

First Regular Session
Seventieth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 15-0157.01 Jerry Barry x4341

HOUSE BILL 15-1255

HOUSE SPONSORSHIP

Dore and Pabon,

SENATE SPONSORSHIP

(None),

House Committees
Business Affairs and Labor

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE ENFORCEMENT OF THE PROHIBITED USE OF
102 ELECTRONIC BENEFITS TRANSFER CARDS AT CERTAIN
103 LOCATIONS.

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://www.leg.state.co.us/bills summaries>.)

The bill requires the department of human services (department) and the department of revenue to submit reports to specified committees of the general assembly on improper use of electronic benefits transfer cards (EBT cards) at certain prohibited locations.

The bill requires the department to adopt rules enforcing the

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

prohibition against the use of EBT cards at prohibited establishments including increasing penalties for repeated violations.

The bill also requires the department of revenue to promulgate rules for establishments regulated by the department of revenue:

- ! Requiring the operators of establishments in which EBT cards are prohibited and in which an automated teller machine (ATM) is located to post a sign notifying users that they are prohibited from accessing benefits with an EBT card at the ATM. The bill specifies a statement that must appear on the sign.
- ! Requiring operators of such establishments to take measures to prevent clients from using EBT cards at ATMs in their establishments; and
- ! Establishing methods to enforce measures by operators to prohibit clients from using an ATM at prohibited locations, including increasing penalties.

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

2 **SECTION 1.** In Colorado Revised Statutes, 26-2-104, **add** (2) (f)
3 and (2) (g) as follows:

4 **26-2-104. Public assistance programs - electronic benefits**
5 **transfer service - joint reports with department of revenue - signs -**
6 **rules.** (2) (f) ON OR BEFORE JANUARY 1, 2016, AND JULY 1, 2016, AND ON
7 OR BEFORE EACH JANUARY 1 THEREAFTER, THE DEPARTMENT OF REVENUE
8 AND THE STATE DEPARTMENT SHALL EACH SUBMIT, AND PRESENT THE
9 REPORTS AT THE SAME MEETING, ON ELECTRONIC BENEFITS TRANSFERS TO
10 THE STATE, VETERANS, AND MILITARY AFFAIRS COMMITTEES OF THE
11 SENATE AND HOUSE OF REPRESENTATIVES, THE HEALTH AND HUMAN
12 SERVICES COMMITTEE OF THE SENATE, AND THE PUBLIC HEALTH CARE AND
13 HUMAN SERVICES COMMITTEE OF THE HOUSE OF REPRESENTATIVES, OR
14 ANY SUCCESSOR COMMITTEES. THE REPORTS MUST LIST THE NUMBERS OF
15 INSTANCES THAT A CLIENT ACCESSED CASH BENEFITS THROUGH THE
16 ELECTRONIC BENEFITS TRANSFER SERVICE THROUGH AUTOMATED TELLER

1 MACHINES LOCATED IN EACH TYPE OF ESTABLISHMENT DESCRIBED IN
2 PARAGRAPH (a) OF THIS SUBSECTION (2) OR ANY OTHER ESTABLISHMENT
3 IN WHICH A CLIENT IS PROHIBITED FROM ACCESSING BENEFITS BY FEDERAL
4 LAW.

5 (g) ON OR BEFORE JANUARY 1, 2016, THE STATE DEPARTMENT
6 SHALL ADOPT RULES PURSUANT TO THE "STATE ADMINISTRATIVE
7 PROCEDURE ACT", ARTICLE 4 OF TITLE 24, C.R.S., TO ENFORCE THE
8 PROHIBITION OF CLIENTS ACCESSING BENEFITS AT AN AUTOMATED TELLER
9 MACHINE LOCATED IN AN ESTABLISHMENT DESCRIBED IN PARAGRAPH (a)
10 OF THIS SUBSECTION (2) OR ANY OTHER ESTABLISHMENT IN WHICH A
11 CLIENT IS PROHIBITED FROM ACCESSING BENEFITS BY FEDERAL LAW. THE
12 RULES MUST INCLUDE INCREASING PENALTIES FOR MULTIPLE VIOLATIONS.

13 **SECTION 2.** In Colorado Revised Statutes, 26-2-104, **add** (2) (h)
14 as follows:

15 **26-2-104. Public assistance programs - electronic benefits**
16 **transfer service - joint reports with department of revenue - signs -**
17 **rules.** (2) (h) (I) ON OR BEFORE JANUARY 1, 2016, THE DEPARTMENT OF
18 REVENUE SHALL ADOPT RULES PURSUANT TO THE "STATE
19 ADMINISTRATIVE PROCEDURE ACT", ARTICLE 4 OF TITLE 24, C.R.S., THAT
20 RELATE TO A CLIENT'S USE OF AUTOMATED TELLER MACHINES AT
21 LOCATIONS WHERE SUCH USE IS PROHIBITED. THE RULES MUST APPLY TO
22 THE FOLLOWING ESTABLISHMENTS:

23 (A) LICENSED GAMING ESTABLISHMENTS AS DEFINED IN SECTION
24 12-47.1-103 (15), C.R.S.; IN-STATE SIMULCAST FACILITIES AS DEFINED IN
25 SECTION 12-60-102 (14), C.R.S.; AND TRACKS FOR RACING AS DEFINED IN
26 SECTION 12-60-102 (26), C.R.S.;

27 (B) RETAIL ESTABLISHMENTS LICENSED TO SELL MALT, VINOUS,

1 OR SPIRITUOUS LIQUORS PURSUANT TO PART 3 OF ARTICLE 47 OF TITLE 12,
2 C.R.S.; AND

3 (C) ANY OTHER ESTABLISHMENTS REGULATED BY THE
4 DEPARTMENT OF REVENUE AT WHICH A CLIENT IS PROHIBITED FROM
5 ACCESSING PUBLIC BENEFITS PURSUANT TO FEDERAL LAW.

6 (II) THE RULES ADOPTED PURSUANT TO SUBPARAGRAPH (I) OF THIS
7 PARAGRAPH (h) MUST INCLUDE:

8 (A) A REQUIREMENT THAT THE OPERATOR OF ANY ESTABLISHMENT
9 DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (h) AT WHICH AN
10 AUTOMATED TELLER MACHINE IS LOCATED POST A SIGN ON OR NEAR THE
11 AUTOMATED TELLER MACHINE NOTIFYING CLIENTS THAT THIS SECTION
12 PROHIBITS THE USE OF AN ELECTRONIC BENEFITS SERVICE TRANSFER CARD
13 AT THE MACHINE. THE SIGN MUST CONTAIN THE FOLLOWING STATEMENT:

14 "THE USE OF AN ELECTRONIC BENEFITS TRANSFER SERVICE
15 ("EBT") CARD TO ACCESS PUBLIC BENEFITS AT THIS
16 MACHINE IS PROHIBITED BY COLORADO LAW, SECTION
17 26-2-104, COLORADO REVISED STATUTES."

18 (B) A REQUIREMENT THAT THE OPERATOR OF ANY ESTABLISHMENT
19 DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (h) AT WHICH AN
20 AUTOMATED TELLER MACHINE IS LOCATED TAKE MEASURES TO PREVENT
21 A CLIENT FROM USING AN ELECTRONIC BENEFITS CARD TO ACCESS MONEYS
22 FROM SUCH AN AUTOMATED TELLER MACHINE; AND

23 (C) METHODS TO ENFORCE THE REQUIREMENT OF
24 SUB-SUBPARAGRAPH (B) OF THIS SUBPARAGRAPH (II) AGAINST THE
25 OPERATOR OF THE ESTABLISHMENT INCLUDING INCREASING PENALTIES
26 FOR MULTIPLE VIOLATIONS.

27 **SECTION 3.** In Colorado Revised Statutes, 26-2-104, **add** (2) (h)

1 as follows:

2 **26-2-104. Public assistance programs - electronic benefits**
3 **transfer service - joint reports with department of revenue - signs -**

4 **rules.** (2) (h) (I) ON OR BEFORE JANUARY 1, 2016, THE DEPARTMENT OF
5 REVENUE SHALL ADOPT RULES PURSUANT TO THE "STATE
6 ADMINISTRATIVE PROCEDURE ACT", ARTICLE 4 OF TITLE 24, C.R.S., THAT
7 RELATE TO A CLIENT'S USE OF AUTOMATED TELLER MACHINES AT
8 LOCATIONS WHERE SUCH USE IS PROHIBITED. THE RULES MUST APPLY TO
9 THE FOLLOWING ESTABLISHMENTS:

10 (A) LICENSED GAMING ESTABLISHMENTS AS DEFINED IN SECTION
11 12-47.1-103 (15), C.R.S.; IN-STATE SIMULCAST FACILITIES AS DEFINED IN
12 SECTION 12-60-102 (14), C.R.S.; AND TRACKS FOR RACING AS DEFINED IN
13 SECTION 12-60-102 (26), C.R.S.;

14 (B) RETAIL ESTABLISHMENTS LICENSED TO SELL MALT, VINOUS,
15 OR SPIRITUOUS LIQUORS PURSUANT TO PART 3 OF ARTICLE 47 OF TITLE 12,
16 C.R.S.;

17 (C) ESTABLISHMENTS LICENSED TO SELL MEDICAL MARIJUANA OR
18 MEDICAL MARIJUANA-INFUSED PRODUCTS PURSUANT TO ARTICLE 43.3 OF
19 TITLE 12, C.R.S., OR RETAIL MARIJUANA OR RETAIL MARIJUANA-INFUSED
20 PRODUCTS PURSUANT TO ARTICLE 43.4 OF TITLE 12, C.R.S.; AND

21 (D) ANY OTHER ESTABLISHMENTS REGULATED BY THE
22 DEPARTMENT OF REVENUE AT WHICH A CLIENT IS PROHIBITED FROM
23 ACCESSING PUBLIC BENEFITS PURSUANT TO FEDERAL LAW.

24 (II) THE RULES ADOPTED PURSUANT TO SUBPARAGRAPH (I) OF THIS
25 PARAGRAPH (h) MUST INCLUDE:

26 (A) A REQUIREMENT THAT THE OPERATOR OF ANY ESTABLISHMENT
27 DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (h) AT WHICH AN

1 AUTOMATED TELLER MACHINE IS LOCATED POST A SIGN ON OR NEAR THE
2 AUTOMATED TELLER MACHINE NOTIFYING CLIENTS THAT THIS SECTION
3 PROHIBITS THE USE OF AN ELECTRONIC BENEFITS SERVICE TRANSFER CARD
4 AT THE MACHINE. THE SIGN MUST CONTAIN THE FOLLOWING STATEMENT:

5 "THE USE OF AN ELECTRONIC BENEFITS TRANSFER SERVICE
6 ("EBT") CARD TO ACCESS PUBLIC BENEFITS AT THIS
7 MACHINE IS PROHIBITED BY COLORADO LAW, SECTION
8 26-2-104, COLORADO REVISED STATUTES."

9 (B) A REQUIREMENT THAT THE OPERATOR OF ANY ESTABLISHMENT
10 DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (h) AT WHICH AN
11 AUTOMATED TELLER MACHINE IS LOCATED TAKE MEASURES TO PREVENT
12 A CLIENT FROM USING AN ELECTRONIC BENEFITS CARD TO ACCESS MONEYS
13 FROM SUCH AN AUTOMATED TELLER MACHINE; AND

14 (C) METHODS TO ENFORCE THE REQUIREMENT OF
15 SUB-SUBPARAGRAPH (B) OF THIS SUBPARAGRAPH (II) AGAINST THE
16 OPERATOR OF THE ESTABLISHMENT INCLUDING INCREASING PENALTIES
17 FOR MULTIPLE VIOLATIONS.

18 **SECTION 4. Effective date.** (1) Except as otherwise provided in
19 subsection (2) of this section, this act takes effect upon passage.

20 (2) (a) Section 2 of this act only takes effect if Senate Bill 15-065
21 does not become law.

22 (b) Section 3 of this act only takes effect if Senate Bill 15-065
23 becomes law.

24 **SECTION 5. Safety clause.** The general assembly hereby finds,
25 determines, and declares that this act is necessary for the immediate
26 preservation of the public peace, health, and safety.