



# Fiscal Note

## Legislative Council Staff

Nonpartisan Services for Colorado’s Legislature

### SB 26-163: REGULATION OF GAMING & SPORTS BETTING

**Prime Sponsors:**

Sen. Roberts  
Rep. Smith

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**Date:** April 16, 2026

**Fiscal note status:** The fiscal note reflects the introduced bill.

### Summary Information

**Overview.** The bill repeals the Colorado Racing Commission and the Division of Racing Events and consolidates their responsibilities in the Colorado Limited Gaming Control Commission and the Division of Gaming, respectively. The bill also modifies provisions related to the Division of Gaming.

**Types of impacts.** The bill is projected to affect the following areas on beginning in FY 2026-27:

- Minimal State Revenue
- Minimal State Workload

**Appropriations.** No appropriation is required.

**Table 1  
State Fiscal Impacts**

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

## Summary of Legislation

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### Colorado Racing Commission and Division of Racing Events

The bill repeals the Colorado Racing Commission and the Division of Racing Events in the Department of Revenue (DOR) and transfers these entities' current responsibilities to the Colorado Limited Gaming Control Commission and the Division of Gaming in DOR, respectively. Statutory references are updated accordingly. Employees in the Division of Racing Events are transferred to the Division of Gaming.

### Colorado Limited Gaming Control Commission and Division of Gaming

Under current law, the Limited Gaming Control Commission consists of five members, with appointment criteria outlined in statute, including that no more than three of the five members may be from the same political party. The bill expands the commission to seven members, specifies their required qualifications, and modifies the restriction on political parties so that no more than four members may be from the same political party. Initial appointments for the two new members must be made by December 1, 2026.

Under current law, commission members must file financial disclosure statements with the Secretary of State prior to their Senate confirmation hearing. The bill requires updated financial disclosure statements for all confirmed members on or before January 1 of each year of their term.

### Division of Gaming Duties

The bill modifies provisions related to the Division of Gaming as follows:

- expands areas that criminal investigators from the division may inspect to include any place where suspected unlicensed gaming or sports betting has occurred;
- allows the division director to approve optional wagers and minor modifications for certain poker, blackjack, craps, and roulette games, but maintains the requirement for commission approval for any new game or game types;
- requires the division to operate a program where persons can voluntarily request to be excluded from sports betting in the state;
- allows a division designee to have peace officer status while engaged in division business and investigations, as is currently permitted for the director; and
- clarifies the definition of "race meet."

## **Background and Assumptions**

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Division of Gaming rules currently allow persons to self-exclude from sports betting. Placing similar language into statute is assumed to codify existing practices, resulting in a minimal impact on the number of entities participating in sports betting.

## **State Revenue**

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To the extent that accelerated approval timelines for certain wagers and minor game modifications increases the amount of revenue collected by casinos, revenue may increase to the Limited Gaming Fund. Because the bill changes timelines only, any revenue increase is assumed to be minimal. Revenue to the Limited Gaming Fund is subject to TABOR.

The bill is not expected to change the amount of revenue collected related to the regulation of racing, as overall staffing levels and expenditures are unchanged.

## **State Expenditures**

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The bill minimally increases workload in the DOR and for the Governor's Office of Boards and Commissions, as outlined below.

### **Department of Revenue**

In FY 2026-27, the bill will increase workload in DOR to reclassify current employees of the Division of Racing Events as employees of the Division of Gaming and shift duties from the Racing Commission to the Limited Gaming Control Commission. Because the bill specifies that all employees transfer over and retain their current status, the bill will not change the overall staffing levels or expenditures in the DOR. For informational purposes, in the FY 2026-27 Long Bill, the Division of Racing Events is appropriated \$3.5 million and 11.7 FTE, paid from the Racing Cash Fund and Horse Breeders and Owners' Awards and Supplemental Purse Funds.

Workload may also increase to approve new optional wagers and to conduct inspections where suspected unlicensed gaming and sports betting has occurred; this additional workload is assumed to be minimal and requires no change in appropriations.

### **Governor's Office of Boards and Commissions**

Workload will minimally increase for the Governor's Office of Boards and Commissions to make the required appointments under the bill. This work can be accomplished within existing appropriations.

## **Effective Date**

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The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

## **State and Local Government Contacts**

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Governor's Office

Revenue

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).