

First Regular Session  
Seventy-third General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 21-0496.01 Esther van Mourik x4215

HOUSE BILL 21-1132

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HOUSE SPONSORSHIP

Amabile,

SENATE SPONSORSHIP

Story,

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House Committees

Transportation & Local Government  
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Senate Committees

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A BILL FOR AN ACT

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

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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.

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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.

1 (b) ~~For the purposes of AS USED IN this part 13, UNLESS THE~~  
2 CONTEXT OTHERWISE REQUIRES:

3 (I) "Documented NEGATIVE gaming impacts" means the  
4 documented expenses, costs, and other NEGATIVE impacts ~~and the~~  
5 ~~provision of gambling addiction counseling, including prevention and~~  
6 ~~education, to Colorado residents,~~ THAT ARE incurred directly AND ARE  
7 EXPLICITLY IDENTIFIABLE as a result of limited gaming permitted in the  
8 counties of Gilpin and Teller and on Indian lands. "DOCUMENTED  
9 NEGATIVE GAMING IMPACTS" INCLUDES THE PROVISION OF GAMBLING  
10 ADDICTION COUNSELING, INCLUDING PREVENTION AND EDUCATION, TO  
11 COLORADO RESIDENTS.

12 (II) "ELIGIBLE LOCAL GOVERNMENTAL ENTITY" MEANS THE  
13 FOLLOWING LOCAL GOVERNMENTAL ENTITIES:

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

17 (B) ANY MUNICIPALITY LOCATED WITHIN THE BOUNDARIES OF ANY  
18 COUNTY SET FORTH IN SUBSECTION (1)(b)(II)(A) OF THIS SECTION, EXCEPT  
19 THE CITY OF CENTRAL, THE CITY OF BLACK HAWK, AND THE CITY OF  
20 CRIPPLE CREEK, AND EXCEPT THAT NEITHER THE CITY OF WOODLAND  
21 PARK NOR THE CITY OF VICTOR ARE ELIGIBLE LOCAL GOVERNMENTAL  
22 ENTITIES PRIOR TO JULY 1, 2002; AND

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;



1           ~~(e)~~ (d) To review grant applications from eligible local  
2 governmental entities, individually or in cooperation with other eligible  
3 local governmental entities, based upon the needs of the entities, ~~and~~ the  
4 documented NEGATIVE gaming impacts on the entities, AND THE  
5 PROPERTY VALUES FOR EACH ELIGIBLE LOCAL GOVERNMENTAL ENTITY;  
6 AND

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 -**  
14 **powers of coordinator and division - legislative declaration -**  
15 **definitions.** (5) (b) In addition to any powers explicitly granted to the  
16 division under this section, the division shall have any additional powers  
17 that are necessary to carry out the purposes of this section. Where  
18 authorized by law, the powers may include offering incentives to  
19 state-certified creative districts to encourage business development,  
20 including, but not limited to, incentives in the form of need-based funding  
21 for infrastructure development in state-certified creative districts,  
22 exploring new incentives that are directly related to creative enterprises,  
23 facilitating local access to state economic development assistance,  
24 enhancing the visibility of state-certified creative districts, providing  
25 state-certified creative districts with technical assistance and planning aid,  
26 ensuring broad and equitable program benefits, and fostering a supportive  
27 climate for the arts and culture within the state; except that,

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.