

Initiative 257: Local Voter Approval of Casino Bet Limits and Games in Black Hawk, Central City, and Cripple Creek

1 Initiative 257 proposes amending the Colorado Constitution to:

- 2 • remove casino bet limits and restrictions on casino games; and

3 Colorado statutes to:

- 4 • allow voters in the three gaming cities, Black Hawk, Central City, and Cripple
5 Creek, to increase bet limits and approve new casino games in their cities; and
6 • expand the use of casino tax revenue for community colleges to include student
7 retention and completion programs.

8 What Your Vote Means

YES

A “yes” vote on Initiative 257 means that the voters of Black Hawk, Central City, and Cripple Creek will be allowed to increase casino bet limits and approve new casino games in their cities.

NO

A “no” vote on Initiative 257 means that current casino bet limits and games will remain the same and voters in Black Hawk, Central City, and Cripple Creek will not be authorized to increase them.

1 **Summary and Analysis for Initiative 257**

2 **What happens if this initiative passes?**

- 3 • Casino bet limits and restrictions on casino games will be removed from the
4 constitution.
- 5 • Voters in Black Hawk, Central City, and Cripple Creek may approve new casino
6 bet limits and add new casino games. Current games and bet limits of \$100 will
7 remain until the voters of each city authorize different bet amounts and/or games.
- 8 • If local voters approve new casino games, the Colorado Gaming Commission will
9 establish rules for the new games.
- 10 • Casinos may offer new casino games and any new bet limits starting May 1,
11 2021.
- 12 • Community colleges may use gaming tax revenue to fund student retention and
13 completion programs, in addition to student financial aid, classroom instruction,
14 and workforce development programs as allowed under current law.

15 **What types of gambling are currently allowed in Colorado?**

16 In 1990, Colorado voters passed a constitutional amendment allowing bets of up to
17 \$5 on slot machines, blackjack, and poker only in Black Hawk, Central City, and
18 Cripple Creek. The limits on casino gambling were expanded in 2008, allowing the
19 games of roulette and craps, bets of up to \$100, and extended casino hours of
20 operation. Sports betting was legalized both online and at casinos in 2019.

21 Outside of Black Hawk, Central City, and Cripple Creek, Colorado also permits
22 gambling on horse racing, simulcast horse and dog races, the state lottery, and
23 bingos and raffles sponsored by nonprofit organizations. Gambling is also legal at
24 the Southern Ute and Ute Mountain Ute tribal casinos.

25 **How does Initiative 257 change the way community colleges spend gaming tax revenue?**

26 This measure expands the way community college funding from gaming can be spent to
27 include student retention and completion programs. Currently, community colleges are
28 allowed to spend gaming tax revenue on financial aid and workforce development programs.

For information on those issue committees that support or oppose the Initiatives on the ballot at the November 3, 2020, election, go to the Colorado Secretary of State's elections center web site hyperlink for ballot and initiative information:

<http://www.sos.state.co.us/pubs/elections/Initiatives/InitiativesHome.html>

1 **Arguments For Initiative 257**

- 2 1) Initiative 257 allows voters in Black Hawk, Central City, and Cripple Creek to
3 make decisions that are best for their communities. Local residents impacted by
4 changes to gambling in Colorado are best equipped to address the needs of their
5 communities and should be allowed to control what happens in their cities.
- 6 2) Without raising taxes on Coloradans, Initiative 257 may increase the amount of
7 funding for community college financial aid and workforce development
8 programs. This tax revenue will help provide important educational opportunities
9 during this economic downturn and is essential when recent state and local tax
10 revenues have decreased significantly.

11 **Arguments Against Initiative 257**

- 12 1) Removing bet limits may increase the prevalence and severity of problem
13 gambling. Problem gambling often leads to negative social impacts ranging
14 from lower work productivity, financial problems, and higher crime rates to family
15 neglect and abuse, substance abuse, and suicide. Initiative 257 increases the
16 risk of gambling problems without setting aside any of the new tax revenue to
17 help people harmed by problem gambling.
- 18 2) Expanding casino gambling may negatively impact other communities in
19 Colorado that will no longer have a voice in changes to limits on bets and games.
20 Other cities will not receive any of the tax revenue to help offset the burden
21 created by additional traffic, intoxicated driving, or any problem gambling issues.
22 All Colorado voters deserve to have a say in activities that impact the entire
23 state.

24 **Estimate of Fiscal Impact of Initiative 257**

25 [An estimate of fiscal impact will be included in the second draft of this ballot
26 analysis.]