

## **Initiative – Tourism Promotion**

*Be it Enacted by the People of the State of Colorado:*

AN AMENDMENT TO THE CONSTITUTION OF THE STATE OF COLORADO, AMENDING ARTICLE XVIII, ADDING A NEW SECTION TO READ:

**SECTION 15. COLORADO TOURISM PROMOTION PROGRAM.** (1) IN ORDER TO GENERATE ADDITIONAL FUNDS FOR THE PROMOTION OF COLORADO TOURISM, THE COLORADO LOTTERY COMMISSION IS DIRECTED TO IMPLEMENT THE USE OF VIDEO LOTTERY TERMINALS AT EXCLUSIVE LOCATIONS, AND THERE IS IMPOSED A LICENSE FEE FOR EACH VIDEO LOTTERY TERMINAL APPROVED FOR USE AT SUCH EXCLUSIVE LOCATIONS, ALL AS SET FORTH IN THIS SECTION.

(2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) “COLORADO PROMOTION REVENUES” MEANS UP TO THE FIRST TWENTY-FIVE MILLION DOLLARS OF NET VLT PROCEEDS IN ANY STATE FISCAL YEAR, AFTER THE ALLOCATION OF PROCEEDS TO THE GREAT OUTDOORS COLORADO PROGRAM IN ACCORDANCE WITH SECTION 3 OF ARTICLE XXVII OF THE STATE CONSTITUTION AND THIS SECTION.

(b) “COMMISSION” MEANS THE COLORADO LOTTERY COMMISSION AS ESTABLISHED IN SECTION 24-35-207, C.R.S., OR SUCCESSOR STATUTE.

(c) “EXCLUSIVE LOCATIONS” MEANS THE FOLLOWING LOCATIONS:

(I) PROPERTIES LICENSED AS RACETRACKS AS OF JANUARY 1, 2003, AND DOING BUSINESS AS ARAPAHOE PARK, CLOVERLEAF GREYHOUND TRACK, MILE HIGH GREYHOUND RACING, POST TIME GREYHOUND RACING, AND PUEBLO GREYHOUND PARK; AND

(II) THE LICENSED LIMITED GAMING ESTABLISHMENTS IN THE CITY OF BLACKHAWK, CENTRAL CITY, AND THE CITY OF CRIPPLE CREEK QUALIFIED UNDER SECTION 9 OF THIS ARTICLE.

(d) “NET VLT PROCEEDS” MEANS ALL PROCEEDS FROM THE OPERATION OF VIDEO LOTTERY TERMINALS UNDER THE VIDEO LOTTERY PROGRAM, NET OF PRIZES AND EXPENSES OF THE STATE LOTTERY DIVISION, INCLUDING SALES AGENT COMMISSIONS. REVENUES GENERATED BY THE LICENSE FEE ESTABLISHED BY SUBPARAGRAPH 8 OF THIS SECTION SHALL NOT CONSTITUTE NET VLT PROCEEDS.

(e) “PROMOTION FUND” MEANS THE COLORADO TRAVEL AND TOURISM ADDITIONAL SOURCE FUND AS ESTABLISHED IN SECTION 24-49.7-106, C.R.S., OR SUCCESSOR STATUTE.

(f) "SALES AGENT COMMISSION" MEANS THE LESSER OF (1) SIX PERCENT OF THE TOTAL AMOUNT OF CURRENCY AND CREDITS WAGERED, OR (2) THIRTY-NINE PERCENT OF ALL CURRENCY WAGERED LESS THE VALUE OF ALL PAY VOUCHERS ISSUED.

(g) "VIDEO LOTTERY PROGRAM" MEANS THE STATE-SUPERVISED LOTTERY PROGRAM MANDATED BY THIS SECTION.

(h) "VIDEO LOTTERY TERMINAL" OR "TERMINAL" MEANS A COMPUTERIZED VIDEO DEVICE THAT, WHEN ACTIVATED BY INSERTION OF CURRENCY IN THE FORM OF BILLS, PLAYS A LOTTERY GAME APPROVED BY THE COMMISSION AND AWARDS CREDITS, EVIDENCED BY A PRINTED PAY VOUCHER OR AN ELECTRONIC CREDIT REDEEMABLE FOR CASH, ON THE BASIS OF CHANCE. "VIDEO LOTTERY TERMINAL" OR "TERMINAL" DOES NOT INCLUDE ANY MACHINE OR DEVICE REFERRED TO AS A SLOT MACHINE IN SECTION 9 OF THIS ARTICLE OR A MACHINE THAT DIRECTLY DISPENSES COINS, CURRENCY IN THE FORM OF BILLS, TOKENS, OR ANY ITEM OF VALUE OTHER THAN A PRINTED VOUCHER.

(3) THE COMMISSION SHALL IMPLEMENT THE VIDEO LOTTERY PROGRAM NO LATER THAN NOVEMBER 1, 2004. THE COMMISSION SHALL PROMULGATE ALL NECESSARY RULES TO REGULATE THE VIDEO LOTTERY PROGRAM IN ACCORDANCE WITH THIS SECTION. THE RULES AND REGULATIONS OF THE COMMISSION SHALL MAXIMIZE THE NET VLT PROCEEDS AVAILABLE FOR DISTRIBUTION UNDER THIS SECTION.

(4) UPON THE SUBMISSION OF A SALES AGENT APPLICATION BY THE OPERATOR OF AN EXCLUSIVE LOCATION LISTED IN SUBPARAGRAPH 2(c)(I) OF THIS SECTION, IN A FORM ACCEPTABLE TO THE COMMISSION, THE COMMISSION SHALL APPROVE THE USE OF FIVE-HUNDRED VIDEO LOTTERY TERMINALS AT THE EXCLUSIVE LOCATION REFERENCED IN THE APPLICATION. UPON THE SUBMISSION OF AN ACCEPTABLE APPLICATION BY THE OPERATOR OF A LICENSED GAMING ESTABLISHMENT LISTED IN SUBPARAGRAPH 2(c)(II) OF THIS SECTION, THE COMMISSION SHALL APPROVE THE USE OF TERMINALS AT THE EXCLUSIVE LOCATION REFERENCED IN THE APPLICATION IN A NUMBER THAT THE COMMISSION DEEMS TO BE ECONOMICALLY FEASIBLE FOR THE COMMISSION'S PURPOSES. NO ADDITIONAL TERMINALS SHALL BE PERMITTED AT ANY EXCLUSIVE LOCATION WITHOUT PRIOR APPROVAL BY THE COMMISSION AFTER ITS CONSIDERATION OF AN APPLICATION FOR ADDITIONAL TERMINALS.

(5) THE COMMISSION SHALL NOT AUTHORIZE THE OPERATION OF VIDEO LOTTERY TERMINALS EXCEPT AT EXCLUSIVE LOCATIONS.

(6) BEGINNING WITH THE FIRST STATE FISCAL YEAR IN WHICH THE VIDEO LOTTERY PROGRAM GENERATES NET VLT PROCEEDS, SUCH NET VLT PROCEEDS SHALL BE SET ASIDE, ALLOCATED, ALLOTTED, AND CONTINUOUSLY APPROPRIATED FOR DISTRIBUTION IN ACCORDANCE WITH THIS SECTION, NOTWITHSTANDING THE PROVISIONS OF SECTION 22-54-117, C.R.S., OR SUCCESSOR STATUTE. NET VLT PROCEEDS SHALL BE DISTRIBUTED TO THE GREAT OUTDOORS COLORADO PROGRAM IN ACCORDANCE WITH SECTION 3 OF ARTICLE XXVII OF THE STATE CONSTITUTION AFTER ALL NET PROCEEDS FROM ALL OTHER STATE-SUPERVISED LOTTERY PROGRAMS FOR THAT FISCAL YEAR HAVE BEEN DISTRIBUTED TO THE GREAT OUTDOORS COLORADO PROGRAM. BEGINNING WITH THE FIRST STATE FISCAL YEAR

IN WHICH THE VIDEO LOTTERY PROGRAM GENERATES COLORADO PROMOTION REVENUES, SUCH COLORADO PROMOTION REVENUES SHALL BE SET ASIDE, ALLOCATED, ALLOTTED, AND CONTINUOUSLY APPROPRIATED, AND SHALL BE DISTRIBUTED ANNUALLY TO THE PROMOTION FUND. ALL NET VLT PROCEEDS SHALL BE EXEMPT FROM ANY RESTRICTIONS ON SPENDING, REVENUES, OR APPROPRIATIONS, INCLUDING WITHOUT LIMITATION, THE RESTRICTIONS OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION.

(7) ALL NET VLT PROCEEDS SHALL BE ACCOUNTED FOR SEPARATELY FROM PROCEEDS FROM ALL OTHER STATE-SUPERVISED LOTTERY PROGRAMS AND SHALL BE SEPARATELY ALLOCATED IN ACCORDANCE WITH THIS SECTION. NET VLT PROCEEDS SHALL NOT AFFECT THE ALLOCATION OF NET PROCEEDS FROM OTHER STATE-SUPERVISED LOTTERY PROGRAMS TO THE GREAT OUTDOORS COLORADO PROGRAM OR OTHER PROGRAMS FUNDED IN WHOLE OR IN PART BY STATE-SUPERVISED LOTTERY PROCEEDS.

(8) UPON THE APPROVAL OF AN APPLICATION MADE PURSUANT TO SUBPARAGRAPH 4 OF THIS SECTION, THE STATE OF COLORADO, THROUGH THE DEPARTMENT OF REVENUE, SHALL COLLECT FROM THE APPLICANT A ONE-TIME LICENSE FEE OF FIVE-HUNDRED DOLLARS MULTIPLIED BY THE NUMBER OF VIDEO LOTTERY TERMINALS APPROVED FOR USE PURSUANT TO THAT APPLICATION. ALL REVENUES GENERATED BY THIS LICENSE FEE SHALL BE ALLOCATED AND DISTRIBUTED TO THE PROMOTION FUND WITHIN THIRTY DAYS OF COLLECTION. SUCH REVENUES SHALL BE EXEMPT FROM ANY RESTRICTIONS ON SPENDING, REVENUES, OR APPROPRIATIONS, INCLUDING WITHOUT LIMITATION, THE RESTRICTIONS OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION. SUCH REVENUES SHALL NOT CONSTITUTE PROCEEDS FROM LOTTERY PROGRAMS AS DEFINED IN SECTION 3 OF ARTICLE XXVII OF THE STATE CONSTITUTION AND SHALL NOT BE SUBJECT TO ALLOCATION AS SET FORTH THEREIN.

(9) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2019.

**David Costlow**  
**121 South Whitcomb Street**  
**Fort Collins, CO 80521**

**Senator Jack Taylor**  
**41525 County Road 36**  
**Steamboat Springs, CO 80487**