

NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.

An Act

SENATE BILL 23-259

BY SENATOR(S) Roberts and Baisley;
also REPRESENTATIVE(S) Weinberg and Snyder.

CONCERNING THE EXTENSION OF CREDIT FOR PARTICIPATION IN LIMITED
GAMING.

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

SECTION 1. In Colorado Revised Statutes, **amend** 44-30-815 as follows:

44-30-815. Extension of credit - restrictions. (1) No person licensed under this article 30 may extend credit to another person for participation in limited gaming UNLESS:

(a) THE LICENSEE HAS EVALUATED THE PERSON'S CREDIT AND ESTABLISHED THE PERSON AS CREDIT-WORTHY BASED ON:

(I) A SUBSTANTIVE ASSESSMENT REGARDING THE PERSON'S OVERALL CREDIT HISTORY USING AN INDEPENDENT SOURCE OF INFORMATION;

(II) WHERE APPLICABLE, A SUBSTANTIVE ASSESSMENT OF THE

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.

PERSON'S CREDIT HISTORY WITH ANY OF THE LICENSEE'S AFFILIATED LICENSED GAMING OPERATIONS, WHETHER IN COLORADO OR IN ANY OTHER STATE; AND

(III) THE PERSON'S RECORD OF FULL RESOLUTION OF ANY PRIOR EXTENSION OF CREDIT EXTENDED BY THE LICENSEE TO THE PERSON;

(b) THE LICENSEE DOES NOT HAVE KNOWLEDGE OF ANY CONVICTION OF THE PERSON FOR ANY:

(I) ACT OF CHEATING UNDER SECTION 44-30-821 (2);

(II) FRAUDULENT ACT UNDER SECTION 44-30-822;

(III) USE OF A DEVICE FOR CALCULATING PROBABILITIES UNDER SECTION 44-30-823;

(IV) USE OF ANY CHEATING GAMES OR DEVICES UNDER SECTION 44-30-825;

(V) USE OR POSSESSION OF ANY PROHIBITED DEVICE, EQUIPMENT, MATERIAL, OR TOKEN UNDER SECTION 44-30-826; OR

(VI) UNLAWFUL ENTRY BY AN EXCLUDED OR EJECTED PERSON UNDER SECTION 44-30-827; AND

(c) THE LICENSEE ESTABLISHES THAT THE PERSON HAS NO OUTSTANDING DEBT, AS DEFINED IN SECTION 44-33-103 (2)(a), WHEN THE PERSON SEEKS AN EXTENSION OF CREDIT.

(2) BEFORE EXTENDING CREDIT TO A PERSON, THE LICENSEE SHALL INFORM THE PERSON, ORALLY AND IN WRITING, THAT THE FINANCIAL OBLIGATIONS CREATED BY THE EXTENSION OF CREDIT MUST BE FULLY PAID TO THE LICENSEE WITHIN ONE HUNDRED FIFTY DAYS AFTER THE LICENSEE EXTENDS THE CREDIT TO THE PERSON.

(3) THE EXTENSION OF CREDIT SHALL BE DOCUMENTED ON A FORM PROVIDED BY THE DIVISION AND SHALL SET FORTH, IN READILY UNDERSTANDABLE LANGUAGE:

(a) THE DOLLAR AMOUNT OF THE CREDIT EXTENDED;

(b) THE MAXIMUM ALLOWABLE INTEREST RATE THAT THE LICENSEE MAY CHARGE IF THE PERSON FAILS TO REPAY THE CREDIT OR OTHERWISE RESOLVE THE FINANCIAL OBLIGATION WITHIN NINETY DAYS, OR WITHIN A SPECIFICALLY STATED SHORTER PERIOD DETERMINED BY THE LICENSEE, AFTER THE CREDIT IS EXTENDED;

(c) THE TOTAL DOLLAR AMOUNT DUE TO MAKE FULL REPAYMENT BEFORE ANY INTEREST IS CHARGED AS AUTHORIZED BY THIS SECTION;

(d) A STATEMENT THAT THE LICENSEE IS ENTITLED TO PURSUE ANY OF THE LICENSEE'S LEGAL REMEDIES, CONSISTENT WITH SUBSECTION (5) OF THIS SECTION, IF THE CREDIT EXTENDED IS NOT REPAYED OR OTHERWISE RESOLVED BY THE PARTIES; AND

(e) ANY OTHER MATERIAL TERMS OR CONDITIONS PERTAINING TO THE EXTENSION OF CREDIT OR REPAYMENT OF THE FINANCIAL OBLIGATION.

(4) THE FAILURE OF A PERSON TO WHOM CREDIT HAS BEEN EXTENDED TO MAKE FULL REPAYMENT DOES NOT RELIEVE ANY LICENSEE FROM MAKING FULL PAYMENT OF ALL GAMING TAXES ON THE ADJUSTED GROSS PROCEEDS ATTRIBUTABLE TO THE EXTENSION OF CREDIT.

(5) (a) A LICENSEE MAY PURSUE ALL CIVIL REMEDIES AT LAW TO RECOVER ANY AMOUNT OF CREDIT THAT IS NOT REPAYED OR OTHERWISE RESOLVED, ALL INTEREST ASSESSED CONSISTENT WITH THIS SECTION, AND THE REASONABLE COSTS ASSOCIATED WITH AN ACTION TO RECOVER AMOUNTS DUE.

(b) A LICENSEE MUST NOT SETTLE OR COMPROMISE THE AMOUNT TO BE REPAYED UNTIL:

(I) THE LICENSEE HAS MADE A BONA FIDE DEMAND TO THE PERSON FOR PAYMENT OF THE FULL AMOUNT OF THE CREDIT EXTENDED;

(II) THE PERSON TO WHOM CREDIT WAS EXTENDED HAS FAILED TO MAKE FULL REPAYMENT WITHIN A COMMERCIALY REASONABLE PERIOD OF TIME; AND

(III) AT LEAST NINETY DAYS, OR THE SHORTER PERIOD DETERMINED AND SET FORTH UNDER SUBSECTION (3)(b) OF THIS SECTION, HAVE PASSED SINCE THE DATE THE CREDIT WAS EXTENDED.

(6) A LICENSEE THAT EXTENDS CREDIT SHALL:

(a) PRESERVE FOR AT LEAST THREE YEARS ALL RECORDS PERTAINING TO THE EXTENSION OF CREDIT, INCLUDING DOCUMENTATION OF THE CREDIT EXTENDED, THE SUBSTANTIVE ASSESSMENTS OF A PERSON'S CREDIT HISTORY UNDER SUBSECTION (1) OF THIS SECTION, AND THE RECORD OF REPAYMENT OR FAILURE TO MAKE REPAYMENT OF THE CREDIT; AND

(b) MAKE THE RECORDS DESCRIBED IN SUBSECTION (6)(a) OF THIS SECTION AVAILABLE TO THE DIVISION FIVE BUSINESS DAYS AFTER THE DIVISION MAKES A WRITTEN REQUEST FOR SPECIFIED MATERIALS.

(7) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO ALTER THE RIGHTS OR OBLIGATIONS OF A LENDER UNDER OTHER APPLICABLE LAWS. LENDERS SHALL COMPLY WITH THE "UNIFORM CONSUMER CREDIT CODE", ARTICLES 1 TO 9 OF TITLE 5, TO THE EXTENT IT IS APPLICABLE.

(8) THE MINIMUM AMOUNT OF AN EXTENSION OF CREDIT MADE PURSUANT TO THIS SECTION IS ONE THOUSAND DOLLARS.

SECTION 2. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect

unless approved by the people at the general election to be held in November 2024 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Steve Fenberg
PRESIDENT OF
THE SENATE

Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

Robin Jones
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

APPROVED _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO