

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. R16-0595.01 Ed DeCecco x4216

HCR16-1002

HOUSE SPONSORSHIP

Becker J., Wilson, Rankin, Coram, Lundeen

SENATE SPONSORSHIP

(None),

House Committees

State, Veterans, & Military Affairs

Senate Committees

HOUSE CONCURRENT RESOLUTION 16-1002

101 SUBMITTING TO THE REGISTERED ELECTORS OF THE STATE OF
102 COLORADO AN AMENDMENT TO THE COLORADO CONSTITUTION
103 CONCERNING THE DISTRIBUTION OF STATE LOTTERY NET
104 PROCEEDS, AND, IN CONNECTION THEREWITH, DECREASING THE
105 DISTRIBUTIONS TO THE CONSERVATION TRUST FUND AND THE
106 GREAT OUTDOORS COLORADO TRUST FUND AND CREATING A
107 NEW DISTRIBUTION TO THE STATE EDUCATION FUND.

Resolution Summary

(Note: This summary applies to this resolution as introduced and does not reflect any amendments that may be subsequently adopted. If this resolution passes third reading in the house of introduction, a resolution summary that applies to the reengrossed version of this resolution 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.

Beginning with the state fiscal year 2017-18, the distribution of the state lottery proceeds is changed as follows:

- ! The percentage of proceeds distributed to the conservation trust fund is decreased from 40% to 30%;
- ! The percentage of proceeds distributed to the great outdoors Colorado trust fund, which is subject to annual cap, is decreased from 50% to 35%; and
- ! 25% of the proceeds is distributed to the state education fund.

Be It Resolved by the House of Representatives of the Seventieth General Assembly of the State of Colorado, the Senate concurring herein:

SECTION 1. At the election held on November 8, 2016, the secretary of state shall submit to the registered electors of the state the ballot title set forth in section 2 for the following amendment to the state constitution:

In the constitution of the state of Colorado, section 3 of article XXVII, **amend** (1) (b) introductory portion; and **add** (1) (f) as follows:

Section 3. Moneys allocated to Trust Fund. (1) Beginning with the proceeds from the fourth quarter of the State's Fiscal Year 1992-1993, all proceeds from all programs, including Lotto and every other state-supervised lottery game operated under the authority of Article XVIII, Section 2 of the Colorado Constitution, whether by the Colorado Lottery Commission or otherwise (such programs defined hereafter in this Article as "Lottery Programs"), net of prizes and expenses of the state lottery division and after a sufficient amount of money has been reserved, as of the end of any fiscal quarter, to ensure the operation of the lottery for the ensuing fiscal quarter (such netted proceeds defined hereafter in this Article as "Net Proceeds") are set aside, allocated, allotted, and continuously appropriated as follows, and the Treasurer shall distribute

1 such proceeds no less frequently than quarterly, as follows:

2 (b) For each quarter including and after the first quarter of the
3 State's Fiscal Year 1998-1999 UNTIL THE LAST QUARTER OF THE STATE'S
4 FISCAL YEAR 2016-17:

5 (f) FOREACH QUARTER INCLUDING AND AFTER THE FIRST QUARTER
6 OF THE STATE'S FISCAL YEAR 2017-18:

7 (I) THIRTY PERCENT TO THE CONSERVATION TRUST FUND FOR
8 DISTRIBUTION TO MUNICIPALITIES AND COUNTIES AND OTHER ELIGIBLE
9 ENTITIES FOR PARKS, RECREATION AND OPEN SPACE PURPOSES;

10 (II) TEN PERCENT TO THE DIVISION OF PARKS AND OUTDOOR
11 RECREATION FOR THE ACQUISITION, DEVELOPMENT AND IMPROVEMENT OF
12 NEW AND EXISTING STATE PARKS, RECREATION AREAS AND RECREATIONAL
13 TRAILS;

14 (III) TWENTY-FIVE PERCENT TO THE STATE EDUCATION FUND
15 CREATED IN SECTION 17 OF ARTICLE IX OF THIS CONSTITUTION; AND

16 (IV) ALL REMAINING NET PROCEEDS IN TRUST TO THE BOARD OF
17 THE TRUST FUND, PROVIDED, HOWEVER, THAT IN ANY STATE FISCAL YEAR
18 IN WHICH THE PORTION OF THE NET PROCEEDS WHICH WOULD OTHERWISE
19 BE GIVEN IN TRUST TO THE STATE BOARD OF THE TRUST FUND EXCEEDS
20 THE AMOUNT OF \$35 MILLION, TO BE ADJUSTED EACH YEAR FOR CHANGES
21 FROM THE 1992 CONSUMER PRICE INDEX-DENVER, THE NET PROCEEDS IN
22 EXCESS OF SUCH AMOUNT OR ADJUSTED AMOUNT SHALL BE ALLOCATED TO
23 THE GENERAL FUND OF THE STATE OF COLORADO.

24 In the constitution of the state of Colorado, section 17 of article
25 IX, **amend** (4) (a) as follows:

26 **Section 17. Education - Funding. (4) State Education Fund**
27 **Created.** (a) There is hereby created in the department of the treasury the

1 state education fund. Beginning on the effective date of this measure, all
2 state revenues collected from a tax of one third of one percent on federal
3 taxable income, as modified by law, of every individual, estate, trust and
4 corporation, as defined in law, shall be deposited in the state education
5 fund. IN ADDITION, A PORTION OF STATE LOTTERY NET PROCEEDS SHALL
6 BE DEPOSITED IN THE STATE EDUCATION FUND AS REQUIRED BY SECTION
7 3 (1) (f) (III) OF ARTICLE XXVII OF THIS CONSTITUTION. Revenues
8 generated from a tax of one third of one percent on federal taxable
9 income, as modified by law, of every individual, estate, trust and
10 corporation, as defined in law, shall not be subject to the limitation on
11 fiscal year spending set forth in article X, section 20 of the Colorado
12 constitution. All interest earned on monies in the state education fund
13 shall be deposited in the state education fund and shall be used before any
14 principal is depleted. Monies remaining in the state education fund at the
15 end of any fiscal year shall remain in the fund and not revert to the
16 general fund.

17 **SECTION 2.** Each elector voting at the election may cast a vote
18 either "Yes/For" or "No/Against" on the following ballot title: "Shall
19 there be an amendment to the Colorado constitution concerning the
20 distribution of state lottery net proceeds, and, in connection therewith,
21 decreasing the distributions to the conservation trust fund and the great
22 outdoors Colorado trust fund and creating a new distribution to the state
23 education fund?"

24 **SECTION 3.** Except as otherwise provided in section 1-40-123,
25 Colorado Revised Statutes, if a majority of the electors voting on the
26 ballot title vote "Yes/For", then the amendment will become part of the
27 state constitution.