

First Regular Session
Seventy-third General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 21-0496.01 Esther van Mourik x4215

HOUSE BILL 21-1132

HOUSE SPONSORSHIP

Amabile,

SENATE SPONSORSHIP

Story,

House Committees
Transportation & Local Government
Finance

Senate Committees

A BILL FOR AN ACT

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

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill clarifies the authorized distributions from the local government limited gaming impact fund by:

- Specifying that "documented gaming impacts" should be for negative impacts and defining that phrase;
- Requiring grant awards to be prioritized for eligible local governmental entities that have lower property values

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

- compared to all eligible local governmental entities;
 - Defining "property values" as 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;
 - Requiring documented negative gaming impacts to be explicitly identifiable;
 - Defining "negative impacts"; and
 - Allowing grants from the gambling addiction account to be used to provide gambling addiction treatment training to staff at nonprofit community mental health centers or clinics; this is in addition to the current authorized use for gambling addiction counseling services to Colorado residents.
-

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

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

4 **44-30-1301. Local government limited gaming impact fund -**
5 **rules - report - legislative declaration - definitions - repeal.**

6 (1) (a) There is hereby created in the state treasury the local government
7 limited gaming impact fund, ~~referred to in this part 13 as the "fund"~~, and
8 within the fund, there is created the limited gaming impact account and
9 the gambling addiction account. The fund consists of money transferred
10 to the fund pursuant to section 44-30-701 (2)(a)(III) and money
11 appropriated to the fund by the general assembly. Of the money in the
12 fund, ninety-eight percent shall be allocated to the limited gaming impact
13 account and two percent shall be allocated to the gambling addiction
14 account. Money in the limited gaming impact account shall be used to
15 provide financial assistance to eligible local government entities for
16 documented NEGATIVE gaming impacts and to award grants for the
17 provision of gambling addiction counseling, including prevention and
18 education, to Colorado residents.

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

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

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

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

4 (A) INCREASED GOVERNMENT REGULATORY COSTS TO OVERSEE
5 THE CASINO INDUSTRY; FOR EXAMPLE, INCREASED ADMINISTRATIVE COSTS
6 AND INCREASED ENFORCEMENT OF GAMING REGULATIONS;

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

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

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

18 (E) DECREASED PROPERTY VALUES IN AREAS PROXIMATE TO A
19 LICENSED GAMING ESTABLISHMENT;

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

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

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

8 (H) DECREASED EMPLOYMENT IN INDUSTRIES CANNIBALIZED BY
9 A LICENSED GAMING ESTABLISHMENT;

10 (I) INCREASED TRAFFIC AND TRAFFIC ACCIDENTS;

11 (J) INCREASED NOISE; AND

12 (K) INCREASED SOCIOECONOMIC INEQUALITY, AS GAMBLING
13 TENDS TO BE REGRESSIVE.

14 (V) "PROPERTY VALUES" MEANS THE SUM OF THE ACTUAL VALUE
15 OF ALL PROPERTY, INCLUDING THE ACTUAL VALUE OF ALL TAX-EXEMPT
16 PROPERTY, AS OF DECEMBER 31 OF THE PRIOR YEAR.

17 (2) (a) After considering the recommendations of the local
18 government limited gaming impact advisory committee created in section
19 44-30-1302, the money from the limited gaming impact account shall be
20 distributed at the authority of the executive director of the department of
21 local affairs to eligible local governmental entities upon their application
22 for grants to finance planning, construction, and maintenance of public
23 facilities and the provision of public services related to the documented
24 NEGATIVE gaming impacts; EXCEPT THAT THE GRANTS MUST BE
25 PRIORITIZED FOR ELIGIBLE LOCAL GOVERNMENTAL ENTITIES WITH LOWER
26 PROPERTY VALUES COMPARED TO THE PROPERTY VALUES OF ALL ELIGIBLE
27 LOCAL GOVERNMENTAL ENTITIES. At the end of any fiscal year, all

1 unexpended and unencumbered money in the limited gaming impact
2 account shall remain available for expenditure in any subsequent fiscal
3 year without further appropriation by the general assembly.

4 (b) (I) For the 2008-09 fiscal year and each fiscal year thereafter,
5 the executive director of the department of human services shall use the
6 money in the gambling addiction account to award grants for the purpose
7 of providing gambling addiction counseling services to Colorado
8 residents AND TO PROVIDE GAMBLING ADDICTION TREATMENT TRAINING
9 TO STAFF AT NONPROFIT COMMUNITY MENTAL HEALTH CENTERS OR
10 CLINICS AS DEFINED IN SECTION 27-66-101. The department of human
11 services may use a portion of the money in the gambling addiction
12 account, not to exceed ten percent in the 2008-09 fiscal year and five
13 percent in each fiscal year thereafter, to cover the department's direct and
14 indirect costs associated with administering the grant program authorized
15 in this subsection (2)(b). The executive director of the department of
16 human services shall award grants to state or local public or private
17 entities or programs that provide gambling addiction counseling services
18 and that have or are seeking nationally accredited gambling addiction
19 counselors. The executive director of the department of human services
20 shall award ten percent of the money in the gambling addiction account
21 in grants to addiction counselors who are actively pursuing national
22 accreditation as gambling addiction counselors. In order to qualify for an
23 accreditation grant, an addiction counselor applicant must provide
24 sufficient proof that he or she has completed at least half of the
25 counseling hours required for national accreditation. The executive
26 director of the department of human services shall adopt rules
27 establishing the procedure for applying for a grant from the gambling

1 addiction account, the criteria for awarding grants and prioritizing
2 applications, and any other provision necessary for the administration of
3 the grant applications and awards. Neither the entity, program, or
4 gambling addiction counselor providing the gambling addiction
5 counseling services nor the recipients of the counseling services need to
6 be located within the jurisdiction of an eligible local governmental entity
7 in order to receive a grant or counseling services. At the end of a fiscal
8 year, all unexpended and unencumbered money in the gambling addiction
9 account remains in the account and does not revert to the general fund or
10 any other fund or account.

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

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

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

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

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

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

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

1 ECONOMIC DISTRESS;

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

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

9 (d) THE GRANT AWARDS SHOULD BE DISTRIBUTED BASED ON THE
10 RELATIVE NEED OF THE COUNTY OR TOWN, AS EVIDENCED BY THE
11 PROPERTY VALUES FOR EACH ELIGIBLE LOCAL GOVERNMENTAL ENTITY
12 COMPARED TO THE PROPERTY VALUES FOR ALL ELIGIBLE LOCAL
13 GOVERNMENTAL ENTITIES.

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

16 **44-30-1302. Local government limited gaming impact advisory**
17 **committee - creation - duties.** (4) The committee shall have the
18 following duties:

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

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

25 (c) TO ASCERTAIN THE PROPERTY VALUES FOR EACH ELIGIBLE
26 LOCAL GOVERNMENTAL ENTITY AND COMPARE THAT TO THE PROPERTY
27 VALUES FOR ALL ELIGIBLE LOCAL GOVERNMENTAL ENTITIES;

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

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

13 **24-48.5-314. Creative districts - creation - certification -**

1 notwithstanding any other provision of this section, a creative district
2 created pursuant to this section shall not be eligible to receive any form
3 of financial incentive that is derived from money allocated to the local
4 government limited gaming impact fund created in section 44-30-1301
5 (1), without the consent of the applicable eligible local governmental
6 entity or entities, as defined in ~~section 44-30-1301 (2)(c)~~ SECTION
7 44-30-1301 (1)(b)(II), inside the territorial boundaries of which the
8 creative district is located.

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

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