initiate an investigation of a potential violation of this
25 ~~article 125~~ PART 16 by a small fantasy contest operator except upon the
26 filing of a complaint with the director that the director reasonably
27 believes warrants investigation.

1 44-30-1605. [Formerly 12-125-106] Licensing. (1) (a) On and
2 after ~~July 1, 2017~~ SEPTEMBER 1, 2020, an entity shall not operate as a
3 fantasy contest operator unless the entity is licensed by the director. On
4 and after ~~July 1, 2017~~ SEPTEMBER 1, 2020, an individual who is not
5 operating through an entity shall not operate as a fantasy contest operator
6 unless the individual is licensed as a fantasy contest operator by the
7 director.

8 (b) An applicant for licensure must pay license, renewal, and
9 reinstatement fees established by the director consistent with section
10 ~~12-20-105~~ 44-30-203 and other authorities. ~~A license issued pursuant to~~
11 ~~this article 125 is subject to the renewal, expiration, reinstatement, and~~
12 ~~delinquency fee provisions specified in section 12-20-202 (1) and (2). A~~
13 ~~person that continues to practice once a license has expired is subject to~~
14 ~~the penalties provided in this article 125 and section 12-20-202 (1) THE~~
15 DIRECTOR SHALL TRANSMIT ALL FEES COLLECTED TO THE STATE
16 TREASURER, WHO SHALL CREDIT THEM TO THE SPORTS BETTING FUND
17 CREATED IN SECTION 44-30-1509.

18 (2) Applications for licensure as a fantasy contest operator must:

19 (a) Be verified by the oath or affirmation of the person or persons
20 as the director may prescribe;

21 (b) Be made to the director on forms prepared and furnished by
22 the director; and

23 (c) Set forth such information as the director may require to
24 enable the director to determine whether an applicant meets the
25 requirements for licensure under this ~~article 125~~ PART 16. The
26 information must include:

27 (I) The name and address of the applicant;

1 (II) If a partnership, the names and addresses of all of the partners,
2 and if a corporation, association, or other organization, the names and
3 addresses of the president, vice president, secretary, and managing
4 officer, together with all other information deemed necessary by the
5 director; and

6 (III) A designation of the responsible party who is the agent for
7 the licensee for all communications with the director.

8 (3) (a) An applicant may not be eligible for licensure or
9 registration as a fantasy contest operator or licensure renewal if the
10 applicant or any of its officers, directors, or general partners has been
11 convicted of or has entered a plea of nolo contendere or guilty to a felony.

12 (b) The director is governed by section 24-5-101 in considering
13 the conviction or plea of nolo contendere to a felony for any individual
14 subject to a criminal history record check pursuant to subsection (4) of
15 this section.

16 (4) With the submission of an application for a license granted
17 pursuant to this section, each applicant and its officers, directors, and
18 general partners shall submit a complete set of his or her fingerprints to
19 the Colorado bureau of investigation for the purpose of conducting
20 fingerprint-based criminal history record checks. The Colorado bureau of
21 investigation shall forward the fingerprints to the federal bureau of
22 investigation for the purpose of conducting fingerprint-based criminal
23 history record checks. A person who has previously submitted
24 fingerprints for state or local licensing purposes may request the use of
25 the fingerprints on file. The director shall require a name-based criminal
26 history record check, as defined in section 22-2-119.3 (6)(d), for a person
27 who has twice submitted to a fingerprint-based criminal history record

1 check and whose fingerprints are unclassifiable or when the results of a
2 fingerprint-based criminal history record check of a person performed
3 pursuant to this subsection (4) reveal a record of arrest without a
4 disposition. The director shall use the information resulting from the
5 fingerprint-based or name-based criminal history record check to
6 investigate and determine whether an applicant is qualified to hold a
7 license pursuant to this section. The director may verify the information
8 an applicant is required to submit. The applicant shall pay the costs
9 associated with the fingerprint-based criminal history record check to the
10 Colorado bureau of investigation. The applicant is responsible for the
11 costs associated with a name-based criminal history record check.

12 (5) A fantasy contest operator shall not conduct, operate, or offer
13 a fantasy contest that:

14 (a) Utilizes:

15 (I) Video or mechanical reels or symbols or any other depictions
16 of slot machines, poker, blackjack, craps, or roulette; or

17 (II) Any device that qualifies as or replicates games that constitute
18 limited gaming under section 9 of article XVIII of the Colorado
19 constitution; or

20 (b) Includes a university, college, high school, or youth sporting
21 event.

22 **44-30-1606. [Formerly 12-125-107] Consumer protections.**

23 (1) A fantasy contest operator, including a small fantasy contest operator,
24 shall implement commercially reasonable procedures for fantasy contests
25 with an entry fee, which procedures are designed to:

26 (a) Prevent employees of the fantasy contest operator, including
27 a small fantasy contest operator, and relatives living in the same

1 household as the employees, from competing in any fantasy contests
2 offered by any fantasy contest operator in which the operator offers a cash
3 prize;

4 (b) Prevent sharing of confidential information that could affect
5 the fantasy contest play with third parties until the information is made
6 publicly available;

7 (c) Verify that a fantasy contest player in such a fantasy contest is
8 eighteen years of age or older;

9 (d) Ensure that individuals who participate or officiate in a game
10 or contest that is the subject of such a fantasy contest will be restricted
11 from entering such a fantasy contest that is determined, in whole or in
12 part, on the accumulated statistical results of a team of individuals in the
13 game or contest in which they are a player or official;

14 (e) Allow individuals to restrict themselves from entering such a
15 fantasy contest upon request and provide reasonable steps to prevent the
16 person from entering the fantasy contests offered by the fantasy contest
17 operator, including a small fantasy contest operator;

18 (f) Disclose the number of entries that a fantasy contest player
19 may submit to each such fantasy contest, provide reasonable steps to
20 prevent players from submitting more than the allowable number, and, in
21 any contest involving at least one hundred one entries, not allow a player
22 to submit more than the lesser of three percent of all entries or one
23 hundred fifty entries;

24 (g) Segregate fantasy contest player funds from operational funds
25 and maintain a reserve in the form of cash, cash equivalents, an
26 irrevocable letter of credit, a bond, or a combination thereof, in the
27 amount of the deposits made to the accounts of fantasy contest players for

1 the benefit and protection of the funds held in the accounts;

2 (h) Distinguish highly experienced players and beginner players
3 and ensure that highly experienced players are conspicuously identified
4 as such to all players;

5 (i) Prohibit the use of scripts in fantasy contests that give a player
6 an unfair advantage over other players and make all authorized scripts
7 readily available to all fantasy contest players;

8 (j) Clearly and conspicuously disclose all rules that govern its
9 contests, including the material terms of each promotional offer at the
10 time the offer is advertised; and

11 (k) Use technologically reasonable measures to limit each fantasy
12 contest player to one active account with that operator.

13 ***Recommendation 3***

14 (2) A fantasy contest operator, INCLUDING A SMALL FANTASY
15 CONTEST OPERATOR, offering fantasy contests in this state shall:

16 (a) Contract with a third party to annually perform an independent
17 audit, consistent with the standards established by the Public Company
18 Accounting Oversight Board, to ensure compliance with this article ~~125~~
19 PART 16; and

20 (b) Submit the results of the audit to the director.

21 **44-30-1607. [Formerly 12-125-108] Duty to maintain records.**

22 Each fantasy contest operator shall keep daily records of its operations
23 and shall maintain the records for at least three years. The records must
24 sufficiently detail all financial transactions to determine compliance with
25 the requirements of this article ~~125~~ PART 16 and must be available for
26 audit and inspection by the director during the fantasy contest operator's
27 regular business hours.

1 **44-30-1608. [Formerly 12-125-109] Authorization to conduct**
2 **fantasy contests.** (1) Fantasy contests are authorized and may be
3 conducted by a fantasy contest operator at a licensed gaming
4 establishment. ~~as that term is defined in section 44-30-103 (18).~~ A
5 gaming retailer ~~as that term is defined in section 44-30-103 (27);~~ may
6 conduct fantasy contests if the gaming retailer is licensed as a fantasy
7 contest operator.

8 (2) Fantasy contests are authorized and may be conducted by a
9 fantasy contest operator at a licensed facility at which pari-mutuel
10 wagering, ~~as that term is defined in section 44-32-102 (18),~~ may occur.
11 An operator of a class B track, ~~as that term is defined in section~~
12 ~~44-32-102 (3),~~ may conduct fantasy contests if the operator is licensed as
13 a fantasy contest operator.

14 (3) A fantasy contest conducted in compliance with this article
15 ~~125~~ PART 16 does not violate article 10 or 10.5 of title 18.

16 **44-30-1609. [Formerly 12-125-110] Grounds for discipline.**

17 (1) The director may take disciplinary action ~~as authorized in section~~
18 ~~12-20-404~~ against a licensee or registrant if the fantasy contest operator,
19 including a small fantasy contest operator:

20 (a) Violates any order of the director, any provision of this article
21 ~~125, an applicable provision of article 20 of this title 12~~ PART 16, or the
22 rules established under this article ~~125~~ PART 16;

23 (b) Fails to meet the requirements for licensure under this article
24 ~~125~~ PART 16; or

25 (c) Uses fraud, misrepresentation, or deceit in applying for or
26 attempting to apply for licensure or registration or otherwise in operating
27 or offering to operate a fantasy contest.

1 (2) If it appears to the director, based upon credible evidence as
2 presented in a written complaint, that a person is operating or offering to
3 operate a fantasy contest without having obtained a registration or license,
4 the director may issue an order to cease and desist the activity. The
5 director shall set forth in the order the statutes and rules alleged to have
6 been violated, the facts alleged to have constituted the violation, and the
7 requirement that all unauthorized practices immediately cease. Within ten
8 days after service of the order to cease and desist pursuant to this
9 subsection (2), the person may request a hearing on the question of
10 whether acts or practices in violation of this ~~article 125~~ PART 16 have
11 occurred. The hearing shall be conducted pursuant to section 24-4-105.

12 **44-30-1610. [Formerly 12-125-111] Civil fines.** In addition to any
13 other remedy provided by law, a fantasy contest operator, or an employee
14 or agent thereof, who violates this ~~article 125~~ PART 16 is subject to a civil
15 fine of not more than one thousand dollars for each such violation, which
16 the state treasurer shall credit to the ~~general~~ SPORTS BETTING fund
17 CREATED IN SECTION 44-30-1509. The director may file a civil action to
18 collect the fine.

19 **44-30-1611. [Formerly 12-125-112] Applicability.** This ~~article~~
20 ~~125~~ PART 16 applies to conduct occurring on or after July 1, 2017
21 SEPTEMBER 1, 2020.

22 ***Recommendation 1***

23 **44-30-1612. [Formerly 12-125-113] Repeal of part - subject to**
24 **review.** This ~~article 125~~ PART 16 is repealed, effective September 1, 2020
25 2027. Before the repeal, this ~~article 125~~ PART 16 is scheduled for review
26 in accordance with section 24-34-104.

27 **SECTION 3.** In Colorado Revised Statutes, 44-30-1501, **amend**

1 (3) as follows:

2 **44-30-1501. Definitions - rules.** Definitions applicable to this part
3 15 also appear in section 44-30-103 and article 1 of this title 44. As used
4 in this part 15, unless the context otherwise requires:

5 (3) "Fantasy sports activity" means the conduct of, or participation
6 in, a fantasy contest as defined in section ~~12-125-103~~ (3) 44-30-1602 (4).

7 **SECTION 4.** In Colorado Revised Statutes, 44-30-1509, amend
8 (1), (6), and (7) as follows:

9 **44-30-1509. Sports betting fund - creation - rules - definitions.**

10 (1) (a) There is hereby created, in the state treasury, the sports betting
11 fund, referred to in this section as the "fund". The initial appropriation to
12 the division for sports betting regulation and all subsequent revenues of
13 the division derived from sports betting activity AND THE REGULATION OF
14 FANTASY CONTEST OPERATORS UNDER PART 16 OF THIS ARTICLE 30,
15 including license fees, fines and penalties, and collection of the sports
16 betting tax, shall be deposited into the fund. All expenses of the division
17 related to sports betting AND FANTASY CONTEST regulation, including the
18 expenses of investigation and prosecution relating to sports betting AND
19 THE REGULATION OF FANTASY CONTEST OPERATORS, shall be paid from
20 the fund.

21 (b) All money paid into the fund is continuously appropriated for
22 the purposes of implementing this part 15 AND PART 16 OF THIS ARTICLE
23 30. Payment shall be made upon proper presentation of a voucher
24 prepared by the commission in accordance with other statutes governing
25 payments of liabilities incurred on behalf of the state and shall not be
26 conditioned on any appropriation by the general assembly. Receipt of the
27 payment constitutes spending authority by the division.

1 (6) The division shall be operated so that, after the initial state
2 appropriation, its administration of this part 15 AND PART 16 OF THIS
3 ARTICLE 30 is financially self-sustaining.

4 (7) No claim for the payment of any expense of the division
5 relating to administering this part 15 OR PART 16 OF THIS ARTICLE 30 can
6 be made unless it is against the fund. No other money of the state shall be
7 used or obligated to pay the expenses of the division or commission
8 related to sports betting OR FANTASY SPORTS ACTIVITY.

9 **SECTION 5. Repeal of relocated and nonrelocated provisions**
10 **in this act.** In Colorado Revised Statutes, repeal article 125 of title 12;
11 except that 12-125-102 is not relocated.

12 **SECTION 6.** In Colorado Revised Statutes, 12-20-204, repeal
13 (2)(b) as follows:

14 **12-20-204. Regulator's rule-making authority.** (2) Subsection
15 (1) of this section does not apply to the following:

16 (b) ~~Article 125 of this title 12 concerning fantasy contests;~~

17 **SECTION 7.** In Colorado Revised Statutes, 12-20-402, amend
18 (4) as follows:

19 **12-20-402. Immunity.** (4) This section does not apply to articles
20 ~~125,~~ 140, 150, and 250 of this title 12 concerning ~~fantasy contests;~~
21 nontransplant tissue banks, passenger tramways, and naturopathic
22 doctors, respectively.

23 **SECTION 8.** In Colorado Revised Statutes, 12-20-404, repeal
24 (1)(c)(II)(A), (1)(d)(II)(C), (2)(b)(I), (3)(c)(II), and (5)(b)(I) as follows:

25 **12-20-404. Disciplinary actions - regulator powers -**
26 **disposition of fines.** (1) **General disciplinary authority.** If a regulator
27 determines that an applicant, licensee, certificate holder, or registrant has

1 committed an act or engaged in conduct that constitutes grounds for
2 discipline or unprofessional conduct under a part or article of this title 12
3 governing the particular profession or occupation, the regulator may:

4 (c) (II) A regulator is not authorized under this subsection (1)(c)
5 to impose a fine on a licensee, certificate holder, or registrant regulated
6 under the following:

7 (A) ~~Article 125 of this title 12 concerning fantasy contests;~~

8 (d) (II) A regulator is not authorized under this subsection (1)(d)
9 to refuse to renew the license, certification, or registration of a licensee,
10 certificate holder, or registrant regulated under the following:

11 (C) ~~Article 125 of this title 12 concerning fantasy contests;~~

12 (2) **Deferral precluded.** (b) This subsection (2) does not apply
13 to the following:

14 (I) ~~Article 125 of this title 12 concerning fantasy contests;~~

15 (3) **Waiting period after revocation or surrender.** (c) This
16 subsection (3) does not apply to the following:

17 (II) ~~Article 125 of this title 12 concerning fantasy contests;~~

18 (5) **Confidential letter of concern.** (b) This subsection (5) does
19 not apply to the following:

20 (I) ~~Article 125 of this title 12 concerning fantasy contests;~~

21 **SECTION 9.** In Colorado Revised Statutes, 12-20-405, amend
22 (6) as follows:

23 **12-20-405. Cease-and-desist orders.** (6) This section does not
24 apply to articles ~~125~~, 140 and 150 of this title 12 concerning ~~fantasy~~
25 ~~contests~~, nontransplant tissue banks and passenger tramways,
26 respectively.

27 **SECTION 10.** In Colorado Revised Statutes, 12-20-406, repeal

1 (3)(c) as follows:

2 **12-20-406. Injunctive relief.** (3) This section does not apply to
3 the following:

4 (c) ~~Article 125 of this title 12 concerning fantasy contests;~~

5 **SECTION 11.** In Colorado Revised Statutes, 12-20-408, **repeal**
6 (2)(a) as follows:

7 **12-20-408. Judicial review.** (2) A district court of competent
8 jurisdiction has initial jurisdiction to review all final actions and orders
9 of a regulator that are subject to judicial review and shall conduct the
10 judicial review proceedings in accordance with section 24-4-106 (3) for
11 the following:

12 (a) ~~Article 125 of this title 12 concerning fantasy contests;~~

13 **SECTION 12.** In Colorado Revised Statutes, 44-30-203, **amend**
14 (2) introductory portion; and **add** (2)(a.5) as follows:

15 **44-30-203. Director - qualification - powers and duties.** (2) In
16 addition to the duties imposed upon the director elsewhere in this part 2
17 and in ~~part 15~~ PARTS 15 AND 16 of this article 30, the director shall:

18 (a.5) SUPERVISE AND ADMINISTER THE REGULATION OF FANTASY
19 CONTEST OPERATORS IN ACCORDANCE WITH PART 16 OF THIS ARTICLE 30;

20 **SECTION 13. Act subject to petition - effective date.** This act
21 takes effect September 1, 2020; except that, if a referendum petition is
22 filed pursuant to section 1 (3) of article V of the state constitution against
23 this act or an item, section, or part of this act within the ninety-day period
24 after final adjournment of the general assembly, then the act, item,
25 section, or part will not take effect unless approved by the people at the

1 general election to be held in November 2020 and, in such case, will take
2 effect on the date of the official declaration of the vote thereon by the
3 governor.