Second Regular Session Seventy-third General Assembly STATE OF COLORADO

REREVISED

This Version Includes All Amendments Adopted in the Second House

LLS NO. 22-0882.01 Richard Sweetman x4333

HOUSE BILL 22-1402

HOUSE SPONSORSHIP

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Appropriations

Appropriations

	A BILL FOR AN ACT
101	CONCERNING MEASURES TO PROMOTE RESPONSIBLE GAMING, AND, IN
102	CONNECTION THEREWITH, CREATING THE RESPONSIBLE GAMING
103	GRANT PROGRAM, ESTABLISHING FUNDING MECHANISMS TO
104	SUPPORT THE GRANT PROGRAM, AND MAKING AN
105	APPROPRIATION.

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.)

Section 1 of the bill creates the responsible gaming grant program (grant program) in the department of revenue to promote responsible

SENATE
Amended 3rd Reading

SENATE
Amended 2nd Reading

HOUSE 3rd Reading Unamended May 2, 2022

HOUSE Amended 2nd Reading April 29, 2022

Shading denotes HOUSE amendment. <u>Double underlining denotes SENATE amendment.</u>

Capital letters or bold & italic numbers indicate new material to be added to existing statute.

Dashes through the words indicate deletions from existing statute.

gaming in the state. The Colorado limited gaming control commission (gaming commission), in collaboration with the behavioral health administration, is required to administer the grant program and award grants to eligible applicants from money in the responsible gaming grant program cash fund (cash fund), which is also created in the bill. An "eligible applicant" means an agency of the state government, a local government, or, with certain exceptions, a nonprofit organization.

The gaming commission, in collaboration with the behavioral health administration, is required to promulgate rules to implement the grant program. At a minimum, the rules must specify the time frames for applying for grants, the form of the grant program application, and the time frames for distributing grant money. To receive a grant, an eligible applicant must submit an application that includes the following information:

- The amount of grant money requested by the eligible applicant;
- How the eligible applicant will spend the grant money to address problem gaming or increase awareness of responsible gaming;
- Information concerning any current or past projects in which the eligible applicant has participated and that addressed responsible gaming or problem gaming; and
- Any other information required by rules promulgated by the gaming commission.

In reviewing applications, the gaming commission, in collaboration with the behavioral health administration, is required to consider certain criteria, and grantees may use grant money only for the purposes for which the grant money is awarded.

On or before September 1, 2023, and on or before September 1 each year thereafter, each grantee must submit a report to the gaming commission concerning the use of grant money. On or before December 1, 2023, and on or before December 1 each year thereafter for the duration of the grant program, the gaming commission must submit a summarized report to the legislative committees of reference.

The grant program is repealed, effective September 1, 2032. Before the repeal, the grant program is scheduled for a sunset review by the department of regulatory agencies.

Section 1 also requires the division of gaming (gaming division), on and after January 1, 2023, to operate a program to exclude certain individuals from all or certain gaming activities in the state. The gaming division must operate the exclusion program in accordance with rules promulgated by the gaming commission.

Section 2 requires retail gaming licensees, sports betting operators, and internet sports betting operators (licensees) to annually submit a report to the director of the gaming division, which report describes the

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efforts of the licensee in the preceding year to promote responsible gaming via advertising and other promotional methods and the licensee's plans concerning such promotional efforts in the current state fiscal year.

Section 3 requires that on December 31, 2023, and on December 31 each year thereafter, any money credited to the wagering revenue recipients hold-harmless fund and not distributed within 2 years after being credited to the hold-harmless fund be transferred, as authorized by the gaming commission, to the cash fund.

Section 4 requires that, for the 2022-23 state fiscal year and each state fiscal year thereafter, \$2.5 million be transferred from the state share of the limited gaming fund to the cash fund.

Section 5 requires the general assembly, for the 2022-23 state fiscal year, and for each state fiscal year thereafter, to appropriate \$200,000 from the lottery fund to the state lottery division (division) to be expended by the division to pay for efforts to promote responsible gaming in the state.

Section 6 limits the total amount of free bets that may be deducted on and after January 1, 2023, for the purpose of calculating the net sports betting proceeds of a sports betting operator or internet sports betting operator.

Under current law, the Colorado lottery commission is required to promulgate rules that include the method for selling tickets or shares and the method to be used for selling instant scratch game tickets. **Section 7** removes a requirement that such rules must require all such sales to be on a cash-only basis.

Section 8 concerns the sunset repeal of the grant program, and section 9 excludes the cash fund from the statutory limitation on uncommitted reserves. Section 10 removes existing language concerning individuals who are required by the gaming commission to be excluded or ejected from any licensed gaming establishment, which language is rendered redundant by the bill's new exclusion language. Sections 11 and 12 make conforming amendments.

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

SECTION 1. In Colorado Revised Statutes, add with amended

and relocated provisions part 17 to article 30 of title 44 as follows:

PART 17

MEASURES TO PROMOTE RESPONSIBLE GAMING

44-30-1701. Definitions. As used in this part 17, unless the

CONTEXT OTHERWISE REQUIRES:

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1	(1) "Behavioral health administration" means the
2	BEHAVIORAL HEALTH ADMINISTRATION ESTABLISHED PURSUANT TO
3	SECTION 27-60-203 (5)(a).
4	(2) (a) "ELIGIBLE APPLICANT" MEANS:
5	(I) AN AGENCY OF THE STATE GOVERNMENT;
6	(II) A LOCAL GOVERNMENT; AND
7	(III) EXCEPT AS DESCRIBED IN SUBSECTION (2)(b) OF THIS SECTION,
8	A NONPROFIT ORGANIZATION.
9	(b) "ELIGIBLE APPLICANT" DOES NOT INCLUDE A NONPROFIT
10	ORGANIZATION OR A PUBLIC OR PRIVATE NONPROFIT FOUNDATION THAT IS:
11	(I) Affiliated with a person licensed under this article 30;
12	OR
13	(II) FUNDAMENTALLY OPPOSED TO GAMING.
14	(3) "FUND" MEANS THE RESPONSIBLE GAMING GRANT PROGRAM
15	CASH FUND CREATED IN SECTION 44-30-1702 (8).
16	(4) "GRANT PROGRAM" MEANS THE RESPONSIBLE GAMING GRANT
17	PROGRAM CREATED IN SECTION 44-30-1702 (1).
18	(5) "LOCAL GOVERNMENT" MEANS A CITY, A COUNTY, OR A CITY
19	AND COUNTY.
20	44-30-1702. Responsible gaming grant program - creation -
21	rules - application process - cash fund created - repeal. (1) THE
22	RESPONSIBLE GAMING GRANT PROGRAM IS HEREBY CREATED IN THE
23	DEPARTMENT TO PROMOTE RESPONSIBLE GAMING AND ADDRESS PROBLEM
24	GAMING IN THE STATE.
25	(2) (a) The commission, in collaboration with the
26	BEHAVIORAL HEALTH ADMINISTRATION, SHALL ADMINISTER THE GRANT
2.7	PROGRAM AND SHALL AWARD GRANTS AS PROVIDED IN THIS SECTION

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1	GRANTS SHALL BE PAID OUT OF THE FUND.
2	(b) THE COMMISSION MAY SEEK, ACCEPT, AND EXPEND GIFTS
3	GRANTS, AND DONATIONS FOR THE PURPOSES OF THE GRANT PROGRAM
4	ANY MONEY RECEIVED AS GIFTS, GRANTS, AND DONATIONS BY THE
5	COMMISSION SHALL BE TRANSFERRED TO THE STATE TREASURER, WHO
6	SHALL CREDIT THE MONEY TO THE FUND.
7	(3) THE COMMISSION, IN COLLABORATION WITH THE BEHAVIORAL
8	HEALTH ADMINISTRATION, SHALL PROMULGATE SUCH RULES AS ARE
9	REQUIRED IN THIS SECTION AND SUCH ADDITIONAL RULES AS MAY BE
10	NECESSARY TO IMPLEMENT THE GRANT PROGRAM. AT A MINIMUM, THE
11	RULES MUST SPECIFY THE TIME FRAMES FOR APPLYING FOR GRANTS, THE
12	FORM OF THE GRANT PROGRAM APPLICATION, AND THE TIME FRAMES FOR
13	DISTRIBUTING GRANT MONEY.
14	(4) TO RECEIVE A GRANT, AN ELIGIBLE APPLICANT MUST SUBMIT
15	AN APPLICATION TO THE COMMISSION IN ACCORDANCE WITH RULES
16	PROMULGATED BY THE COMMISSION. AT A MINIMUM, THE APPLICATION
17	MUST INCLUDE THE FOLLOWING INFORMATION:
18	(a) THE AMOUNT OF GRANT MONEY REQUESTED BY THE ELIGIBLE
19	APPLICANT;
20	(b) HOW THE ELIGIBLE APPLICANT WILL SPEND THE GRANT MONEY
21	TO ADDRESS PROBLEM GAMING OR INCREASE AWARENESS OF RESPONSIBLE
22	GAMING;
23	(c) INFORMATION CONCERNING ANY CURRENT OR PAST PROJECTS
24	IN WHICH THE ELIGIBLE APPLICANT HAS PARTICIPATED AND THAT
25	ADDRESSED RESPONSIBLE GAMING OR PROBLEM GAMING; AND
26	(d) ANY OTHER INFORMATION REQUIRED BY RULES PROMULGATED
27	BY THE COMMISSION PURSUANT TO SUBSECTION (3) OF THIS SECTION.

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1	(5) THE COMMISSION SHALL REVIEW THE APPLICATIONS RECEIVED
2	PURSUANT TO THIS SECTION. IN AWARDING GRANTS, THE COMMISSION, IN
3	COLLABORATION WITH THE BEHAVIORAL HEALTH ADMINISTRATION, SHALL
4	CONSIDER THE FOLLOWING CRITERIA:
5	(a) THE CURRENT NEEDS OF THE STATE RELATING TO RESPONSIBLE
6	OR PROBLEM GAMING;
7	(b) THE OVERALL IMPACT THAT A PROPOSED GRANT MAY HAVE ON
8	RESPONSIBLE OR PROBLEM GAMING;
9	(c) THE AMOUNT OF MONEY AVAILABLE IN THE FUND;
10	(d) THE AMOUNT OF GRANT MONEY REQUESTED BY EACH ELIGIBLE
11	APPLICANT;
12	(e) Whether the eligible applicant intends to use grant
13	MONEY FOR ANY OF THE FOLLOWING PURPOSES:
14	(I) PREVENTION OR EDUCATION SERVICES CONCERNING GAMBLING
15	ADDICTION;
16	(II) CERTIFICATION OF GAMBLING ADDICTION COUNSELORS;
17	(III) PUBLIC AWARENESS OF SERVICES CONCERNING GAMBLING
18	ADDICTION;
19	(IV) TREATMENT OF GAMBLING ADDICTION DISORDERS;
20	(V) RECOVERY SERVICES; OR
21	(VI) DATA REPORTING AND DATA SYSTEMS; AND
22	(f) ANY OTHER CRITERIA ESTABLISHED BY RULES PROMULGATED
23	BY THE COMMISSION PURSUANT TO SUBSECTION (3) OF THIS SECTION.
24	(6) GRANTEES SHALL USE GRANT MONEY ONLY FOR THE PURPOSES
25	FOR WHICH THE GRANT MONEY IS AWARDED.
26	(7) (a) On or before September 1, 2023, and on or before
7	SEPTEMBED 1 EACH VEAR THEREAFTER THROUGH THE VEAR FOIL OWING

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1	THE YEAR AFTER WHICH A GRANTEE FULLY EXPENDS ITS GRANT MONEY,
2	EACH GRANTEE SHALL SUBMIT A REPORT TO THE COMMISSION. AT A
3	MINIMUM, THE REPORT MUST INCLUDE THE FOLLOWING INFORMATION:
4	(I) AN INDICATION OF WHETHER THE GRANTEE ACHIEVED THE
5	OBJECTIVES THAT THE GRANTEE DESCRIBED IN ITS APPLICATION FOR A
6	GRANT;
7	(II) AN EVALUATION OF THE RESULTS OF THE GRANTEE'S
8	GRANT-FUNDED PROJECT;
9	(III) A DESCRIPTION OF THE IMPACT OF THE GRANTEE'S USE OF
10	GRANT MONEY ON THE COMMUNITY WITH REGARD TO RESPONSIBLE OR
11	PROBLEM GAMING;
12	(IV) THE TOTAL AMOUNT OF GRANT MONEY RECEIVED AND THE
13	TOTAL AMOUNT OF GRANT MONEY EXPENDED BY THE GRANTEE; AND
14	(V) ANY OTHER INFORMATION THAT IS REQUIRED BY RULES
15	PROMULGATED BY THE COMMISSION PURSUANT TO SUBSECTION (3) OF THIS
16	SECTION.
17	(b) On or before December 1, 2023, and on or before
18	DECEMBER 1 EACH YEAR THEREAFTER FOR THE DURATION OF THE GRANT
19	PROGRAM, THE COMMISSION SHALL SUBMIT A SUMMARIZED REPORT TO
20	THE PUBLIC AND BEHAVIORAL HEALTH AND HUMAN SERVICES COMMITTEE
21	OF THE HOUSE OF REPRESENTATIVES AND THE HEALTH AND HUMAN
22	SERVICES COMMITTEE OF THE SENATE, OR TO ANY SUCCESSOR
23	COMMITTEES, AND TO THE BEHAVIORAL HEALTH ADMINISTRATION
24	CONCERNING THE GRANT PROGRAM. AT A MINIMUM, THE REPORT MUST
25	INCLUDE THE FOLLOWING INFORMATION:
26	(I) THE TOTAL NUMBER OF GRANTS, AND THE TOTAL AMOUNT OF
27	GRANT MONEY, AWARDED BY THE GRANT PROGRAM IN THE PRECEDING

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1	STATE FISCAL YEAR;
2	(II) THE IDENTITY OF EACH GRANTEE AND THE TOTAL AMOUNT OF
3	GRANT MONEY AWARDED TO EACH GRANTEE IN THE PRECEDING STATE
4	FISCAL YEAR;
5	(III) THE INFORMATION REPORTED BY EACH GRANTEE PURSUANT
6	TO SUBSECTIONS $(7)(a)(II)$ AND $(7)(a)(III)$ OF THIS SECTION; AND
7	(IV) FINANCIAL STATEMENTS CONCERNING THE STATUS OF, AND
8	ACTIVITIES CONCERNING, THE FUND.
9	(c) Notwithstanding section 24-1-136 (11)(a)(I), the
10	REPORTING REQUIREMENT SET FORTH IN SUBSECTION (7)(b) OF THIS
11	SECTION CONTINUES UNTIL THE GRANT PROGRAM REPEALS PURSUANT TO
12	SUBSECTION (9) OF THIS SECTION.
13	(8) (a) THE RESPONSIBLE GAMING GRANT PROGRAM CASH FUND IS
14	HEREBY CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF:
15	(I) Money transferred to the fund from the wagering
16	REVENUE RECIPIENTS HOLD-HARMLESS FUND PURSUANT TO SECTION
17	44-30-1509 (2)(c)(IV);
18	(II) Money transferred to the fund from the limited
19	GAMING FUND PURSUANT TO SECTION 44-30-701 (2)(a)(VI.5);
20	(III) ANY GIFTS, GRANTS, AND DONATIONS RECEIVED PURSUANT
21	TO SUBSECTION (2)(b) OF THIS SECTION; AND
22	(IV) ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY
23	APPROPRIATE OR TRANSFER TO THE FUND.
24	(b) The state treasurer shall credit all interest and
25	INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
26	FUND TO THE FUND. ANY MONEY REMAINING IN THE FUND AT THE END OF
27	A FISCAL YEAR REMAINS IN THE FUND.

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1	(c) Money in the fund is <u>annually</u> appropriated to the
2	DEPARTMENT FOR USE BY THE COMMISSION FOR THE PURPOSES DESCRIBED
3	IN THIS SECTION. ANY MONEY THAT IS AWARDED AS A GRANT TO ANY
4	STATE AGENCY IS FURTHER <u>ANNUALLY</u> APPROPRIATED TO THE STATE
5	AGENCY FOR USE BY THE STATE AGENCY CONSISTENT WITH THIS SECTION.
6	(d) THE COMMISSION MAY EXPEND MONEY FROM THE FUND TO PAY
7	THE DIRECT AND INDIRECT ADMINISTRATIVE EXPENSES INCURRED BY THE
8	COMMISSION IN ADMINISTERING THE GRANT PROGRAM; EXCEPT THAT THE
9	TOTAL AMOUNT OF MONEY EXPENDED BY THE COMMISSION PURSUANT TO
10	This subsection $(8)(d)$ in a state fiscal year may not exceed five
11	PERCENT OF THE TOTAL AMOUNT OF GRANT MONEY AWARDED BY THE
12	COMMISSION IN THAT STATE FISCAL YEAR.
13	(e) On August 31, 2032, the state treasurer shall transfer
14	ALL UNEXPENDED AND UNENCUMBERED MONEY IN THE FUND ON THAT
15	DATE TO THE GENERAL FUND.
16	(9) This section is repealed, effective September 1, 2032.
17	BEFORE THE REPEAL, THE GRANT PROGRAM IS SCHEDULED FOR REVIEW IN
18	ACCORDANCE WITH SECTION 24-34-104.
19	44-30-1703. Exclusion of certain individuals from
20	participation in gaming activities - duties of division - mechanism for
21	self-exclusion - confidential records - rules. (1) (a) ON AND AFTER
22	January 1, 2023, the division shall operate a program to:
23	(I) EXCLUDE THE FOLLOWING INDIVIDUALS FROM PARTICIPATION
24	IN GAMING ACTIVITIES IN THE STATE:
25	(A) Individuals who have voluntarily requested to be
26	EXCLUDED PURSUANT TO SUBSECTION (2)(a) OF THIS SECTION; AND
27	(B) INDIVIDUALS WHO ARE REQUIRED BY THE COMMISSION TO BE

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1	EXCLUDED OR EJECTED FROM ANY LICENSED GAMING ESTABLISHMENT
2	PURSUANT TO SUBSECTION (3) OR (4) OF THIS SECTION; AND
3	(II) EXCLUDE FROM CERTAIN SPORTS BETTING INDIVIDUALS WHO
4	ARE PROHIBITED FROM PLACING WAGERS ON CERTAIN SPORTING EVENTS
5	PURSUANT TO SECTION 44-30-1502.
6	(b) THE DIVISION SHALL OPERATE THE PROGRAM IN ACCORDANCE
7	WITH RULES PROMULGATED BY THE COMMISSION PURSUANT TO THIS
8	SECTION.
9	(2) (a) THE DIVISION SHALL INCLUDE IN THE PROGRAM DESCRIBED
10	IN SUBSECTION (1) OF THIS SECTION MECHANISMS BY WHICH INDIVIDUALS
11	MAY REQUEST TO BE EXCLUDED FROM PARTICIPATION IN GAMING
12	ACTIVITIES IN THE STATE, AS DESCRIBED IN SUBSECTION (1)(a)(I)(A) OF
13	THIS SECTION. THE MECHANISMS MUST INCLUDE THE RECEIPT OF SUCH
14	REQUESTS BY THE DIVISION IN WRITTEN, ELECTRONIC, AND TELEPHONIC
15	FORM.
16	(b) Notwithstanding any other provision of law, the
17	PERSONAL IDENTIFYING INFORMATION OF THE FOLLOWING INDIVIDUALS IS
18	CONFIDENTIAL AND IS NOT SUBJECT TO THE REQUIREMENTS OF THE
19	"COLORADO OPEN RECORDS ACT", PART 2 OF ARTICLE 72 OF TITLE 24:
20	(I) Individuals who request to be excluded from
21	PARTICIPATION IN GAMING ACTIVITIES IN THE STATE PURSUANT TO
22	SUBSECTION (2)(a) OF THIS SECTION; AND
23	(II) INDIVIDUALS WHO ARE PROHIBITED FROM PLACING WAGERS ON
24	CERTAIN SPORTING EVENTS PURSUANT TO SECTION 44-30-1502 AND ARE
25	THEREFORE EXCLUDED FROM CERTAIN SPORTS BETTING PURSUANT TO
26	SUBSECTION (1)(a)(II) OF THIS SECTION.
27	(3) [Formerly 44-30-1001 (2)] The commission may SHALL by

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1	rule provide for the establishment of a list of persons who are to be
2	excluded or ejected from any licensed gaming establishment, including
3	any person whose presence in the establishment is determined to pose a
4	threat to the interest of the state of Colorado or to licensed gaming. or
5	both. In making the determination for exclusion, the commission may
6	consider any of the following:
7	(a) Prior conviction of a felony, a misdemeanor involving moral
8	turpitude, or a violation of the gaming laws OR GAMING RULES of any
9	OTHER state, the United States or any of its possessions or territories,
10	including OR AN Indian tribes TRIBE;
11	(b) A violation, AN attempt to violate, or A conspiracy to violate
12	the provisions of this article 30 relating to:
13	(I) The failure to disclose an interest in a gaming establishment for
14	which the person must obtain a license or TO make disclosures to the
15	commission; or
16	(II) Intentional evasion of fees or taxes;
17	(III) A reputation that would adversely affect public confidence
18	and trust that the gaming industry is free from criminal or corruptive
19	influences;
20	(IV) Prior exclusion or ejection FROM A GAMING ESTABLISHMENT
21	under the LAWS OR gaming rules of any other state, the United States OR
22	any of its possessions or territories, or an Indian tribe; that regulates
23	gaming; OR
24	(V) Career or professional offenders or associates of career or
25	professional offenders and any others as defined by rule of the

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commission.

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(c) [Formerly 44-30-1001 (3)] If the name and description of any

person is placed on the exclusion list OF PERSONS TO BE EXCLUDED OR EJECTED DESCRIBED IN THIS SUBSECTION (3), the commission shall serve notice of that action upon the person by at least one of the following means:

(a) By personal service,

(b) by certified mail to the last-known address of the person, or

- (c) by publication in one or more official newspapers in Teller and Gilpin counties IN Colorado. A person placed upon the exclusion AND EJECTION list may contest that action by filing a written protest with the commission, and the COMMISSION SHALL HEAR THE protest shall be heard by the commission as a contested case.
- (d) [Formerly 44-30-1001 (4)] The commission may impose sanctions upon any licensee in accordance with the provisions of this article 30 if the licensee KNOWINGLY fails to exclude or eject from the licensed premises any person placed by the commission on the list of persons to be excluded or ejected from licensed gaming establishments PURSUANT TO THIS SUBSECTION (3), which sanctions may include but not be limited to, suspension, revocation, limitation, modification, denial, or restriction of any license.
- (4) [Formerly 44-30-1002] (a) The commission, by rule, and notwithstanding the provisions of section 44-30-1001 SUBSECTION (3) OF THIS SECTION, may list persons to be excluded or ejected from any licensed gaming establishment effective October 1, 1991, if the commission finds that listing the persons on an emergency basis is necessary to avoid danger to the public safety and if the public confidence and trust would be maintained only if the persons were ARE listed on such an emergency basis.

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(b) Notwithstanding the provisions of section 24-4-103 (6), the listing of persons A PERSON to be excluded or ejected pursuant to this section SUBSECTION (4) expires one year after the adoption of the list, unless the provisions of section 44-30-1001 SUBSECTION (3) OF THIS SECTION are followed for permanent listing.

- (c) With respect to the finding of danger to public safety, the commission shall consider whether the persons have A PERSON HAS been listed on the list of persons TO BE excluded or ejected under the laws and gaming rules of the states of Nevada, New Jersey, OR South Dakota and OR any other states; the United States OR its territories or possessions; or any AN Indian tribe. regulating gaming.
- (d) Any rule adopted pursuant to this section SUBSECTION (4) shall be followed within thirty days after the emergency listing by the procedures set forth in section 44-30-1001 SUBSECTION (3) OF THIS SECTION. A listing pursuant to this section SUBSECTION (4) must be vacated upon the conclusion of the rule-making proceeding initiated under section 44-30-1001 SUBSECTION (3) OF THIS SECTION if a determination is made by the commission DETERMINES that a person should not have been placed on the list of persons to be excluded or ejected.
- (5) ON OR BEFORE NOVEMBER 1, 2022, THE COMMISSION SHALL PROMULGATE RULES FOR THE OPERATION OF THE PROGRAM DESCRIBED IN SUBSECTIONS (1) AND (2) OF THIS SECTION. THE RULES MUST INCLUDE THE ESTABLISHMENT OF A LIST OF INDIVIDUALS TO BE EXCLUDED OR EJECTED FROM ALL GAMING ACTIVITIES IN THE STATE PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION, WHICH LIST IS ACCESSIBLE TO ALL LICENSED GAMING OPERATORS, INCLUDING SPORTS BETTING OPERATORS AND

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1	INTERNET SPORTS BETTING OPERATORS.
2	SECTION 2. In Colorado Revised Statutes, add 44-30-531 as
3	follows:
4	44-30-531. Responsible gaming - advertising and promotional
5	efforts - reports of certain licensees required - confidential records.
6	(1) On or before October 1, 2023, and on or before October 1
7	EACH YEAR THEREAFTER, THE FOLLOWING LICENSEES SHALL SUBMIT TO
8	THE DIRECTOR A REPORT THAT DESCRIBES THE EFFORTS OF THE LICENSEE
9	IN THE PRECEDING STATE FISCAL YEAR TO PROMOTE RESPONSIBLE GAMING
10	IN THE STATE VIA ADVERTISING AND OTHER PROMOTIONAL METHODS AND
11	THE LICENSEE'S PLANS CONCERNING SUCH PROMOTIONAL EFFORTS IN THE
12	CURRENT STATE FISCAL YEAR:
13	(a) RETAIL LICENSEES, AS DESCRIBED IN SECTION 44-30-501 (1)(c);
14	(b) SPORTS BETTING OPERATORS, AS DEFINED IN SECTION
15	44-30-1501 (11); AND
16	(c) Internet sports betting operators, as defined in section
17	44-30-1501 (5).
18	(2) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A REPORT
19	SUBMITTED TO THE DIRECTOR PURSUANT TO SUBSECTION (1) OF THIS
20	SECTION IS CONFIDENTIAL AND IS NOT SUBJECT TO THE REQUIREMENTS OF
21	THE "COLORADO OPEN RECORDS ACT", PART 2 OF ARTICLE 72 OF TITLE
22	24.
23	SECTION 3. In Colorado Revised Statutes, 44-30-1509, amend
24	(2)(d) and (2)(e); and add (2)(c)(IV) as follows:
25	44-30-1509. Sports betting fund - wagering revenue recipients
26	hold-harmless fund - creation - rules - definitions - repeal. (2) From
27	the money in the sports betting fund, to the extent the unexpended and

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1	unencumbered balance in the fund so permits, the state treasurer shall:
2	(c) Third, transfer an amount equal to six percent of the full fiscal
3	year sports betting tax revenues to the wagering revenue recipients
4	hold-harmless fund, referred to in this section as the "hold-harmless
5	fund", which is hereby created in the state treasury, from which the state
6	treasurer shall make disbursements as directed by the commission as
7	follows:
8	(IV) ON DECEMBER 31, 2023, AND ON DECEMBER 31 OF EACH
9	YEAR THEREAFTER, THE STATE TREASURER SHALL TRANSFER ANY MONEY
10	CREDITED TO THE HOLD-HARMLESS FUND AND NOT DISBURSED WITHIN
11	TWO YEARS AFTER THE DATE ON WHICH THE MONEY IS CREDITED TO THE
12	HOLD-HARMLESS FUND, AS AUTHORIZED BY THE COMMISSION, TO THE
13	RESPONSIBLE GAMING GRANT PROGRAM CASH FUND CREATED IN SECTION
14	44-30-1702 (8).
15	(d) (I) Fourth, transfer one hundred thirty thousand dollars
16	annually to the office of behavioral health in the department of human
17	services, to be used as follows:
18	(I) (A) Thirty thousand dollars for the operation of a crisis hotline
19	for gamblers by Rocky Mountain Crisis Partners or its successor
20	organization; and
21	(II) (B) One hundred thousand dollars for prevention, education,
22	treatment, and workforce development by, and including the payment of
23	salaries of, counselors certified in the treatment of gambling disorders.
24	(II) This subsection $(2)(d)$ is repealed, effective December
25	31, 2023.
26	(e) (I) Fifth FOURTH, transfer all remaining unexpended and
27	unencumbered money in the fund to the water plan implementation cash

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1	fund created in section 37-60-123.3.
2	SECTION 4. In Colorado Revised Statutes, 44-30-701, amend
3	(2)(a)(VI) and (2)(a)(VII); and add (2)(a)(VI.5) as follows:
4	44-30-701. Limited gaming fund - created - repeal.
5	(2) (a) Except as provided in subsection (2)(b) or (2)(c) of this section,
6	at the end of the 2012-13 state fiscal year and at the end of each state
7	fiscal year thereafter, the state treasurer shall transfer the state share as
8	follows:
9	(VI) Five hundred thousand dollars to the Colorado office of film,
10	television, and media operational account cash fund created in section
11	24-48.5-116, for the operation of the Colorado office of film, television,
12	and media, for the performance-based incentive for film production in
13	Colorado as specified in section 24-48.5-116, and for the Colorado office
14	of film, television, and media loan guarantee program as specified in
15	section 24-48.5-115; and
16	(VI.5) FOR THE 2022-23 STATE FISCAL YEAR AND EACH STATE
17	FISCAL YEAR THEREAFTER, TWO MILLION FIVE HUNDRED THOUSAND
18	DOLLARS TO THE RESPONSIBLE GAMING GRANT PROGRAM CASH FUND
19	CREATED IN SECTION 44-30-1702 (8); AND
20	(VII) Any amount of the state share that exceeds the transfers
21	specified in subsections (2)(a)(I) to (2)(a)(VI) (2)(a)(VI.5) of this section
22	shall be transferred to the general fund.
23	SECTION 5. In Colorado Revised Statutes, 44-40-111, add (1.5)
24	as follows:
25	44-40-111. Lottery fund - creation - definitions. (1.5) FOR THE
26	2022-23 STATE FISCAL YEAR, AND FOR EACH STATE FISCAL YEAR
27	THEREAFTER, THE GENERAL ASSEMBLY SHALL APPROPRIATE TWO

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1	HUNDRED THOUSAND DOLLARS FROM THE LOTTERY FUND TO THE DIVISION
2	TO COVER EXPENSES RELATING TO THE DIVISION'S EFFORTS TO PROMOTE
3	RESPONSIBLE GAMING IN THE STATE.
4	SECTION 6. In Colorado Revised Statutes, 44-30-1501, amend
5	(7) as follows:
6	44-30-1501. Definitions - rules - repeal. Definitions applicable
7	to this part 15 also appear in section 44-30-103 and article 1 of this title
8	44. As used in this part 15, unless the context otherwise requires:
9	(7) (a) "Net sports betting proceeds" means the total amount of all
10	bets placed by players in a sports betting operation or internet sports
11	betting operation, excluding free bets, less all payments to players, LESS
12	FREE BETS AS DESCRIBED IN SUBSECTIONS (7)(b) AND (7)(c) OF THIS
13	SECTION, and less all excise taxes paid pursuant to federal law. Payments
14	to players include all payments of cash premiums, merchandise, or any
15	other thing of value.
16	(b) (I) Until January 1, 2023, when determining the free
17	BETS DEDUCTION USED FOR CALCULATING "NET SPORTS BETTING
18	PROCEEDS" EACH MONTH, AS DESCRIBED IN SUBSECTION (7)(a) OF THIS
19	SECTION, A SPORTS BETTING OPERATOR OR INTERNET SPORTS BETTING
20	OPERATOR MAY:
21	(A) INCLUDE ALL FREE BETS PLACED BY PLAYERS WITH THE SPORTS
22	BETTING OPERATOR OR INTERNET SPORTS BETTING OPERATOR; AND
23	(B) CARRY FORWARD ANY UNUSED FREE BET CREDITS
24	ACCUMULATED ON OR BEFORE NOVEMBER 30, 2022.
25	(II) This subsection (7)(b) is repealed, effective July 1, 2023.
26	(c) (I) On and after January 1, 2023, when determining the
2.7	FREE BETS DEDUCTION USED FOR CALCULATING "NET SPORTS BETTING

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1	PROCEEDS" EACH MONTH, AS DESCRIBED IN SUBSECTION (7)(a) OF THIS
2	SECTION, A SPORTS BETTING OPERATOR OR INTERNET SPORTS BETTING
3	OPERATOR SHALL INCLUDE ONLY A PORTION OF THE TOTAL FREE BETS
4	PLACED BY PLAYERS WITH THE SPORTS BETTING OPERATOR OR INTERNET
5	SPORTS BETTING OPERATOR, AS FOLLOWS:
6	(A) On and after January $1,2023$, through June $30,2024$, no
7	MORE THAN TWO AND ONE-HALF PERCENT OF THE TOTAL AMOUNT OF ALL
8	BETS PLACED BY PLAYERS WITH THAT SPORTS BETTING OPERATOR OR
9	INTERNET SPORTS BETTING OPERATOR EACH MONTH;
10	(B) On and after July 1, 2024, through June 30, 2025, no
11	MORE THAN TWO AND ONE-FOURTH PERCENT OF THE TOTAL AMOUNT OF
12	ALL BETS PLACED BY PLAYERS WITH THAT SPORTS BETTING OPERATOR OR
13	INTERNET SPORTS BETTING OPERATOR EACH MONTH;
14	(C) On and after July 1, 2025, through June 30, 2026, no
15	MORE THAN TWO PERCENT OF THE TOTAL AMOUNT OF ALL BETS PLACED BY
16	PLAYERS WITH THAT SPORTS BETTING OPERATOR OR INTERNET SPORTS
17	BETTING OPERATOR EACH MONTH; AND
18	(D) On and after July 1, 2026, no more than one and
19	THREE-QUARTERS PERCENT OF THE TOTAL AMOUNT OF ALL BETS PLACED
20	BY PLAYERS WITH THAT SPORTS BETTING OPERATOR OR INTERNET SPORTS
21	BETTING OPERATOR EACH MONTH.
22	(II) For the purposes of subsection $(7)(c)(I)$ of this section,
23	A SPORTS BETTING OPERATOR OR INTERNET SPORTS BETTING OPERATOR
24	SHALL NOT:
25	(A) CARRY OVER TO THE NEXT MONTH ANY FREE BETS PLACED IN
26	EXCESS OF THE DEDUCTION ALLOWED FOR ANY MONTH; OR
27	(B) CARRY FORWARD ANY UNUSED FREE BET CREDITS

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1	ACCUMULATED BEFORE JANUARY 1, 2023.
2	SECTION 7. In Colorado Revised Statutes, 44-40-109, amend
3	(2) introductory portion, (2)(g), (3)(a) introductory portion, and (3)(a)(I)
4	as follows:
5	44-40-109. Commission - powers and duties - rules. (2) Except
6	as provided in subsection (3) of this section, rules promulgated pursuant
7	to subsection (1) of this section shall MUST include: but shall not be
8	limited to, the following:
9	(g) The method to be used in selling tickets or shares; but all sales
10	shall be on a cash-only basis;
11	(3) (a) The commission shall promulgate rules pursuant to
12	subsection (1) of this section for the general administration of all instant
13	scratch games. The rules shall MUST include: but shall not be limited to:
14	(I) The method to be used in selling instant scratch game tickets;
15	but all sales shall be on a cash-only basis;
16	SECTION 8. In Colorado Revised Statutes, 24-34-104, add
17	(33)(a)(III) as follows:
18	24-34-104. General assembly review of regulatory agencies
19	and functions for repeal, continuation, or reestablishment - legislative
20	declaration - repeal. (33) (a) The following agencies, functions, or both,
21	are scheduled for repeal on September 1, 2032:
22	(III) THE RESPONSIBLE GAMING GRANT PROGRAM CREATED IN
23	SECTION 44-30-1702.
24	SECTION 9. In Colorado Revised Statutes, 24-75-402, add
25	(5)(vv) as follows:
26	24-75-402. Cash funds - limit on uncommitted reserves -
27	reduction in the amount of fees - exclusions. (5) Notwithstanding any

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1	provision of this section to the contrary, the following cash funds are
2	excluded from the limitations specified in this section:
3	(vv) The responsible gaming grant program cash fund
4	CREATED IN SECTION 44-30-1702 (8).
5	SECTION 10. Repeal of relocated provisions. In Colorado
6	Revised Statutes, repeal part 10 of article 30 of title 44.
7	SECTION 11. In Colorado Revised Statutes, 18-20-112, amend
8	(1) and (2) as follows:
9	18-20-112. Unlawful entry by excluded and ejected persons.
10	(1) It is unlawful for any person whose name is on the list promulgated
11	by the Colorado limited gaming control commission pursuant to section
12	44-30-1001 or 44-30-1002 SECTION 44-30-1703 (3) OR (4) to enter the
13	licensed premises of a limited gaming licensee.
14	(2) It is unlawful for any person whose name is on the list
15	promulgated by the Colorado limited gaming control commission
16	pursuant to section 44-30-1001 or 44-30-1002 SECTION 44-30-1703 (3) OR
17	(4) to have any personal pecuniary interest, direct or indirect, in any
18	limited gaming licensee, licensed premises, establishment, or business
19	involved in or with limited gaming or in the shares in any corporation,
20	association, or firm licensed pursuant to article 30 of title 44.
21	SECTION 12. In Colorado Revised Statutes, 44-30-827, amend
22	(1) and (2) as follows:
23	44-30-827. Unlawful entry by excluded and ejected persons.
24	(1) It is unlawful for any person whose name is on the list promulgated
25	by the commission pursuant to section 44-30-1001 or 44-30-1002
26	SECTION 44-30-1703 (3) OR (4) to enter the licensed premises of a limited
27	gaming licensee.

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(2) It is unlawful for any person whose name is on the list
promulgated by the commission pursuant to section 44-30-1001 or
44-30-1002 SECTION 44-30-1703 (3) OR (4) to have any personal
pecuniary interest, direct or indirect, in any limited gaming licensee,
licensed premises, establishment, or business involved in or with limited
gaming or in the shares in any corporation, association, or firm licensed
pursuant to this article 30.
SECTION 13. <u>Appropriation. (1)</u> For the 2022-23 state fiscal
year, \$200,000 is appropriated to the department of revenue for use by the
lottery division. This appropriation is from the lottery fund created in
section 44-40-111 (1), C.R.S. To implement this act, the division may use
this appropriation for marketing and communications.
(2) For the 2022-23 state fiscal year, \$2,500,000 is appropriated
to the department of revenue for use by the specialized business group.
This appropriation is from the responsible gaming grant program cash
fund created in section 44-30-1702 (8)(a), C.R.S. To implement this act,
the specialized business group may use this appropriation for the
responsible gaming grant program.
SECTION 14. Act subject to petition - effective date.
(1) Except as otherwise provided in subsection (2) of this section, 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 2022 and in such case will take effect on the date of the

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- 1 official declaration of the vote thereon by the governor.
- 2 (2) Section 44-30-1509 (2)(e), Colorado Revised Statutes, as
- 3 amended in section 3 of this act, takes effect January 1, 2024.

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