

First Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 11-0644.01 Esther van Mourik

SENATE BILL 11-159

SENATE SPONSORSHIP

Steadman, Hodge, Lambert

HOUSE SPONSORSHIP

Ferrandino, Becker, Gerou

Senate Committees
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE DISTRIBUTION OF FIFTY PERCENT OF THE BALANCE**
102 **REMAINING IN THE LIMITED GAMING FUND THAT IS ALLOCATED**
103 **TO THE STATE GENERAL FUND OR SUCH OTHER FUND AS THE**
104 **GENERAL ASSEMBLY PROVIDES AS SPECIFIED IN SECTION 9 (5)**
105 **(b) (II) OF ARTICLE XVIII OF THE STATE CONSTITUTION, AND**
106 **MAKING AN APPROPRIATION IN CONNECTION THEREWITH.**

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/billsummaries>.)

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.*

SENATE
Amended 3rd Reading
February 14, 2011

SENATE
Amended 2nd Reading
February 11, 2011

2010-11 budget balancing bill. Section 1 of the bill repeals and reenacts the statute related to the distribution of 50% of the balance remaining in the limited gaming fund that is allocated to the state general fund or such other fund as the general assembly provides as specified in section 9 (5) (b) (II) of article XVIII of the state constitution.

The effects and intentions of the repeal and reenactment are:

- ! To remove certain triggers and exceptions related to the distributions for the Colorado travel and tourism promotion fund, creative industries cash fund, new jobs incentives cash fund, and innovative higher education research fund;
- ! To remove and update several obsolete provisions;
- ! That former recipients of moneys, such as the clean energy fund and the state highway fund, are no longer listed in the statute; and
- ! To move statutory language for clarity and organization.

While the recipients of the available moneys are not different from the 2010-11 state fiscal year, the amount of those distributions is changed. **Sections 2 to 11** make conforming amendments.

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

2 **SECTION 1.** 12-47.1-701, Colorado Revised Statutes, is
3 REPEALED AND REENACTED, WITH AMENDMENTS, to read:

4 **12-47.1-701. Limited gaming fund - created.** (1) THERE IS
5 HEREBY CREATED IN THE OFFICE OF THE STATE TREASURER THE LIMITED
6 GAMING FUND. THE FUND SHALL BE MAINTAINED AND OPERATED AS
7 FOLLOWS:

8 (a) ALL REVENUES OF THE DIVISION SHALL BE PAID INTO THE
9 LIMITED GAMING FUND. ALL EXPENSES OF THE DIVISION AND THE
10 COMMISSION, INCLUDING THE EXPENSES OF INVESTIGATION AND
11 PROSECUTION RELATING TO LIMITED GAMING, SHALL BE PAID FROM THE
12 FUND.

13 (b) (I) ALL MONEYS PAID INTO THE LIMITED GAMING FUND SHALL
14 BE AVAILABLE IMMEDIATELY, WITHOUT FURTHER APPROPRIATION, FOR
15 THE PURPOSES OF THE FUND. FROM THE MONEYS IN THE LIMITED GAMING

1 FUND, THE STATE TREASURER IS HEREBY AUTHORIZED TO PAY ALL
2 ONGOING EXPENSES OF THE COMMISSION, THE DEPARTMENT, THE DIVISION,
3 AND ANY OTHER STATE AGENCY FROM WHOM ASSISTANCE RELATED TO
4 THE ADMINISTRATION OF THIS ARTICLE IS REQUESTED BY THE COMMISSION,
5 DIRECTOR, OR EXECUTIVE DIRECTOR. SUCH PAYMENT SHALL BE MADE
6 UPON PROPER PRESENTATION OF A VOUCHER PREPARED BY THE
7 COMMISSION IN ACCORDANCE WITH OTHER STATUTES GOVERNING
8 PAYMENTS OF LIABILITIES INCURRED ON BEHALF OF THE STATE. SUCH
9 PAYMENT SHALL NOT BE CONDITIONED ON ANY APPROPRIATION BY THE
10 GENERAL ASSEMBLY. RECEIPT OF SUCH PAYMENT SHALL CONSTITUTE
11 SPENDING AUTHORITY BY THE DIVISION OF GAMING IN THE DEPARTMENT
12 OF REVENUE.

13 (II) NO CLAIM FOR THE PAYMENT OF ANY EXPENSE OF THE
14 COMMISSION, DEPARTMENT, DIVISION, OR OTHER STATE AGENCY SHALL BE
15 MADE UNLESS IT IS AGAINST THE LIMITED GAMING FUND. NO OTHER
16 MONEYS OF THE STATE SHALL BE USED OR OBLIGATED TO PAY THE
17 EXPENSES OF THE DIVISION OR COMMISSION.

18 (III) THE DIVISION SHALL BE OPERATED SO THAT IT SHALL BE
19 SELF-SUSTAINING.

20 (c) THE STATE TREASURER SHALL INVEST THE MONEYS IN THE
21 LIMITED GAMING FUND SO LONG AS SAID MONEYS ARE READILY
22 AVAILABLE TO PAY THE EXPENSES OF THE DIVISION. INVESTMENTS SHALL
23 BE THOSE OTHERWISE PERMITTED BY STATE LAW, AND INTEREST OR ANY
24 OTHER RETURN ON THE INVESTMENTS SHALL BE PAID INTO THE LIMITED
25 GAMING FUND.

26 (d) PURSUANT TO SECTION 9 (5) (b) (II) OF ARTICLE XVIII OF THE
27 STATE CONSTITUTION, EXCEPT FOR AMOUNTS REQUIRED TO BE

1 TRANSFERRED TO THE EXTENDED LIMITED GAMING FUND PURSUANT TO
2 SECTION 12-47.1-701.5, AND EXCEPT FOR AN AMOUNT EQUAL TO ALL
3 EXPENSES OF THE ADMINISTRATION OF THIS ARTICLE FOR THE PRECEDING
4 TWO-MONTH PERIOD, AT THE END OF EACH STATE FISCAL YEAR, THE STATE
5 TREASURER SHALL DISTRIBUTE THE BALANCE REMAINING IN THE LIMITED
6 GAMING FUND AS FOLLOWS:

7 (I) FIFTY PERCENT SHALL BE REFERRED TO IN THIS SECTION AS THE
8 "STATE SHARE" AND SHALL BE TRANSFERRED TO THE STATE GENERAL
9 FUND OR SUCH OTHER FUND AS THE GENERAL ASSEMBLY SHALL PROVIDE
10 IN SUBSECTION (2) OF THIS SECTION;

11 (II) TWENTY-EIGHT PERCENT SHALL BE TRANSFERRED TO THE
12 STATE HISTORICAL FUND CREATED IN SECTION 9 (5) (b) (II) OF ARTICLE
13 XVIII OF THE STATE CONSTITUTION AND DISTRIBUTED AS SPECIFIED IN
14 SECTION 9 (5) (b) (III) OF ARTICLE XVIII OF THE STATE CONSTITUTION AND
15 SECTION 12-47.1-1201;

16 (III) TWELVE PERCENT SHALL BE DISTRIBUTED TO THE GOVERNING
17 BODIES OF GILPIN COUNTY AND TELLER COUNTY IN PROPORTION TO THE
18 GAMING REVENUES GENERATED IN EACH COUNTY; AND

19 (IV) THE REMAINING TEN PERCENT SHALL BE DISTRIBUTED TO THE
20 GOVERNING BODIES OF THE CITIES OF CENTRAL, BLACK HAWK, AND
21 CRIPPLE CREEK IN PROPORTION TO THE GAMING REVENUES GENERATED IN
22 EACH RESPECTIVE CITY.

23 (2) (a) EXCEPT AS PROVIDED IN PARAGRAPH (b) OF THIS
24 SUBSECTION (2), AT THE END OF THE 2010-11 STATE FISCAL YEAR AND AT
25 THE END OF EACH STATE FISCAL YEAR THEREAFTER, THE STATE
26 TREASURER SHALL DISTRIBUTE THE STATE SHARE AS FOLLOWS:

27 (I) THE FIRST NINETEEN MILLION TWO HUNDRED THOUSAND

1 DOLLARS OF THE STATE SHARE SHALL BE TRANSFERRED TO THE STATE
2 GENERAL FUND;

3 (II) ANY AMOUNT OF THE STATE SHARE THAT IS GREATER THAN
4 NINETEEN MILLION TWO HUNDRED THOUSAND DOLLARS BUT LESS THAN OR
5 EQUAL TO FORTY-EIGHT MILLION FIVE HUNDRED THOUSAND DOLLARS
6 SHALL BE TRANSFERRED AS FOLLOWS:

7 (A) FIFTY-ONE PERCENT TO THE COLORADO TRAVEL AND TOURISM
8 PROMOTION FUND CREATED IN SECTION 24-49.7-106, C.R.S.;

9 (B) NINETEEN PERCENT TO THE BIOSCIENCE DISCOVERY
10 EVALUATION CASH FUND FOR THE IMPLEMENTATION OF THE BIOSCIENCE
11 DISCOVERY EVALUATION GRANT PROGRAM, CREATED IN SECTION
12 24-48.5-108, C.R.S.;

13 (C) THIRTEEN PERCENT TO THE LOCAL GOVERNMENT LIMITED
14 GAMING IMPACT FUND CREATED IN SECTION 12-47.1-1601;

15 (D) SEVEN PERCENT TO THE INNOVATIVE HIGHER EDUCATION
16 RESEARCH FUND CREATED IN SECTION 23-19.7-104, C.R.S.;

17 (E) FIVE PERCENT TO THE NEW JOBS INCENTIVES CASH FUND
18 CREATED IN SECTION 24-46-105.7, C.R.S.;

19 (F) FOUR PERCENT TO THE CREATIVE INDUSTRIES CASH FUND,
20 CREATED IN SECTION 24-48.5-301, C.R.S., FOR PURPOSES OF THE COUNCIL
21 ON CREATIVE INDUSTRIES, INCLUDING THE ADMINISTRATION OF THE
22 COUNCIL; AND

23 (G) ONE PERCENT TO THE CREATIVE INDUSTRIES CASH FUND,
24 CREATED IN SECTION 24-48.5-301, C.R.S., FOR THE OPERATION OF THE
25 COLORADO OFFICE OF FILM, TELEVISION, AND MEDIA AND FOR THE
26 PERFORMANCE-BASED INCENTIVE FOR FILM PRODUCTION IN COLORADO AS
27 SPECIFIED IN SECTION 24-48.5-311 (1), C.R.S.

1 (III) THE FIRST THREE MILLION DOLLARS OF THE STATE SHARE
2 THAT IS GREATER THAN FORTY-EIGHT MILLION FIVE HUNDRED THOUSAND
3 DOLLARS SHALL BE TRANSFERRED TO THE LOCAL GOVERNMENT LIMITED
4 GAMING IMPACT FUND CREATED IN SECTION 12-47.1-1601, AND ANY
5 AMOUNT OF THE STATE SHARE THAT IS GREATER THAN FIFTY-ONE MILLION
6 FIVE HUNDRED THOUSAND DOLLARS SHALL BE TRANSFERRED TO THE
7 STATE GENERAL FUND.

8 (b) IF A TRANSFER SPECIFIED IN SUBPARAGRAPH (II) OF PARAGRAPH
9 (a) OF THIS SUBSECTION (2) PROVIDES MONEYS FOR A PURPOSE OR
10 PROGRAM THAT IS REPEALED OR OTHERWISE DISCONTINUED AS OF THE
11 DATE OF THE TRANSFER, THEN THE TRANSFER SHALL NOT BE MADE TO
12 THAT PARTICULAR FUND BUT SHALL INSTEAD BE TRANSFERRED TO THE
13 STATE GENERAL FUND.

14 **SECTION 2.** 12-47.1-1601 (1) (a) and (2), Colorado Revised
15 Statutes, are amended to read:

16 **12-47.1-1601. Local government limited gaming impact fund**
17 **- repeal.** (1) (a) There is hereby created in the office of the state
18 treasurer the local government limited gaming impact fund, referred to in
19 this part 16 as the "fund", and within the fund, there is created the limited
20 gaming impact account and the gambling addiction account. Of the
21 moneys transferred to the fund pursuant to ~~subsection (2) of this section~~
22 SECTION 12-47.1-701 (2) (a) (II) (C), ninety-eight percent shall be
23 allocated to the limited gaming impact account and two percent shall be
24 allocated to the gambling addiction account. Moneys in the limited
25 gaming impact account shall be used to provide financial assistance to
26 designated local governments for documented gaming impacts, and
27 moneys in the gambling addiction account shall be used to award grants

1 for the provision of gambling addiction counseling, including prevention
2 and education, to Colorado residents. For the purposes of this part 16,
3 "documented gaming impacts" means the documented expenses, costs,
4 and other impacts incurred directly as a result of limited gaming permitted
5 in the counties of Gilpin and Teller and on Indian lands.

6 (2) ~~Out of the fifty percent share to be transferred to the general~~
7 ~~fund pursuant to section 9 (5) (b) (II) of article XVIII of the state~~
8 ~~constitution, an aggregate total of thirteen percent shall be transferred~~
9 ~~annually to the fund.~~

10 **SECTION 3.** 23-19.7-104 (1), Colorado Revised Statutes, is
11 amended to read:

12 **23-19.7-104. Innovative higher education research fund -**
13 **funding - repeal.** (1) There is hereby created in the state treasury the
14 innovative higher education research fund, which shall consist of:

15 (a) Moneys transferred to the research fund pursuant to section
16 25-17-202 (3) (a) (I) (A), C.R.S. This paragraph (a) is repealed, effective
17 July 1, 2014.

18 (b) Any moneys that the general assembly may appropriate to the
19 research fund;

20 (c) Any moneys received pursuant to section 23-19.7-103 (1) (j);
21 **and**

22 (d) ANY MONEYS TRANSFERRED PURSUANT TO SECTION
23 12-47.1-701 (2), C.R.S.; AND

24 ~~(d)~~ (e) All income and interest derived from the deposit and
25 investment of moneys in the research fund.

26 **SECTION 4.** 24-46-105.7 (9) (a) (I), Colorado Revised Statutes,
27 is amended to read:

1 **24-46-105.7. Performance-based incentive for new job**
2 **creation - new jobs incentives cash fund.** (9) (a) There is hereby
3 created in the state treasury the new jobs incentives cash fund, referred to
4 in this section as the "fund". The fund shall consist of:

5 (I) Moneys transferred to the fund in accordance with ~~section~~
6 ~~12-47.1-701(4)~~ SECTION 12-47.1-701 (2), C.R.S.; and

7 **SECTION 5.** 24-48.5-108 (5) (a), Colorado Revised Statutes, is
8 amended to read:

9 **24-48.5-108. Bioscience research - evaluation - grants - fund**
10 **- definitions - repeal.** (5) **Fund.** (a) There is hereby created in the state
11 treasury the bioscience discovery evaluation cash fund, referred to in this
12 section as the "fund", that shall consist of moneys that are transferred to
13 the fund pursuant to ~~section 12-47.1-701(4)(a)~~ SECTION 12-47.1-701 (2),
14 C.R.S., any moneys transferred to the fund pursuant to paragraph (e) of
15 subsection (3) of this section, and any other moneys appropriated to the
16 fund by the general assembly. The moneys in the fund shall be subject to
17 annual appropriation by the general assembly for the purposes specified
18 in this section, including administration of the program by the Colorado
19 office of economic development. Any moneys in the fund not expended
20 for the purpose of this section may be invested by the state treasurer as
21 provided by law. All interest and income derived from the investment
22 and deposit of moneys in the fund shall be credited to the fund. Any
23 unexpended and unencumbered moneys remaining in the fund at the end
24 of a fiscal year shall remain in the fund and shall not be credited or
25 transferred to the general fund or another fund; except that any
26 unexpended and unencumbered moneys remaining in the fund upon the
27 repeal of this section shall be transferred to the general fund. Any

1 moneys included in an annual appropriation that are not expended or
2 encumbered at the end of the fiscal year shall remain available for
3 expenditure in the next fiscal year without further appropriation.

4 **SECTION 6.** 24-48.5-301 (2) (a) (II), Colorado Revised Statutes,
5 is amended to read:

6 **24-48.5-301. Creative industries division - creative industries**
7 **cash fund - creation - repeal.** (2) (a) There is hereby created in the state
8 treasury the creative industries cash fund, referred to in this section as the
9 "fund". The fund shall consist of:

10 (II) Moneys transferred to the fund in accordance with ~~section~~
11 ~~12-47.1-701(4)~~ SECTION 12-47.1-701 (2), C.R.S.;

12 **SECTION 7.** 24-49.7-106 (1) (a), Colorado Revised Statutes, is
13 amended to read:

14 **24-49.7-106. Colorado travel and tourism promotion fund -**
15 **Colorado travel and tourism additional source fund - creation -**
16 **nature of funds.** (1) There is hereby created a fund in the state treasury
17 to be known as the Colorado travel and tourism promotion fund, which
18 shall be administered by the board and which shall consist of:

19 (a) All moneys transferred thereto in accordance with ~~sections~~
20 ~~12-47.1-701(4)~~ SECTIONS 12-47.1-701 (2) and 38-13-116.7 (3), C.R.S.;

21 and

22 **SECTION 8.** 24-75-1201 (1) (a), Colorado Revised Statutes, is
23 amended to read:

24 **24-75-1201. Clean energy fund - creation - use of fund -**
25 **definitions.** (1) (a) The clean energy fund is hereby created in the state
26 treasury. The principal of the fund shall consist of moneys transferred to
27 the fund at the end of the 2006-07 state fiscal year and at the end of each

1 succeeding state fiscal year from ~~the limited gaming fund created in~~
2 ~~section 12-47.1-701 (1), C.R.S., in accordance with section 12-47.1-701~~
3 ~~(5), C.R.S.~~; moneys received by the governor's energy office pursuant to
4 section 39-29-109.3 (2) (f), ~~(f) (C)~~; C.R.S., in accordance with section
5 40-8.7-112 (3) (g), C.R.S., moneys received pursuant to the federal
6 "American Recovery and Reinvestment Act of 2009", Pub.L. 111-5, or
7 any amendments thereto, or from revenue contracts, court settlement
8 funds, supplemental environmental program funds, repayment or return
9 of funds from eligible public depositories, and gifts, grants, and
10 donations, and any other moneys received by the governor's energy office.
11 Interest and income earned on the deposit and investment of moneys in
12 the clean energy fund shall be credited to the fund. Moneys in the fund
13 at the end of any state fiscal year shall remain in the fund and shall not be
14 credited to the state general fund or any other fund.

15 **SECTION 9. Repeal.** 43-1-220 (1) (c), Colorado Revised
16 Statutes, is repealed as follows:

17 **43-1-220. Sources of funds - assumption of obligations.** (1) All
18 receipts from the following sources shall be paid into and credited to the
19 state highway fund as soon as received from:

20 (c) ~~(f) The limited gaming fund. The receipts from the limited~~
21 ~~gaming fund shall be segregated from other receipts paid into the state~~
22 ~~highway fund.~~

23 ~~(H) In accordance with the provisions of section 12-47.1-701 (1)~~
24 ~~(c) (I), C.R.S., the receipts from the limited gaming fund are to be used~~
25 ~~on public roads and highways leading to and within a fifty-mile radius of~~
26 ~~any limited gaming community for:~~

27 ~~(A) Any proposed or anticipated transportation needs attributable~~

1 to limited gaming; and

2 (B) ~~Any reimbursement for emergency repairs and modifications~~
3 ~~attributed to limited gaming that the department has performed during the~~
4 ~~previous fiscal year.~~

5 (H) ~~For purposes of this paragraph (c), "limited gaming~~
6 ~~community" means any town, city, or unincorporated portion of a county~~
7 ~~or any Indian lands where limited gaming is authorized, and "proposed or~~
8 ~~anticipated transportation needs" includes but is not limited to the~~
9 ~~acquisition of rights-of-way and easements for the construction,~~
10 ~~improvement, repair, and maintenance of public roads and highways.~~

11 **SECTION 10. Appropriation.** (a) In addition to any other
12 appropriation, there is hereby appropriated, out of any moneys in the
13 creative industries cash fund created in section 24-48.5-301 (2) (a),
14 Colorado Revised Statutes, not otherwise appropriated, to the
15 governor-lieutenant governor-state planning and budgeting, for allocation
16 to the economic development programs division, Colorado office of film,
17 television, and media, for the fiscal year beginning July 1, 2011, the sum
18 of two hundred ninety-three thousand dollars (\$293,000) cash funds and
19 4.5 FTE, or so much thereof as may be necessary, for the implementation
20 of this act.

21 (b) In addition to any other appropriation, there is hereby
22 appropriated, out of any moneys in the Colorado travel and tourism
23 promotion fund created in section 24-49.7-106 (1), Colorado Revised
24 Statutes, not otherwise appropriated, to the governor-lieutenant
25 governor-state planning and budgeting, for allocation to the economic
26 development programs division, Colorado promotion - Colorado welcome
27 centers, for the fiscal year beginning July 1, 2011, the sum of five

1 hundred thousand dollars (\$500,000) cash funds and 3.3 FTE, or so much
2 thereof as may be necessary, for the implementation of this act.

3 (c) In addition to any other appropriation, there is hereby
4 appropriated, out of any moneys in the Colorado travel and tourism
5 promotion fund created in section 24-49.7-106 (1), Colorado Revised
6 Statutes, not otherwise appropriated, to the governor-lieutenant
7 governor-state planning and budgeting, for allocation to the economic
8 development programs division, Colorado promotion - other program
9 costs, for the fiscal year beginning July 1, 2011, the sum of fourteen
10 million four hundred forty-three thousand dollars (\$14,443,000) cash
11 funds and 4.0 FTE, or so much thereof as may be necessary, for the
12 implementation of this act.

13 (d) In addition to any other appropriation, there is hereby
14 appropriated, out of any moneys in the creative industries cash fund
15 created in section 24-48.5-301 (2) (a), Colorado Revised Statutes, not
16 otherwise appropriated, to the governor-lieutenant governor-state
17 planning and budgeting, for allocation to the economic development
18 programs division, council on the arts, for the fiscal year beginning July
19 1, 2011, the sum of one million one hundred seventy-two thousand dollars
20 (\$1,172,000) cash funds and 2.0 FTE, or so much thereof as may be
21 necessary, for the implementation of this act.

22 (e) In addition to any other appropriation, there is hereby
23 appropriated, out of any moneys in the innovative higher education
24 research fund created in section 23-19.7-104 (1), Colorado Revised
25 Statutes, not otherwise appropriated, to the department of higher
26 education, for allocation to the Colorado commission on higher
27 education, special purpose, distribution to higher education competitive

1 research authority, for the fiscal year beginning July 1, 2011, the sum of
2 two million fifty-one thousand dollars (\$2,051,000) cash funds, or so
3 much thereof as may be necessary, for the implementation of this act.

4 **SECTION 11. Appropriation - adjustments in long bill. (1)**
5 For the implementation of this act, appropriations made in the annual
6 general appropriation act for the fiscal year beginning July 1, 2011, shall
7 be adjusted as follows:

8 (a) The cash funds appropriation from the bioscience discovery
9 evaluation cash fund created in section 24-48.5-108 (5) (a), Colorado
10 Revised Statutes, to the governor-lieutenant governor-state planning and
11 budgeting, economic development programs division, for bioscience
12 discovery evaluation, is increased by sixty-seven thousand dollars
13 (\$67,000).

14 (b) The cash funds appropriation from the local government
15 limited gaming impact fund created in section 12-47.1-1601 (1) (a),
16 Colorado Revised Statutes, to the department of local affairs, division of
17 local governments, field services, for local government limited gaming
18 impact grants, is decreased by two million four hundred ninety-one
19 thousand dollars (\$2,491,000).

20 **SECTION 12. Safety clause.** The general assembly hereby finds,
21 determines, and declares that this act is necessary for the immediate
22 preservation of the public peace, health, and safety.