

CHAPTER 176

REVENUE - ACTIVITIES REGULATION

HOUSE BILL 21-1132

BY REPRESENTATIVE(S) Amabile and Baisley, Bernett, Duran, Hooton, Michaelson Jenet, Mullica;
also SENATOR(S) Story.

AN ACT

**CONCERNING AUTHORIZED DISTRIBUTIONS FROM THE LOCAL GOVERNMENT LIMITED GAMING
IMPACT FUND.**

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

SECTION 1. In Colorado Revised Statutes, 44-30-1301, **amend** (1), (2)(a), and (2)(b)(I); **repeal** (2)(c) and (3); and **add** (5) as follows:

44-30-1301. Local government limited gaming impact fund - rules - report - legislative declaration - definitions - repeal. (1) (a) There is hereby created in the state treasury the local government limited gaming impact fund, ~~referred to in this part 13 as the "fund"~~; and within the fund, there is created the limited gaming impact account and the gambling addiction account. The fund consists of money transferred to the fund pursuant to section 44-30-701 (2)(a)(III) and money appropriated to the fund by the general assembly. Of the money in the fund, ninety-eight percent shall be allocated to the limited gaming impact account and two percent shall be allocated to the gambling addiction account. Money in the limited gaming impact account shall be used to provide financial assistance to eligible local government entities for documented **NEGATIVE** gaming impacts and to award grants for the provision of gambling addiction counseling, including prevention and education, to Colorado residents.

(b) ~~For the purposes of AS USED IN this part 13, UNLESS THE CONTEXT OTHERWISE REQUIRES:~~

(I) "Documented **NEGATIVE** gaming impacts" means the documented expenses, costs, and other **NEGATIVE** impacts ~~and the provision of gambling addiction counseling, including prevention and education, to Colorado residents,~~ THAT ARE incurred directly AND ARE EXPLICITLY IDENTIFIABLE as a result of limited gaming

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

permitted in the counties of Gilpin and Teller and on Indian lands. "DOCUMENTED NEGATIVE GAMING IMPACTS" INCLUDES THE PROVISION OF GAMBLING ADDICTION COUNSELING, INCLUDING PREVENTION AND EDUCATION, TO COLORADO RESIDENTS.

(II) "ELIGIBLE LOCAL GOVERNMENTAL ENTITY" MEANS THE FOLLOWING LOCAL GOVERNMENTAL ENTITIES:

(A) THE COUNTIES OF BOULDER, CLEAR CREEK, GRAND, JEFFERSON, EL PASO, FREMONT, PARK, DOUGLAS, GILPIN, TELLER, LA PLATA, MONTEZUMA, AND ARCHULETA;

(B) ANY MUNICIPALITY LOCATED WITHIN THE BOUNDARIES OF ANY COUNTY SET FORTH IN SUBSECTION (1)(b)(II)(A) OF THIS SECTION, EXCEPT THE CITY OF CENTRAL, THE CITY OF BLACK HAWK, AND THE CITY OF CRIPPLE CREEK, AND EXCEPT THAT NEITHER THE CITY OF WOODLAND PARK NOR THE CITY OF VICTOR ARE ELIGIBLE LOCAL GOVERNMENTAL ENTITIES PRIOR TO JULY 1, 2002; AND

(C) ANY SPECIAL DISTRICT PROVIDING EMERGENCY SERVICES WITHIN THE BOUNDARIES OF ANY COUNTY SET FORTH IN SUBSECTION (1)(b)(II)(A) OF THIS SECTION.

(III) "FUND" MEANS THE LOCAL GOVERNMENT LIMITED GAMING IMPACT FUND CREATED IN THIS SECTION.

(IV) "NEGATIVE IMPACTS" MEANS IMPACTS THAT HARM, DAMAGE, HURT, INTERFERE, OR UNDERMINE THE ELIGIBLE LOCAL GOVERNMENTAL ENTITY, AND INCLUDE, BUT ARE NOT LIMITED TO:

(A) INCREASED INFRASTRUCTURE COSTS TO SERVICE THE LICENSED GAMING ESTABLISHMENT; FOR EXAMPLE, ROAD REPAIR AND UTILITIES;

(B) INCREASED SERVICE COSTS TO SERVICE THE LICENSED GAMING ESTABLISHMENT; FOR EXAMPLE, POLICE SERVICES, FIRE SERVICES, AND PUBLIC TRANSPORTATION;

(C) DECREASED NUMBER OF NEW BUSINESSES AND REVENUE IN BUSINESSES CANNIBALIZED BY GAMING AT A LICENSED GAMING ESTABLISHMENT; FOR EXAMPLE, CHARITABLE GAMING THROUGH BINGO OR SCRATCH TICKETS, HORSE RACING AND ASSOCIATED HORSE BREEDING AND TRAINING, AND A WIDE RANGE OF OTHER POSSIBLE ENTERTAINMENT INDUSTRIES;

(D) DECREASED PROPERTY VALUES IN AREAS PROXIMATE TO A LICENSED GAMING ESTABLISHMENT;

(E) INCREASED RATES OF GAMBLING ADDICTION, INCREASED INDICES ASSOCIATED WITH GAMBLING ADDICTION, AND INCREASED COSTS OF ADDRESSING THE FOLLOWING ISSUES: INCREASED RATES OF PERSONAL BANKRUPTCY; INCREASED RATES OF DIVORCE, SEPARATION, AND RESTRAINING ORDERS; INCREASED RATES OF CHILD NEGLECT AND ABUSE; INCREASED RATES OF MENTAL HEALTH PROBLEMS, SELF-HARM, AND SUICIDE; INCREASED RATES OF CRIME DUE TO GAMBLING ADDICTION; DECREASED WORK PRODUCTIVITY; INCREASED TREATMENT AND

PREVENTION COSTS TO TREAT PROBLEM GAMBLING; AND INCREASED PREVENTION COSTS TO PREVENT PROBLEM GAMBLING;

(F) INCREASED RATES OF CRIME, POLICING, INCARCERATION, AND PROBATION SERVICES FACILITATED BY THE PRESENCE OF A LICENSED GAMING ESTABLISHMENT, INCLUDING ADDITIONAL ALCOHOL-RELATED CRIME, MONEY LAUNDERING, PASSING COUNTERFEIT, AND ATTRACTING CLIENTELE WITH ANTISOCIAL TENDENCIES;

(G) DECREASED EMPLOYMENT IN INDUSTRIES CANNIBALIZED BY A LICENSED GAMING ESTABLISHMENT;

(H) INCREASED TRAFFIC AND TRAFFIC ACCIDENTS;

(I) INCREASED NOISE; AND

(J) INCREASED SOCIOECONOMIC INEQUALITY, AS GAMBLING TENDS TO BE REGRESSIVE.

(V) "PROPERTY VALUES" MEANS 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.

(2)(a)(I) After considering the recommendations of the local government limited gaming impact advisory committee created in section 44-30-1302, the money from the limited gaming impact account shall be distributed at the authority of the executive director of the department of local affairs to eligible local governmental entities upon their application for grants to finance planning, construction, and maintenance of public facilities and the provision of public services related to the documented NEGATIVE gaming impacts; EXCEPT THAT THE GRANTS MUST BE PRIORITIZED:

(A) FOR ELIGIBLE LOCAL GOVERNMENTAL ENTITIES THAT ARE COUNTIES WITH LOWER PROPERTY VALUES COMPARED TO THE PROPERTY VALUES OF ALL COUNTIES THAT ARE ELIGIBLE LOCAL GOVERNMENTAL ENTITIES; OR PRIORITIZED FOR ELIGIBLE LOCAL GOVERNMENTAL ENTITIES LOCATED IN COUNTIES WITH LOWER PROPERTY VALUES COMPARED TO THE PROPERTY VALUES OF ALL COUNTIES THAT ARE ELIGIBLE LOCAL GOVERNMENTAL ENTITIES. IF AN ELIGIBLE LOCAL GOVERNMENTAL ENTITY HAS A JURISDICTIONAL BOUNDARY THAT INCLUDES MORE THAN ONE COUNTY, THEN THE PRIORITIZATION FOR THAT ELIGIBLE LOCAL GOVERNMENTAL ENTITY IS ESTABLISHED BASED ON THE COUNTY IN WHICH THE ELIGIBLE LOCAL GOVERNMENTAL ENTITY'S ADMINISTRATIVE OFFICES ARE LOCATED.

(B) BASED ON A METHODOLOGICAL APPROACH THAT INCORPORATES A WEIGHTED DECISION MATRIX WHICH INCLUDES COMMUNITY AND IMPACT SCORING.

(II) At the end of any fiscal year, all unexpended and unencumbered money in the limited gaming impact account shall remain available for expenditure in any subsequent fiscal year without further appropriation by the general assembly.

(b)(I) For the 2008-09 fiscal year and each fiscal year thereafter, the executive director of the department of human services shall use the money in the gambling

addiction account to award grants for the purpose of providing gambling addiction counseling services to Colorado residents AND TO PROVIDE GAMBLING ADDICTION TREATMENT TRAINING TO STAFF AT NONPROFIT COMMUNITY MENTAL HEALTH CENTERS OR CLINICS AS DEFINED IN SECTION 27-66-101. The department of human services may use a portion of the money in the gambling addiction account, not to exceed ten percent in the 2008-09 fiscal year and five percent in each fiscal year thereafter, to cover the department's direct and indirect costs associated with administering the grant program authorized in this subsection (2)(b). The executive director of the department of human services shall award grants to state or local public or private entities or programs that provide gambling addiction counseling services and that have or are seeking nationally accredited gambling addiction counselors. The executive director of the department of human services shall award ten percent of the money in the gambling addiction account in grants to addiction counselors who are actively pursuing national accreditation as gambling addiction counselors. In order to qualify for an accreditation grant, an addiction counselor applicant must provide sufficient proof that he or she has completed at least half of the counseling hours required for national accreditation. The executive director of the department of human services shall adopt rules establishing the procedure for applying for a grant from the gambling addiction account, the criteria for awarding grants and prioritizing applications, and any other provision necessary for the administration of the grant applications and awards. Neither the entity, program, or gambling addiction counselor providing the gambling addiction counseling services nor the recipients of the counseling services need to be located within the jurisdiction of an eligible local governmental entity in order to receive a grant or counseling services. At the end of a fiscal year, all unexpended and unencumbered money in the gambling addiction account remains in the account and does not revert to the general fund or any other fund or account.

~~(c) For the purposes of this part 13, the term "eligible local governmental entity" means the following local governmental entities:~~

~~(I) The counties of Boulder, Clear Creek, Grand, Jefferson, El Paso, Fremont, Park, Douglas, Gilpin, Teller, La Plata, Montezuma, and Archuleta;~~

~~(II) Any municipality located within the boundaries of any county set forth in subsection (2)(c)(I) of this section, except the City of Central, the City of Black Hawk, and the City of Cripple Creek; and~~

~~(III) Any special district providing emergency services within the boundaries of any county set forth in subsection (2)(c)(I) of this section.~~

~~(3) Notwithstanding the provisions of subsection (2)(c)(II) of this section, neither the City of Woodland Park nor the City of Victor shall be eligible local governmental entities prior to July 1, 2002.~~

(5) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:

(a) GRANTS TO ELIGIBLE LOCAL GOVERNMENTAL ENTITIES FROM THE LOCAL GOVERNMENT LIMITED GAMING IMPACT FUND PROVIDE VERY VALUABLE MONEY TO THOSE COMMUNITIES, PARTICULARLY IN TIMES OF ECONOMIC DISTRESS;

(b) THE GRANTS SHOULD ONLY BE AWARDED FOR EXPLICITLY IDENTIFIABLE AND WELL-DOCUMENTED NEGATIVE IMPACTS RESULTING FROM LIMITED GAMING PERMITTED IN THE COUNTIES OF GILPIN AND TELLER AND ON INDIAN LANDS;

(c) NEGATIVE IMPACTS ARE THOSE IMPACTS THAT HARM, DAMAGE, HURT, INTERFERE, OR UNDERMINE THE ELIGIBLE LOCAL GOVERNMENTAL ENTITY; AND

(d) THE GRANT AWARDS SHOULD BE DISTRIBUTED BASED ON THE RELATIVE NEED OF THE COUNTY OR TOWN, AS EVIDENCED BY THE PRIORITIZATION REQUIREMENTS SET FORTH IN SUBSECTION (2)(a)(I) OF THIS SECTION.

SECTION 2. In Colorado Revised Statutes, 44-30-1302, **amend** (4) as follows:

44-30-1302. Local government limited gaming impact advisory committee - creation - duties. (4) The committee shall have the following duties:

(a) To establish a standardized methodology and criteria for documenting, measuring, assessing, IDENTIFYING, and reporting the documented NEGATIVE gaming impacts upon eligible local governmental entities;

(b) To review the documented NEGATIVE gaming impacts upon eligible local governmental entities on a continuing basis;

(c) TO ASCERTAIN THE PROPERTY VALUES FOR EACH COUNTY THAT IS AN ELIGIBLE LOCAL GOVERNMENTAL ENTITY AND COMPARE THAT TO THE PROPERTY VALUES FOR ALL COUNTIES THAT ARE ELIGIBLE LOCAL GOVERNMENTAL ENTITIES;

~~(e)~~ (d) To review grant applications from eligible local governmental entities, individually or in cooperation with other eligible local governmental entities, based upon the needs of the entities, **and** the documented NEGATIVE gaming impacts on the entities, AND THE PRIORITIZATION REQUIREMENTS SET FORTH IN SECTION 44-30-1301 (2)(a)(I); AND

~~(e)~~ (e) To make funding recommendations on a continuing basis to be considered by the executive director of the department of local affairs in making funding decisions for grant applications submitted by eligible local governmental entities pursuant to section 44-30-1301 (2)(a).

SECTION 3. In Colorado Revised Statutes, 24-48.5-314, **amend** (5)(b) as follows:

24-48.5-314. Creative districts - creation - certification - powers of coordinator and division - legislative declaration - definitions. (5) (b) In addition to any powers explicitly granted to the division under this section, the division shall have any additional powers that are necessary to carry out the purposes of this section. Where authorized by law, the powers may include offering incentives to state-certified creative districts to encourage business development, including, but not limited to, incentives in the form of need-based funding for infrastructure development in state-certified creative districts, exploring new incentives that are directly related to creative enterprises, facilitating local access to state economic development assistance, enhancing the visibility of state-certified

creative districts, providing state-certified creative districts with technical assistance and planning aid, ensuring broad and equitable program benefits, and fostering a supportive climate for the arts and culture within the state; except that, notwithstanding any other provision of this section, a creative district created pursuant to this section shall not be eligible to receive any form of financial incentive that is derived from money allocated to the local government limited gaming impact fund created in section 44-30-1301 (1), without the consent of the applicable eligible local governmental entity or entities, as defined in ~~section 44-30-1301 (2)(c)~~ SECTION 44-30-1301 (1)(b)(II), inside the territorial boundaries of which the creative district is located.

SECTION 4. Applicability. This act applies to grants awarded from the local government limited gaming impact fund on or after the applicable effective date of this act.

SECTION 5. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.

Approved: May 24, 2021