



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 25-1215: REDISTRIBUTION OF LOTTERY FUND

Prime Sponsors:

Rep. Taggart; Joseph
Sen. Bridges; Kirkmeyer

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Published for: House Appropriations**Drafting number:** LLS 25-0610**Version:** Initial Fiscal Note**Date:** April 8, 2025**Fiscal note status:** The fiscal note reflects the introduced bill.

Summary Information

Overview. The bill adjusts the distribution of money in the state lottery fund, beginning in FY 2024-25.**Types of impacts.** The bill is projected to affect the following areas on an ongoing basis:

- State Expenditures
- State Transfers
- School Districts

Appropriations. No appropriation is required.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

Beginning in the current FY 2024-25, the bill adjusts the distribution of any state lottery proceeds that exceed the cap on Great Outdoors Colorado (GOCO) funding, as shown in Table 2 below.

Table 2
Changes to Distribution of Lottery Proceeds

Fund	Current Law	HB 25-1215
Outdoor Equity Cash Fund	First \$3.0 million	First \$3.0 million + 30% of remaining funds
Public School Capital Construction Cash Fund	Next \$3.0 million + 50% of remaining funds	Next \$4.0 million + 50% of remaining funds
Wildlife Cash Fund	25% of remaining funds	10% of remaining funds
Parks and Outdoor Recreation Cash Fund	25% of remaining funds	10% of remaining funds

Background

Public School Capital Construction Assistance Fund

The PSCCAF supports the Building Excellent Schools Today (BEST) school capital construction program, including lease purchase payments, charter school capital construction assistance, cash grants to school districts, and program administration.

Great Outdoors Colorado

Fifty percent of net lottery proceeds fund GOCO, with an annual cap on how much revenue GOCO can receive. This cap is or is projected to be \$81.8 million for FY 2023-24, \$86.0 million for FY 2024-25, and \$88.0 million for FY 2025-26.

State Transfers

The bill's impacts on adjustments to lottery distributions will vary, based on the total amount of lottery proceeds. In years when lottery proceeds do not exceed the GOCO cap, the bill does not change the distribution of lottery funds. For the current FY 2024-25, lottery proceeds are not expected to exceed the GOCO cap.

In years when lottery proceeds exceed the GOCO cap, the bill increases distributions from the lottery fund to the Public School Capital Construction Assistance Fund and the Outdoor Equity Fund. Consequently, it reduces distributions to the Wildlife Cash Fund and the Parks and

Outdoor Recreation Cash Fund. For informational purposes only, Table 3 below shows how distributions would change if lottery proceeds exceeded the GOCO cap by \$10 million.

Table 3
Hypothetical Distribution of \$10 million in Lottery Proceeds Over GOCO Cap¹

Cash Fund	Current Law	HB 25-1215	Difference
Outdoor Equity Fund	\$3,000,000	\$3,900,000	\$900,000
Public School Capital Construction Cash Fund (BEST)	\$5,000,000	\$5,500,000	\$500,000
Parks and Outdoor Recreation Cash Fund	\$1,000,000	\$300,000	-\$700,000
Wildlife Cash Fund	\$1,000,000	\$300,000	-\$700,000
Revenue over Cap	\$10,000,000	\$10,000,000	\$0

¹ At this time, it is unknown if, or by how much, lottery proceeds will exceed the GOGO cap. This scenario is provided for illustrative purposes only.

State Expenditures

Department of Natural Resources

In years when lottery proceeds surpass the GOCO cap, the bill may reduce funds available to spend in the Wildlife Cash Fund and the Parks and Outdoor Recreation Cash Fund, decreasing money available for certain Colorado Parks and Wildlife programs. Meanwhile, the bill may increase money available for certain outdoor education and equity initiatives in the Outdoor Equity Fund.

Department of Education

In years when the lottery proceeds surpass the GOCO cap, the bill may increase money available in the PSCCAF, to be spent on school capital construction needs.

School District

In certain years, the bill increases money in the PSCCAF, which may increase funding to certain school districts that receive BEST grants.

Effective Date

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

State and Local Government Contacts

Education

Revenue

Higher Education

Treasury

Natural Resources

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).