

**STATE and LOCAL
FISCAL IMPACT**

Drafting Number: LLS 10-0647

Date: January 19, 2010

Prime Sponsor(s): Sen. Scheffel
Rep. Rice

Bill Status: Senate Business, Labor, & Technology
Fiscal Analyst: Chris Ward (303-866-5834)

TITLE: CONCERNING A PROHIBITION AGAINST THE INCLUSION OF FACILITIES THAT OFFER GAMBLING-RELATED ACTIVITIES IN A REGIONAL TOURISM PROJECT FOR PURPOSES OF THE "COLORADO REGIONAL TOURISM ACT".

Fiscal Impact Summary	FY 2010-2011	FY 2011-2012
State Revenue		
State Expenditures		
FTE Position Change		
Effective Date: August 11, 2010, assuming the General Assembly adjourns on May 12, 2010, as scheduled and no referendum petition is filed.		
Appropriation Summary for FY 2010-2011: None required.		
Local Government Summary of Legislation: None.		

Summary of Legislation

This bill narrows the scope of the Colorado Regional Tourism Act to exclude the use of tax increment financing for gambling-related projects.

Background. The Colorado Regional Tourism Act was established under SB 09-173. It allows local governments in Colorado to pursue up to 2 tourism-related capital improvement projects using up to \$50 million in state sales tax increment financing. Tax increment financing allows for the cost of public improvements in a region to be repaid from increased taxes generated by new or expanded business activity in the region.

State Revenue

This bill will not affect the overall amount of state sales tax revenue that is allocated for tax increment financing under the regional tourism act, nor will it affect the administrative costs of that act. However, narrowing the scope of regional tourism projects that can be paid for with state sales tax increment financing could result in the selection of lesser projects. This, in turn, could affect future state revenue, although the actual impact is unknown.

Local Government Impact

Narrowing the scope of projects that can be funded through the regional tourism act may affect the impact of those projects on local government revenue.

Departments Contacted

Governor	Local Affairs	Revenue
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