



June 12, 2020

Dear members of the Senate Finance Committee:

I write on behalf of Colorado Nonprofit Association to express our support for HCR 20-1001. We represent over 1,400 nonprofit organizations statewide. Our mission is to lead, serve, and strengthen Colorado's nonprofit community to improve the quality of life throughout our state.

Currently, nearly 1,100 organizations have raised \$29 million in the past year from charitable bingo and raffle games. These organizations include charitable (501c3) nonprofits, churches, fraternal organizations, veterans' groups, and school booster clubs.

Unfortunately, outdated language in Colorado's constitution has created unnecessary challenges for charitable organizations seeking to obtain licenses and operate successful charitable games. HCR 20-1001 helps by doing the following:

- 1. Allowing charities to conduct bingo/raffle games after their 3rd year of existence.** This allows charities to benefit from gaming earlier in their lifecycle rather than having to wait five years. After three years, we believe a charity has demonstrated its ability to meet federal tax-exemption and raise sufficient funds to carry out its charitable purpose.
- 2. In 2024, allows the General Assembly to define how long a charity must exist before being eligible for a license.** This takes this standard out of the constitution and allows legislators to modify this requirement as needed to meet changing circumstances. Stakeholders of charitable gaming could weigh in through the legislative process.
- 3. Allows charities to pay game managers and operators up to minimum wage.** Charities rely on unpaid volunteers to manage and operate games. Volunteers may willingly contribute time but recruiting and retaining them is rarely free for the charity. This change allows charities to pay hourly wages, increase expense reimbursements, or provide other incentives to recruit and retain workers. Because such payments are limited to the applicable minimum wage, the vast majority of fundraising proceeds would still go to the charity and game winners.

We ask you to vote yes and please contact me with any questions about my testimony.

A handwritten signature in blue ink that reads "Mark Turner".

Mark Turner
Senior Director of Public Policy
(303) 813-4203
mturner@coloradononprofits.org