



## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Revised Fiscal Note

(replaces fiscal note dated March 20, 2024)

<b>Drafting Number:</b>	LLS 24-0579	<b>Date:</b>	April 8, 2024
<b>Prime Sponsors:</b>	Rep. Ricks; Brown Sen. Smallwood; Zenzinger	<b>Bill Status:</b>	House Finance
		<b>Fiscal Analyst:</b>	Matt Bishop   303-866-4796 matt.bishop@coleg.gov

### Bill Topic: **BINGO-RAFFLE LICENSING SUNSET REVIEW**

<b>Summary of Fiscal Impact:</b>	<input checked="" type="checkbox"/> State Revenue	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Local Government
	<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> TABOR Refund	<input type="checkbox"/> Statutory Public Entity

**Sunset bill.** This bill continues bingo-affle licensing through September 1, 2029, which is scheduled to repeal on September 1, 2024. State fiscal impacts include minimal revenue and expenditures impacts from changes to the program under the bill, as well as continuation of the program's current revenue and expenditures.

**Appropriation Summary:** No appropriation is required.

**Fiscal Note Status:** The revised fiscal note reflects the introduced bill, as amended by the House State, Civic, Military, and Veterans Affairs Committee.

**Table 1**  
**State Fiscal Impacts Under HB 24-1326<sup>1</sup>**

		<b>Budget Year</b> <b>FY 2024-25</b>	<b>Out Year</b> <b>FY 2025-26</b>
<b>New Impacts</b>			
<b>Revenue</b>	Cash Funds	-	-
<b>Expenditures</b>	Cash Funds	-	-
<b>Other Budget Impacts</b>	TABOR Refund	-	-
<b>Continuing Impacts</b>			
<b>Revenue</b>	Cash Funds	-	\$760,000
<b>Expenditures</b>	Cash Funds	-	\$230,000
	Continuing FTE	-	3.0 FTE
<b>Other Budget Impacts</b>	TABOR Refund	-	\$760,000

<sup>1</sup> Table 1 shows the new impacts resulting from changes to the program under the bill and the continuing impacts from extending the program beyond its current repeal date. Other than certain constitutionally required activities in the Department of State, which will continue with or without this bill, the continuing program impacts shown above will end if the bill is not passed and the program is allowed to repeal.

## Summary of Legislation

The bill continues the regulation of bingo and other games of chance by the Secretary of State for five years, until September 1, 2029. It also modifies regulatory activities and operations of the Colorado Bingo-Raffle Advisory Board, including:

- regulating strip bingo, which is a type of bingo played with a strip card of up to five connected bingo faces;
- increasing the maximum fine imposed for violations from \$100 to \$250;
- permitting licensees to presell tickets to a charitable gaming event; and
- modifying the makeup, duties, and name of the board (Colorado Charitable Gaming Board).

## Background

The sunset review for the Bingo and Raffles Licensing and the Bingo-Raffle Advisory Board is available online [here](#).

## Continuing Program Impacts

Currently, DOS has cash fund revenue of about \$850,000 per year and costs of about \$320,000 and 4.0 FTE to license and regulate bingo and raffle. If this bill is enacted, current revenue and expenditures will continue for the program starting in FY 2025-26. This continuing revenue is subject to the state TABOR limits. If this bill is not enacted, the program will end on September 1, 2025, following a wind-down period, and state revenue and expenditures will decrease starting in FY 2025-26 by the amounts shown in Table 1. Because some of these functions are constitutionally required, the fiscal note estimates that revenue and expenditures of about \$90,000 and 1.0 FTE will continue even if the bill is not enacted. The changes to the program that drive additional revenue and costs are discussed in the State Revenue and State Expenditures sections below.

## State Revenue

The bill may increase state revenue due to higher fines imposed for violations committed by the charitable gaming industry. The fiscal note assumes high compliance, and that any change in revenue will be minimal.

## State Expenditures

The bill increases workload in the Department of State to update rules as necessary and to regulate strip bingo. This additional workload is expected to be minimal and no change in appropriations is required.

## **Other Budget Impacts**

**TABOR refunds.** By continuing the bingo-raffle program, the bill is expected to continue the amount of state revenue required to be refunded to taxpayers by the amounts shown in the State Revenue section above. This estimate assumes the March 2024 LCS revenue forecast. Because TABOR refunds are paid from the General Fund, increased cash fund revenue will reduce the amount of General Fund available to spend or save.

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## **State and Local Government Contacts**

Law	Personnel	Revenue
Secretary of State		

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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](#).