

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

DRAFT
5.13.20

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LLS NO. 20-1209.01 Duane Gall x4335

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Repeal Limited Gaming Tax Transfers To Cash Funds"

A BILL FOR AN ACT

101 **CONCERNING THE REPEAL OF STATUTORY ALLOCATIONS OF LIMITED**
102 **GAMING TAX REVENUES.**

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 eliminates statutory provisions allocating specific amounts of revenue derived from the tax on limited gaming activity to the following cash funds: <{***Note: The list below can be modified as necessary to delete any specific funds or programs. All funds and programs within the potential scope of the bill are included for the committee's convenient reference, but the JBC has not officially***

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

approved them as of the date of this draft.}>

- The innovative higher education research fund, administered by the higher education competitive research authority;
- The new jobs incentives cash fund, administered by the Colorado economic development commission;
- The Colorado office of film, television, and media operational account cash fund, administered by the Colorado office of film, television, and media;
- The advanced industries acceleration cash fund, administered by the Colorado office of economic development;
- The creative industries cash fund, administered by the council on creative industries;
- The Colorado travel and tourism promotion fund, administered by the board of directors of the Colorado tourism office; and
- The local government limited gaming impact fund, including the limited gaming impact account and the gambling addiction account, administered by the departments of local affairs and human services and local governmental entities.

The bill makes conforming amendments to the statutes governing each of the funds and programs listed above.

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

2 **SECTION 1.** In Colorado Revised Statutes, 23-19.7-104, **amend**
3 (1)(c); and **repeal** (1)(d) as follows:

4 **23-19.7-104. Innovative higher education research fund -**
5 **funding.** (1) There is hereby created in the state treasury the innovative
6 higher education research fund, which shall consist of:

7 (c) Any ~~moneys~~ MONEY received pursuant to section 23-19.7-103
8 (1)(j); AND

9 (d) ~~Any money transferred pursuant to section 44-30-701 (2); and~~

10 **SECTION 2.** In Colorado Revised Statutes, 24-46-105.7, **amend**
11 (9)(a) as follows:

1 **24-46-105.7. Performance-based incentive for new job**
2 **creation - new jobs incentives cash fund.** (9) (a) There is hereby
3 created in the state treasury the new jobs incentives cash fund, referred to
4 in this section as the "fund". The fund shall consist of

5 ~~(I) Money transferred to the fund in accordance with section~~
6 ~~44-30-701 (2); and~~

7 ~~(H)~~ any moneys appropriated to the fund by the general assembly.

8 **SECTION 3.** In Colorado Revised Statutes, 24-48.5-116, **repeal**
9 (5)(a)(I) as follows:

10 **24-48.5-116. Film, television, and media - performance-based**
11 **incentive for film production in Colorado - Colorado office of film,**
12 **television, and media operational account cash fund - creation -**
13 **definition.** (5) (a) There is hereby created in the state treasury the
14 Colorado office of film, television, and media operational account cash
15 fund, referred to in this section as the "fund". The fund shall consist of:

16 ~~(I) Money transferred to the fund in accordance with section~~
17 ~~44-30-701 (2);~~

18 **SECTION 4.** In Colorado Revised Statutes, 24-48.5-117, **repeal**
19 (7)(a)(III) as follows:

20 **24-48.5-117. Advanced industry - grants - fund - definitions -**
21 **repeal.** (7) **Fund.** (a) The advanced industries acceleration cash fund is
22 created in the state treasury. The fund consists of:

23 ~~(III) Money transferred to it pursuant to section 44-30-701 (2);~~

24 **SECTION 5.** In Colorado Revised Statutes, 24-48.5-301, **repeal**
25 (2)(a)(II) as follows:

26 **24-48.5-301. Creative industries division - creative industries**
27 **cash fund - creation - definition.** (2) (a) There is hereby created in the

1 state treasury the creative industries cash fund, referred to in this section
2 as the "fund". The fund consists of:

3 (II) ~~Money transferred to the fund in accordance with section~~
4 ~~44-30-701 (2)(a)(V);~~

5 **SECTION 6.** In Colorado Revised Statutes, 24-49.7-106, **amend**
6 **as it exists until July 1, 2020**, (1)(a) as follows:

7 **24-49.7-106. Colorado travel and tourism promotion fund -**
8 **Colorado travel and tourism additional source fund - creation -**
9 **nature of funds.** (1) There is hereby created a fund in the state treasury
10 to be known as the Colorado travel and tourism promotion fund, which
11 shall be administered by the board and which shall consist of:

12 (a) All money transferred ~~thereto~~ TO THE FUND in accordance with
13 ~~sections~~ SECTION 38-13-116.7 (3); and ~~44-30-701 (2);~~ and

14 **SECTION 7.** In Colorado Revised Statutes, 24-49.7-106, **amend**
15 **as it will become effective July 1, 2020**, (1)(a) as follows:

16 **24-49.7-106. Colorado travel and tourism promotion fund -**
17 **Colorado travel and tourism additional source fund - creation -**
18 **nature of funds.** (1) There is hereby created a fund in the state treasury
19 to be known as the Colorado travel and tourism promotion fund, which
20 shall be administered by the board and which shall consist of:

21 (a) All money transferred ~~thereto~~ TO THE FUND in accordance with
22 ~~sections~~ SECTION 38-13-801.5 (3); and ~~44-30-701 (2);~~ and

23 **SECTION 8.** In Colorado Revised Statutes, 44-30-701, **repeal** (2)
24 as follows:

25 **44-30-701. Limited gaming fund - created.** (2) (a) ~~Except as~~
26 ~~provided in subsection (2)(b) of this section, at the end of the 2012-13~~
27 ~~state fiscal year and at the end of each state fiscal year thereafter, the state~~

1 ~~treasurer shall transfer the state share as follows:~~

2 ~~(I) Fifteen million dollars to the Colorado travel and tourism~~
3 ~~promotion fund created in section 24-49.7-106;~~

4 ~~(II) For the 2014-15 state fiscal year and each state fiscal year~~
5 ~~thereafter, five million five hundred thousand dollars to the advanced~~
6 ~~industries acceleration cash fund created in section 24-48.5-117;~~

7 ~~(III) (A) At the end of the 2017-18 state fiscal year and each state~~
8 ~~fiscal year thereafter, five million dollars as annually increased by an~~
9 ~~amount equal to the percentage increase in the state share as described in~~
10 ~~subsection (1)(d)(I) of this section from the previous fiscal year to the~~
11 ~~local government limited gaming impact fund created in section~~
12 ~~44-30-1301, plus an amount equal to the projected direct and indirect~~
13 ~~costs to administer the local government limited gaming impact grant~~
14 ~~program set forth in section 44-30-1301 (2)(a) for the upcoming fiscal~~
15 ~~year; except that such transfer shall be made at the beginning of the state~~
16 ~~fiscal year, and any unspent money from such transfer reverts to the local~~
17 ~~government limited gaming impact fund.~~

18 ~~(B) If the state share does not increase from the previous fiscal~~
19 ~~year, then the state treasurer shall transfer an amount equal to the previous~~
20 ~~fiscal year's transfer.~~

21 ~~(IV) Two million one hundred thousand dollars to the innovative~~
22 ~~higher education research fund created in section 23-19.7-104;~~

23 ~~(V) Two million dollars to the creative industries cash fund~~
24 ~~created in section 24-48.5-301 for purposes of the council on creative~~
25 ~~industries, including the administration of the council;~~

26 ~~(VI) Five hundred thousand dollars to the Colorado office of film,~~
27 ~~television, and media operational account cash fund created in section~~

1 ~~24-48.5-116, for the operation of the Colorado office of film, television,~~
2 ~~and media, for the performance-based incentive for film production in~~
3 ~~Colorado as specified in section 24-48.5-116, and for the Colorado office~~
4 ~~of film, television, and media loan guarantee program as specified in~~
5 ~~section 24-48.5-115; and~~

6 ~~(VII) Any amount of the state share that exceeds the transfers~~
7 ~~specified in subsections (2)(a)(I) to (2)(a)(VI) of this section shall be~~
8 ~~transferred to the general fund.~~

9 ~~(b) If a transfer specified in subsections (2)(a)(I) to (2)(a)(VI) of~~
10 ~~this section provides money for a purpose or program that is repealed or~~
11 ~~otherwise discontinued as of the date of the transfer, then the transfer~~
12 ~~shall not be made to that particular fund but shall instead be transferred~~
13 ~~to the state general fund.~~

14 **SECTION 9.** In Colorado Revised Statutes, 44-30-1301, **amend**
15 (1) and (4) as follows:

16 **44-30-1301. Local government limited gaming impact fund -**
17 **rules - definitions - repeal.** (1) ~~(a)~~ There is hereby created in the office
18 ~~of the state treasurer~~ TREASURY the local government limited gaming
19 impact fund, referred to in this part 13 as the "fund", and within the fund,
20 there is created the limited gaming impact account and the gambling
21 addiction account. THE FUND CONSISTS OF MONEY APPROPRIATED
22 ANNUALLY BY THE GENERAL ASSEMBLY. Of the money ~~transferred to~~ IN
23 the fund, ~~pursuant to section 44-30-701 (2)(a)(III),~~ ninety-eight percent
24 shall be allocated to the limited gaming impact account and two percent
25 shall be allocated to the gambling addiction account. Money in the
26 limited gaming impact account shall be used to provide financial
27 assistance to eligible local government entities for documented gaming

1 impacts and ~~except as provided in subsection (1)(b) of this section,~~
2 ~~money in the gambling addiction account shall be used to award grants~~
3 ~~for the provision of gambling addiction counseling, including prevention~~
4 ~~and education, to Colorado residents. For the purposes of this part 13,~~
5 ~~"documented gaming impacts" means the documented expenses, costs,~~
6 ~~and other impacts, and the provision of gambling addiction counseling,~~
7 ~~including prevention and education, to Colorado residents, incurred~~
8 ~~directly as a result of limited gaming permitted in the counties of Gilpin~~
9 ~~and Teller and on Indian lands.~~

10 (b) ~~For the 2018-19 and 2019-20 state fiscal years, one hundred~~
11 ~~thousand dollars of the money allocated to the gambling addiction~~
12 ~~account shall be appropriated in each fiscal year as follows:~~

13 (I) ~~Fifty thousand dollars to the department of local affairs to~~
14 ~~study and establish in policies and procedures what constitutes the~~
15 ~~"documented expenses, costs, and other impacts incurred directly as a~~
16 ~~result of limited gaming" described in subsection (1)(a) of this section;~~
17 ~~and~~

18 (II) ~~Fifty thousand dollars to the department of human services to~~
19 ~~develop a plan, by no later than March 1, 2020, for a successful gambling~~
20 ~~addiction program in Colorado. The development of this program must~~
21 ~~involve the study of the magnitude of the gambling addiction problem in~~
22 ~~Colorado, the documentation of the existing financial resources and~~
23 ~~infrastructure to help address gambling addiction in the state, the study~~
24 ~~of best practices in other states for successful gambling addiction~~
25 ~~programs, and the documentation of any gaps in existing financial~~
26 ~~resources and infrastructure in Colorado, including the review of the~~
27 ~~need for increased addiction counselors.~~

1 (4) Notwithstanding any other provision of this section, money
2 accruing to the fund on and after July 1, ~~2002~~ 2019, and any previously
3 transferred unencumbered money in the fund on July 1, ~~2003~~ 2020, shall
4 be transferred to the general fund. Transfers to the fund shall resume as
5 otherwise provided in this section for any state fiscal year commencing
6 on or after July 1, ~~2004~~ 2021.

7 **SECTION 10. Safety clause.** The general assembly hereby finds,
8 determines, and declares that this act is necessary for the immediate
9 preservation of the public peace, health, or safety.