



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Revised Fiscal Note

(replaces fiscal note dated February 8, 2022)

Drafting Number: LLS 22-0109 **Date:** February 21, 2022
Prime Sponsors: Rep. McCormick; Will **Bill Status:** House Finance
 Sen. Smallwood; Zenzinger **Fiscal Analyst:** Anna Gerstle | 303-866-4375
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Bill Topic: UPDATES TO BINGO & RAFFLES LAW

Summary of Fiscal Impact:

<input checked="" type="checkbox"/> State Revenue	<input checked="" type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill increases the maximum number of bingo cards for a player using an electronic device and defines a new bingo ticket game. It increases state revenue and expenditures on an ongoing basis.

Appropriation Summary: For FY 2022-23, the bill requires an appropriation of \$52,671 to the Secretary of State's Office.

Fiscal Note Status: The revised fiscal note reflects the introduced bill, as amended by the House Business Affairs and Labor Committee.

Table 1
State Fiscal Impacts Under HB 22-1093

		Budget Year FY 2022-23	Out Year FY 2023-24
Revenue	Cash Funds	\$5,400	\$5,500
	Total Revenue	\$5,400	\$5,500
Expenditures	Cash Funds	\$52,671	\$27,983
	Centrally Appropriated	\$6,961	\$7,459
	Total Expenditures	\$59,632	\$35,442
	Total FTE	0.5 FTE	0.5 FTE
Transfers		-	-
Other Budget Impacts	TABOR Refund	\$5,400	\$5,500

Summary of Legislation

The bill increases the maximum number of bingo cards that a player may play using an electronic device from 54 to 100, and adds bingo ticket games to the definition of bingo. Bingo ticket games are a type of bingo that is played with a strip of up to five connected bingo cards.

State Revenue

The bill increases state revenue to the Department of State Cash Fund by \$5,400 in FY 2022-23, and by \$5,500 in FY 2023-24. Fee revenue from licensing is subject to TABOR.

Fee impact on bingo and raffle licensees. Colorado law requires legislative service agency review of measures which create or increase any fee collected by a state agency. These fee amounts are estimates only, actual fees will be set administratively by the Secretary of State's Office based on cash fund balance, estimated program costs, and the estimated number of equipment and licensees subject to the fee. The table below identifies the fee impact of this bill. The bill is anticipated to result in three new manufacturer applications, and 33 new bingo and raffle license applications in FY 2022-23, and 34 in FY 2023-24, at current fee amounts.

Table 2
Fee Impact on Bingo Raffle Licensees

Fiscal Year	Type of Fee	Fee	Number Affected	Total Fee Impact
FY 2022-23	Bingo & Raffle Manufacturer License	\$700	3	\$2,100
	Bingo & Raffle License	\$100	33	\$3,300
	FY 2022-23 Total			\$5,400
FY 2023-24	Bingo & Raffle Manufacturer License	\$700	3	\$2,100
	Bingo & Raffle License	\$100	34	\$3,400
	FY 2023-24 Total			\$5,500

State Expenditures

The bill increases state expenditures in the Secretary of State's Office by \$59,632 in FY 2022-23, and by \$35,442 in FY 2023-24, from the Department of State Cash Fund. Expenditures are shown in Table 3 and detailed below.

**Table 3
Expenditures Under HB22-1093**

	FY 2022-23	FY 2023-24
Department of State		
Personal Services	\$21,796	\$27,308
Operating Expenses	\$675	\$675
Capital Outlay Costs	\$6,200	-
Computer Programming	\$24,000	-
Centrally Appropriated Costs ¹	\$6,961	\$7,459
Total Cost	\$59,632	\$35,442
Total FTE	0.5 FTE	0.5 FTE

¹ Centrally appropriated costs are not included in the bill's appropriation.

Secretary of State's Office. The department will require 0.5 FTE beginning in FY 2022-23. The staffing includes an administrator to conduct rulemaking, review new applications for new bingo raffle and manufacturer licenses, and to review and oversee testing of the new devices, and a compliance investigator to conduct inspections and training and to handle complaints. Staffing levels in FY 2022-23 are prorated for a September start date.

Computer programming. The department's IT Division will modify the bingo application system to align with the changes in the bill. Costs are expected to require 200 hours at a standard rate of \$120 per hour in FY 2022-23 only.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are shown in Table 3.

Other Budget Impacts

TABOR refunds. The bill is expected to increase the amount of state revenue required to be refunded to taxpayers by the amounts shown in the State Revenue section. This estimate assumes the December 2021 LCS revenue forecast. A forecast of state revenue subject to TABOR is not available beyond FY 2023-24. Because TABOR refunds are paid from the General Fund, increased cash fund revenue will reduce the amount of General Fund available to spend or save.

Effective Date

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

State Appropriations

In FY 2022-23, the bill requires an appropriation of \$52,671 from the Department of State Cash Fund to the Secretary of State's Office, and 0.5 FTE.

State and Local Government Contacts

Revenue Secretary of State