

## CHAPTER 338

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**PROFESSIONS AND OCCUPATIONS**

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**HOUSE BILL 03-1123**

BY REPRESENTATIVE(S) Sinclair, King, Lee, Rippy, Stafford, Frangas, Vigil, Williams T., and Young;  
also SENATOR(S) Johnson S. and Lamborn.

**AN ACT**

**CONCERNING THE CASH FUNDING OF THE REGULATION OF RACING EVENTS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

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

**SECTION 1.** 12-60-701, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

**12-60-701. License fees and Colorado-bred horse race requirement - repeal.**

(4) THE COMMISSION SHALL ESTABLISH AND ADJUST ANNUAL FEES FOR THE RACE MEET LICENSE AND ALL OTHER LICENSES ISSUED PURSUANT TO THIS ARTICLE TO GENERATE REVENUE THAT APPROXIMATES THE DIRECT AND INDIRECT COSTS OF ADMINISTERING THIS ARTICLE. SUCH FEES SHALL BE CREDITED TO THE RACING CASH FUND CREATED IN SECTION 12-60-205.

**SECTION 2.** Part 2 of article 60 of title 12, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

**12-60-205. Racing cash fund.** (1) THE RACING CASH FUND IS HEREBY ESTABLISHED IN THE STATE TREASURY. SUBJECT TO APPROPRIATION BY THE GENERAL ASSEMBLY, THE DIVISION SHALL USE THE MONEYS IN THE RACING CASH FUND FOR THE DIRECT AND INDIRECT COSTS OF ADMINISTERING THIS ARTICLE.

(2) MONEYS IN THE RACING CASH FUND AT THE END OF ANY FISCAL YEAR SHALL REMAIN IN THE RACING CASH FUND AND SHALL NOT REVERT TO THE GENERAL FUND OR ANY OTHER FUND. THE RACING CASH FUND SHALL BE MAINTAINED IN ACCORDANCE WITH SECTION 24-75-402, C.R.S.

**SECTION 3.** 12-60-705 (2) and (3), Colorado Revised Statutes, are amended to

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

read:

**12-60-705. Payments to state - disposition.** (2) All moneys collected by the department of revenue through the division shall, on the next business day following the receipt thereof, be transmitted to the state treasurer, who shall credit the same to the general fund of the state; EXCEPT THAT LICENSE FEES COLLECTED PURSUANT TO SECTION 12-60-701 (4) SHALL BE CREDITED TO THE RACING CASH FUND CREATED IN SECTION 12-60-205. The department of revenue shall have all the powers, rights, and duties provided in article 21 of title 39, C.R.S., to carry out such collection.

(3) ~~The general assembly shall annually appropriate from the general fund the necessary costs of administration of the division and the commission which shall be based upon estimates of such costs submitted by the division to the office of state planning and budgeting in accordance with part 3 of article 37 of title 24, C.R.S. It is recognized that the racing and pari-mutuel wagering industry must be administered and funded on an industry-wide basis and that the license and other fees collected from any single aspect of the industry will not necessarily be equal to the costs of the division's or commission's administration of that aspect of the industry. In making its annual appropriation from the general fund for the necessary costs of administration of the division and the commission, the general assembly shall consider the overall costs of the division and commission and not require that any aspect of the division's and commission's activities be self-funded~~ RACING CASH FUND CREATED IN SECTION 12-60-205 THE DIRECT AND INDIRECT COSTS OF ADMINISTERING THIS ARTICLE.

**SECTION 4.** 12-60-702 (1) (b), Colorado Revised Statutes, is amended to read:

**12-60-702. Unlawful to wager, exception - excess - taxes - special provisions for simulcast races - repeal.** (1) (b) (I) Except as otherwise provided in subsection (4) of this section, it is unlawful for ~~any~~ A RACING OR SIMULCAST FACILITY licensee for the racing of greyhounds ~~or any operator of an in-state simulcast facility that receives simulcast races of greyhounds~~ OR HORSES to take more than ~~nineteen and one-half percent~~ THE PERCENTAGE of the gross receipts AUTHORIZED BY THE COMMISSION PURSUANT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH (b) of any pari-mutuel wagering on such races or simulcast races.

(II) ~~Except as otherwise provided in subsection (4) of this section, it is unlawful for a licensee for the racing of horses or an operator of an in-state simulcast facility that receives simulcast races of horses to take more than eighteen and one-half percent of the gross receipts on win, place, and show wagering on such races or simulcast races or more than twenty-five percent of the gross receipts from all other pari-mutuel wagering on such races or simulcast races.~~ THE COMMISSION MAY ANNUALLY DETERMINE THE AUTHORIZED TAKE-OUT UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH (b) BY RULE, BUT SUCH TAKE OUT SHALL NOT EXCEED THIRTY PERCENT OF THE GROSS RECEIPTS OF ANY PARI-MUTUEL WAGERING ON RACES ORIGINATING WITHIN COLORADO.

**SECTION 5.** 12-60-703 (3), Colorado Revised Statutes, is amended to read:

**12-60-703. Pari-mutuel pools for race meets and simulcast races.** (3) An in-state simulcast facility receiving simulcast races from an out-of-state host track may participate either in a pari-mutuel pool into which only the pari-mutuel wagers

on such simulcast races ~~which~~ THAT are placed at such in-state simulcast facility are taken or in an interstate common pool. The commission shall permit an operator of an in-state simulcast facility participating in an interstate common pool to adopt the takeout percentage of the out-of-state host track for such interstate common pool. ~~so long as such in-state simulcast facility's takeout does not exceed twenty percent of win, place, and show wagering and twenty-five percent of all other pari-mutuel wagering on such simulcast races.~~

**SECTION 6. Appropriation.** (1) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the racing cash fund created in section 12-60-205, Colorado Revised Statutes, not otherwise appropriated, to the department of revenue, for the fiscal year beginning July 1, 2003, the sum of one million nine hundred seventy-seven thousand one hundred sixty-five dollars (\$1,977,165), or so much thereof as may be necessary, for the implementation of this act.

(2) For the implementation of this act, appropriations made in the annual general appropriation act to the department of revenue for the fiscal year beginning July 1, 2003, shall be adjusted as follows:

(a) The general fund appropriation to the executive director's office is decreased by two hundred sixty-one thousand three hundred two dollars (\$261,302);

(b) The general fund appropriation to the enforcement business group, for administration, is decreased by sixty-four thousand four hundred seventy-nine dollars (\$64,479); and

(c) The general fund appropriation to the enforcement business group, for the division of racing events, is decreased by one million six hundred fifty-one thousand three hundred eighty-four dollars (\$1,651,384).

**SECTION 7. Effective date - applicability.** This act shall take effect July 1, 2003, and shall apply to taxes and fees due on or after said date.

**SECTION 8. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: June 3, 2003