

Amendment 50 Limited Gaming in Central City, Black Hawk, and Cripple Creek

1 **Amendment 50 proposes amending the Colorado Constitution to:**

- 2 ♦ allow residents of Central City, Black Hawk, and Cripple Creek to vote
3 to extend casino hours, approve additional games, and increase the
4 maximum single bet limit;
- 5 ♦ give most of the gaming tax revenue that results from new gaming limits
6 to Colorado community colleges and to the gaming cities and counties;
- 7 ♦ require statewide voter approval for any gaming tax increase if new
8 gaming limits are adopted by any gaming town; and
- 9 ♦ exempt the revenue raised from new gaming limits from state and local
10 revenue and spending limits.

11 **Summary and Analysis**

12 ***Gaming limits in Colorado today and under Amendment 50.*** Since 1991
13 Colorado has permitted limited stakes gaming in Central City and Black Hawk in Gilpin
14 County, and Cripple Creek in Teller County. The state constitution places the
15 following limits on gaming:

- 16 • single bets cannot exceed \$5;
- 17 • only slot machines, blackjack, and poker games are allowed; and
- 18 • casinos must close between 2:00 a.m. and 8:00 a.m.

19 Amendment 50 allows Central City, Black Hawk, and Cripple Creek to vote to
20 change the existing gaming limits. Each town may vote to extend the hours of
21 operation of casinos, to add the games of roulette and/or craps, and to increase the
22 amount that can be wagered on any single bet from \$5 up to a maximum of \$100.
23 The towns may vote on changing any or all of these limits.

24 ***Distribution of state gaming money today and under Amendment 50.*** Casinos
25 pay taxes on income from gaming and also pay various fees and fines. Last year, the
26 state collected \$112 million from gaming. After paying to enforce gaming laws,
27 approximately one-quarter of the gaming money goes back to the gaming cities and
28 counties, about one-quarter goes to historic preservation and restoration projects
29 across the state, and about half of the revenue is allocated to the state legislature to
30 spend on programs. These programs currently include assistance to local
31 governments for gaming impacts, tourism promotion, economic development
32 programs, energy efficiency and renewable energy projects, and highway projects.

Final Draft

1 Amendment 50 distributes new money from increased gaming activity differently
2 than existing law. First, the money is used to pay to enforce gaming laws related to
3 any changes in the limits. Second, some of the new money provides annual increases
4 to the programs and local governments that currently get gaming money. The rest is
5 distributed as follows:

- 6 • 78 percent for financial aid and classroom instruction at Colorado
7 community, junior, and district colleges based on each school's
8 number of students;
- 9 • 12 percent to Gilpin and Teller Counties, based on the proportion of
10 the new money raised within each county, to help address the
11 impacts of gaming; and
- 12 • 10 percent to Central City, Black Hawk, and Cripple Creek, based
13 on the proportion of the new money raised within each town, to help
14 address the impacts of gaming.

15 Table 1 shows how new state gaming money is distributed under Amendment 50
16 assuming that all three gaming towns approve the maximum limits. The actual
17 amount of money distributed may be higher or lower than what is shown because of
18 the difficulty in estimating revenue from current gaming and the amount of new
19 revenue that would be generated by Amendment 50.

20 **Table 1. Estimated Distribution of New Gaming Money under Amendment 50**
21 **in Millions of Dollars***

	Year 1	Year 2	Year 3	Year 4	Year 5
22 Additional Money to 23 Current Recipients	\$2	\$3	\$4	\$4	\$5
24 Community Colleges	\$29	\$32	\$46	\$52	\$63
25 Black Hawk, Central 26 City, and Cripple Creek	\$4	\$4	\$6	\$7	\$8
27 Gilpin and Teller 28 Counties	\$4	\$5	\$7	\$8	\$10

29 * Assumes new gaming limits begin July 1, 2009. Also, state gaming revenue received each year is distributed to
30 recipients for use in the following year. The table shows the amounts to recipients after estimated additional state
31 administrative costs are paid from the new revenue.

32 **Statewide voter approval for gaming tax increases.** The state Gaming
33 Commission sets the tax rates on casino income within the parameters in the state
34 constitution. Currently, the constitution sets the highest allowable tax rate at
35 40 percent. On July 1, 2008, the highest tax rate actually imposed was 20 percent. If
36 voters in any of the gaming towns approve new gaming limits, a gaming tax increase
37 above the July 1, 2008, level must be approved through a statewide vote.

1 **Arguments For**

2 1) Amendment 50 could significantly boost revenue to community colleges
3 without increasing taxes or taking money away from current recipients of gaming
4 revenue. Community colleges are vital to the state's economy and educational system
5 because they provide affordable access to educational and retraining programs.
6 Increasing financial aid helps more Coloradans benefit from the economic
7 opportunities that community colleges can provide. The additional revenue also goes
8 to recruiting and retaining qualified faculty so that Colorado can offer quality education
9 throughout the state.

10 2) The measure gives voters in each gaming community the ability to decide what
11 is best for them. For example, one community may decide to expand casino hours of
12 operation to help manage traffic, while another may choose to attract new visitors by
13 expanding both bet limits and games.

14 3) Amendment 50 makes Colorado more competitive with other gaming states.
15 Colorado has the most restricted gaming in the country. The tourism industries in
16 other gaming states benefit from less restricted gaming, and changing Colorado's
17 gaming limits could result in more tourist spending in the state. Colorado's gaming
18 limits have been in place for seventeen years, and the bet limit of \$5 in 1991 equals
19 about \$3 today.

20 **Arguments Against**

21 1) Amendment 50 could significantly expand gambling in Colorado. It could turn
22 the three historic gaming communities into high-stakes, round-the-clock gambling
23 destinations. Further, Indian casinos that currently operate under the state's gaming
24 limits would likely increase their limits to the maximum allowed by this measure. This
25 expansion could occur even if the voters in Central City, Black Hawk, and Cripple
26 Creek do not choose to change their gaming limits.

27 2) Providing more opportunities to gamble may lead to an increase in the number
28 of compulsive gamblers in the state. The effects of compulsive gambling are costly to
29 families and society. Compulsive gambling can lead to bankruptcy, divorce, child
30 neglect and abuse, domestic violence, suicide, and crime.

31 3) Amendment 50 permanently sets aside state tax money for specific uses,
32 eliminating the ability to evaluate how the new money could be spent most effectively
33 over time. The new money is dedicated to community colleges and the gaming
34 communities each year regardless of how the financial needs of these entities
35 compare to other state programs. As a constitutional measure, Amendment 50 limits
36 the flexibility to use state tax money for the most pressing needs and to respond to
37 changing budget priorities.

1 **Estimate of Fiscal Impact**

2 **State revenue and spending.** State revenue and spending resulting from
3 Amendment 50 will depend upon the extent to which the three gaming towns approve
4 new gaming limits. The following estimates of tax revenue and spending are based on
5 the assumption that all three towns approve the maximum gaming limits.

6 • Tax revenue will increase by about \$300 million over the first five years. Table
7 1 on page __ provides a five-year estimate of the distribution of state gaming
8 revenue under Amendment 50.

9 • State regulation costs will increase by \$461,000 in budget year 2009 and
10 \$1.0 million in budget year 2010. These costs will be paid from gaming
11 revenue. The state will also incur a one-time computer programming cost of
12 \$21,000 in budget year 2009 to account for both changes in gaming limits and
13 the approval of roulette and craps by any of the gaming towns. This cost will
14 be paid from other state money.

15 **Local government impact.** The local governments serving both the gaming
16 communities and surrounding areas could experience increased costs from new
17 gaming limits, such as higher public safety, traffic, and road maintenance costs. The
18 revenue resulting from new gaming limits could help offset any increased costs. Also,
19 the gaming communities could see increased sales tax revenue from an increase in
20 the number of visitors and more property tax revenue if new casinos are built or
21 existing ones are expanded.

LYNNETTE HAILEY'S COMMENTS ON LAST DRAFT OF AMENDMENT 50

We are still concerned with the language in the "Arguments Against" section. Under item 1) it again states in part "...., and damage the historic character of these communities". Please note that the gaming entities have done more to retain, preserve and renovate the historic structures and character of the communities than at any time in the past. We would recommend that you review the funds to the State coffers from gaming since inception. To argument anything different is far from the truth and misleading the public. Also, does the legislative staff really think \$100 limits is "high-stakes"?

We sincerely appreciate the opportunity to respond but we have made the same comments on the first two drafts which were not recognized. We would highly suggest that the legislative staff review the Division of Gaming's website as it relates to the financial benefit this industry has afforded to every county in the State. Please consider that in the name of historic preservation gaming has contributed \$1 billion to the State General Fund and out of that \$300 million went directly to the State Historic Preservation fund. This is a far cry from the "Arguments Against" where it states "...and damage the historic character of these communities". Again, the historic preservation efforts in these communities is worth mention in the Arguments For category.

Again, thank you and if you would like additional information, please visit the Black Hawk/Central City Visitors & Convention Bureau website at www.visitbhcc.com or call Director Joanne Lah at 303-726-0078 (cell phone).

Respectfully submitted:

Lynnette Hailey, City Manager
PO Box 249, 141 Nevada Street, Central City, CO 80427
Direct Line (720) 279-7331
(303) 582-5251 x301 * fax (303) 582-9853

Last Draft as Mailed to Interested Parties

Amendment 50 Limited Gaming in Central City, Black Hawk, and Cripple Creek

1 **Amendment 50 proposes amending the Colorado Constitution to:**

- 2 ♦ allow residents of Central City, Black Hawk, and Cripple Creek to vote
3 to extend casino hours, approve additional games, and increase the
4 maximum single bet limit;
- 5 ♦ give most of the gaming tax revenue that results from new gaming limits
6 to Colorado community colleges and to the gaming cities and counties;
- 7 ♦ require statewide voter approval for any gaming tax increase if new
8 gaming limits are adopted by any gaming town; and
- 9 ♦ exempt the revenue raised from new gaming limits from state and local
10 revenue and spending limits.

11 **Summary and Analysis**

12 ***Gaming limits in Colorado today and under Amendment 50.*** Since 1991
13 Colorado has permitted limited stakes gaming in Central City and Black Hawk in Gilpin
14 County, and Cripple Creek in Teller County. The state constitution places the
15 following limits on gaming:

- 16 • single bets cannot exceed \$5;
- 17 • only slot machines, blackjack, and poker games are allowed; and
- 18 • casinos must close between 2:00 a.m. and 8:00 a.m.

19 Amendment 50 allows Central City, Black Hawk, and Cripple Creek to vote to
20 change the existing gaming limits. Each town may vote to extend the hours of
21 operation of casinos, to add the games of roulette and/or craps, and to increase the
22 amount that can be wagered on any single bet from \$5 up to a maximum of \$100.
23 The towns may vote on changing any or all of these limits.

24 ***Distribution of state gaming money today and under Amendment 50.*** Casinos
25 pay taxes on income from gaming and also pay various fees and fines. Last year, the
26 state collected \$116 million from gaming. After paying to enforce gaming laws,
27 approximately one-quarter of the gaming money goes back to the gaming cities and
28 counties, about one-quarter goes to historic preservation and restoration projects
29 across the state, and about half of the revenue is allocated to the state legislature to
30 spend on programs. These programs currently include assistance to local
31 governments for gaming impacts, tourism promotion, economic development
32 programs, energy efficiency and renewable energy projects, and highway projects.

Last Draft as Mailed to Interested Parties

1 Amendment 50 distributes new money from increased gaming activity differently
 2 than existing law. First, the money is used to pay to enforce gaming laws related to
 3 any changes in the limits. Second, some of the new money provides annual increases
 4 to the programs and local governments that currently get gaming money. The rest is
 5 distributed as follows:

- 6 • 78 percent for financial aid and classroom instruction at Colorado
 7 community, junior, and district colleges based on each school's
 8 number of students;
- 9 • 12 percent to Gilpin and Teller Counties, based on the proportion of
 10 the new money raised within each county, to help address the
 11 impacts of gaming; and
- 12 • 10 percent to Central City, Black Hawk, and Cripple Creek, based
 13 on the proportion of the new money raised within each town, to help
 14 address the impacts of gaming.

15 Table 1 estimates how new state gaming money is distributed under
 16 Amendment 50 assuming that all three gaming towns approve the maximum limits.
 17 The actual amount of money distributed may be higher or lower than what is shown
 18 because of the difficulty in estimating revenue from current gaming and the amount of
 19 new revenue that would be generated by Amendment 50.

20 **Table 1. Estimated Distribution of New Gaming Money under Amendment 50**
 21 **in Millions of Dollars***

	Year 1	Year 2	Year 3	Year 4	Year 5
22 Additional \$ to Current 23 Recipients	\$2	\$3	\$4	\$4	\$5
24 Community Colleges	\$29	\$32	\$46	\$52	\$63
25 Black Hawk, Central 26 City, and Cripple Creek	\$4	\$4	\$6	\$7	\$8
27 Gilpin and Teller 28 Counties	\$4	\$5	\$7	\$8	\$10

29 * Assumes new gaming limits begin July 1, 2009. Also, state gaming revenue received each year is distributed to
 30 recipients for use in the following year. The table shows the amounts to recipients after estimated additional state
 31 administrative costs are paid from the new revenue.

32 **Statewide voter approval for gaming tax increases.** The state Gaming
 33 Commission sets the tax rates on casino income within the parameters in the state
 34 constitution. Currently, the constitution sets the highest allowable tax rate at
 35 40 percent. On July 1, 2008, the highest tax rate actually imposed was 20 percent. If
 36 voters in any of the gaming towns approve new gaming limits, a gaming tax increase
 37 above the July 1, 2008, level must be approved through a statewide vote.

Last Draft as Mailed to Interested Parties

1 **Arguments For**

2 1) Amendment 50 could significantly boost revenue to community colleges
3 without increasing taxes or taking money away from current recipients of gaming
4 revenue. Community colleges are vital to the state's economy and educational system
5 because they provide affordable access to educational and retraining programs.
6 Increasing financial aid helps more Coloradans benefit from the economic
7 opportunities that community colleges can provide. The additional revenue also goes
8 to recruiting and retaining qualified faculty so that Colorado can offer quality education
9 throughout the state.

10 2) The measure gives voters in each gaming community the ability to decide what
11 is best for them. For example, one community may decide to expand casino hours of
12 operation to help manage traffic, while another may choose to attract new visitors by
13 expanding both bet limits and games.

14 3) Amendment 50 makes Colorado more competitive with other gaming states.
15 Colorado has the most restricted gaming in the country. The tourism industries in
16 other gaming states benefit from less restricted gaming, and changing Colorado's
17 gaming limits could result in more tourist spending in the state. Colorado's gaming
18 limits have been in place for seventeen years, and the bet limit of \$5 in 1991 equals
19 about \$3 today.

20 **Arguments Against**

21 1) Amendment 50 could significantly expand gaming in Colorado. It could turn
22 the three historic gaming communities into high-stakes, round-the-clock gaming
23 destinations, and damage the historic character of these communities. Further, Indian
24 casinos that currently operate under the state's gaming limits would likely match the
25 new gaming limits. This expansion could occur as a result of this measure even if the
26 voters in Central City, Black Hawk, and Cripple Creek do not choose to change their
27 gaming limits.

28 2) Providing more opportunities to gamble may lead to an increase in the number
29 of compulsive gamblers in the state. The effects of compulsive gambling are costly to
30 families and society. Compulsive gambling can lead to bankruptcy, divorce, child
31 neglect and abuse, domestic violence, suicide, and crime.

32 3) Amendment 50 permanently sets aside state tax money for specific uses,
33 eliminating the ability to evaluate how the new money could be spent most effectively
34 over time. The new money is dedicated to community colleges and the gaming
35 communities each year regardless of how the financial needs of these entities
36 compare to other state programs. As a constitutional measure, Amendment 50 limits
37 the flexibility to use state tax money for the most pressing needs and to respond to
38 changing budget priorities.

Last Draft as Mailed to Interested Parties

1 **Estimate of Fiscal Impact**

2 **State revenue and spending.** State revenue and spending resulting from
3 Amendment 50 will depend upon the extent to which the three gaming towns approve
4 new gaming limits. The following estimates of tax revenue and spending are based on
5 the assumption that all three towns approve the maximum gaming limits.

6 • Tax revenue will increase by about \$300 million over the first five years. Table
7 1 on page __ provides a five-year estimate of the distribution of state gaming
8 revenue under Amendment 50.

9 • State regulation costs will increase by \$475,000 in budget year 2009 and
10 \$1.0 million in budget year 2010. These costs will be paid from gaming
11 revenue. The state will also incur a one-time computer programming cost of
12 \$21,000 in budget year 2009 to account for both changes in gaming limits and
13 the approval of roulette and craps by any of the gaming towns. This cost will
14 be paid from other state money.

15 **Local government impact.** The local governments serving both the gaming
16 communities and surrounding areas could experience increased costs from new
17 gaming limits, such as higher public safety, traffic, and road maintenance costs. The
18 revenue resulting from new gaming limits could help offset any increased costs. Also,
19 the gaming communities could see increased sales tax revenue from an increase in
20 the number of visitors and more property tax revenue if new casinos are built or
21 existing ones are expanded.

AMENDMENT 50
CONTACT LIST

Senator Abel Tapia
P.O. Box 1769
Pueblo, CO 81002
abel.tapia.senate@state.co.us

Representative Al White
345 County Road 804
Fraser, CO 80442
al.white.house@state.co.us

Bill "Buck" Buckhanan
Teller County
P.O. Box 959
Cripple Creek, CO 80813
buck@co.teller.co.us

Brenda Davis
Colorado Division of Gaming
bdavis@spike.dor.state.co.us

Chad Hills
Focus on the Family
8605 Explorer Drive
Colorado Springs, CO 80920
chad.hills@fotf.org

Chip (John) Taylor
Colorado Counties Inc.
1700 Broadway Suite 1510
Denver, CO 80290
jtaylor@ccionline.org

Dan Baader
Cripple Creek
P.O. Box 381
Cripple Creek, CO 80813
danb@pwconstructioninc.com

Dan Williams
Colorado Horse and Dog Racing
Association
spurcon@msn.com

David Skaggs
CCHE
1380 Lawrence St., Suite 1200
Denver, CO 80204
executivedirector@dhe.state.co.us

Don Burmania
Colorado Division of Gaming
1881 Pierce St., Suite 112
Lakewood, CO 80214
dburmania@spike.dor.state.co.us

AMENDMENT 50
CONTACT LIST

Forrest Whitman
Gilpin County
P.O. Box 366
Central City, CO 80427
pubcomment@co.gilpin.co.us

Henry "Corky" Kyle
The Kyle Group
14450 W. 56th Place
Arvada, CO 80002
ckyle@thekylegroup.com

James Ignatius
Teller County
P.O. Box 959
Cripple Creek, CO 80813
ignatiusj@co.teller.co.us

Jeanie Magno
Town of Black Hawk
CityClerk@CityofBlackHawk.org

Jeanne Nicholson
Gilpin County
P.O. Box 366
Central City, CO 80427
pubcomment@co.gilpin.co.us

John Karakoulakis
Department of Higher Education
john.karakoulakis@dhe.state.co.us

Jon Caldara
Independence Institute
13952 Denver West Pkwy., Suite 400
Golden, CO 80401
jon@i2i.org

Jonathan Anderson
jmanderson@hollandhart.com

Julie Geller
Colorado Forum
511 16th Street, Suite 210
Denver, CO 80202
juliegeller@coloradoforum.com

Kathie Finger
Katy Atkinson and Associates
kathiefinger@aol.com

AMENDMENT 50
CONTACT LIST

Katy Atkinson
katyatkinson@aol.com

Kevin Shand
Colorado Film Commission
kevin.shand@coloradofilm.org

Larry Kallenberger
Colorado Counties Inc.
1700 Broadway Suite 1510
Denver, CO 80290
lkallenberger@ccionline.org

Lynette Hailey
Central City
manager@centralcitycolorado.us

Mark Wolfe
State Historical Society
mark.wolfe@chs.state.co.us

Matt Cheroutes
Governor's Office of Economic
Development
matt.cheroutes@state.co.us

Dr. Nancy McCallin
Colorado Community College System
9101 E. Lowry Blvd.
Denver, CO 80230
Nancy.McCallin@cccs.edu

Norm Brisson
Governor's Office
norm.brisson@state.co.us

Ray Kogovsek
Kogovsek & Associates
8547 E. Arapahoe Road, #J-439
Greenwood Village, CO 80112
rkogovsek@aol.com

Rhonda Bentz
Colorado Community College System
9101 E. Lowry Blvd.
Denver, CO 80230
rhonda.bentz@cccs.edu

Robert Campbell
Teller County
P.O. Box 959
Cripple Creek, CO 80813
campbellr@co.teller.co.us

Robin Dillon-Lundie
Colorado Community College System
9101 E. Lowry Blvd.
Denver, CO 80230
robin.dillon-lundie@cccs.edu

AMENDMENT 50
CONTACT LIST

Ron Kammerzell
Division of Gaming
1881 Pierce St., Suite 112
Lakewood, CO 80214
rkammerzell@spike.dor.state.co.us

Ron Slinger
Gilpin County
P.O. Box 366
Central City, CO 80427
pubcomment@co.gilpin.co.us

Mr. Sam Mamet
Colorado Municipal League
1144 Sherman
Denver, CO 80203
smamet@cml.org

Senator Ron Tupa
ron.tupa.senate@state.co.us

Suzanne Stark
CCHE
1380 Lawrence St., Suite 1200
Denver, CO 80204
suzanne.stark@dhe.state.co.us

Amendment 50
Limited Gaming in Central City, Black Hawk, and Cripple Creek

1 **Ballot Title:** An amendment to the Colorado constitution concerning voter-approved
2 revisions to limited gaming, and, in connection therewith, allowing the local voters in
3 Central City, Black Hawk, and Cripple Creek to extend casino hours of operation,
4 approved games to include roulette and craps or both, and maximum single bets up to
5 \$100; adjusting distributions to current gaming fund recipients for growth in gaming tax
6 revenue due to voter-approved revisions in gaming; distributing 78% of the remaining
7 gaming tax revenue from this amendment for student financial aid and classroom
8 instruction at community colleges according to the proportion of their respective student
9 enrollments, and 22% for local gaming impacts in Gilpin and Teller counties and the
10 cities of Central City, Black Hawk, and Cripple Creek according to the proportion of
11 increased tax revenue from voter-approved revisions in each city or county; and
12 requiring any increase in gaming taxes from the levels imposed as of July 1, 2008 to be
13 approved at a statewide election, if local voters in one or more cities have approved any
14 revision to limited gaming.

15 **Text of Proposal:**

16 *Be it enacted by the People of the State of Colorado:*

17 **SECTION 1.** Section 9 (3) (d), (4) (b), and (5) (a), and (5) (b) (II) of article XVIII of
18 the constitution of the state of Colorado are amended to read:

19 **Section 9. Limited gaming permitted.** (3) Limited gaming shall be subject to the
20 following:

21 (d) Limited gaming operations shall be prohibited between the hours of 2:00 o'clock
22 a.m. and 8:00 o'clock a.m., UNLESS SUCH HOURS ARE REVISED AS PROVIDED IN
23 SUBSECTION (7) OF THIS SECTION.

24 (4) As certain terms are used in regards to limited gaming:

25 (b) "Limited gaming" means the use of slot machines and the card games of
26 blackjack and poker, each game having a maximum single bet of five dollars, UNLESS
27 SUCH GAMES OR SINGLE BETS ARE REVISED AS PROVIDED IN SUBSECTION (7) OF THIS
28 SECTION.

29 (5) (a) Up to a maximum of forty percent of the adjusted gross proceeds of limited
30 gaming shall be paid by each licensee, in addition to any applicable license fees, for the

1 privilege of conducting limited gaming. SUBJECT TO SUBSECTION (7) OF THIS SECTION,
2 SUCH percentage shall be established annually by the commission according to the
3 criteria established by the general assembly in the implementing legislation to be enacted
4 pursuant to paragraph (c) of this subsection (5). Such payments shall be made into a
5 limited gaming fund that is hereby created in the state treasury.

6 (II) At the end of each state fiscal year, the state treasurer shall distribute the balance
7 remaining in the limited gaming fund, except for an amount equal to all expenses of the
8 administration of this section 9 for the preceding two-month period, according to the
9 following guidelines AND SUBJECT TO THE DISTRIBUTION CRITERIA PROVIDED IN
10 SUBSECTION (7) OF THIS SECTION: fifty percent shall be transferred to the state general
11 fund or such other fund as the general assembly shall provide; twenty-eight percent shall
12 be transferred to the state historical fund, which fund is hereby created in the state
13 treasury; twelve percent shall be distributed to the governing bodies of Gilpin county
14 and Teller county in proportion to the gaming revenues generated in each county; the
15 remaining ten percent shall be distributed to the governing bodies of the cities of: the
16 City of Central, the City of Black Hawk, and the City of Cripple Creek in proportion to
17 the gaming revenues generated in each respective city.

18 **SECTION 2.** Section 9 of article XVIII of the constitution of the state of Colorado is
19 amended BY THE ADDITION OF A NEW SUBSECTION to read:

20 **(7) Local elections to revise limits applicable to gaming — statewide elections to**
21 **increase gaming taxes.** (a) THROUGH LOCAL ELECTIONS, THE VOTERS OF THE CITIES
22 OF CENTRAL, BLACK HAWK, AND CRIPPLE CREEK ARE AUTHORIZED TO REVISE LIMITS
23 ON GAMING THAT APPLY TO LICENSEES OPERATING IN THEIR CITY'S GAMING DISTRICT TO
24 EXTEND:

25 (I) HOURS OF LIMITED GAMING OPERATION;

26 (II) APPROVED GAMES TO INCLUDE ROULETTE OR CRAPS, OR BOTH; AND

27 (III) SINGLE BETS UP TO ONE HUNDRED DOLLARS.

28 (b) LIMITED GAMING TAX REVENUES ATTRIBUTABLE TO THE OPERATION OF THIS
29 SUBSECTION (7) SHALL BE DEPOSITED IN THE LIMITED GAMING FUND. THE COMMISSION
30 SHALL ANNUALLY DETERMINE THE AMOUNT OF SUCH REVENUES GENERATED IN EACH
31 CITY.

32 (c) FROM GAMING TAX REVENUES ATTRIBUTABLE TO THE OPERATION OF THIS
33 SUBSECTION (7), THE TREASURER SHALL PAY:

34 (I) THOSE ONGOING EXPENSES OF THE COMMISSION AND OTHER STATE AGENCIES

1 THAT ARE RELATED TO THE ADMINISTRATION OF THIS SUBSECTION (7);

2 (II) ANNUAL ADJUSTMENTS, IN CONNECTION WITH DISTRIBUTIONS TO LIMITED
3 GAMING FUND RECIPIENTS LISTED IN SUBSECTION (5)(b)(II) OF THIS SECTION, TO REFLECT
4 THE LESSER OF SIX PERCENT OF, OR THE ACTUAL PERCENTAGE OF, ANNUAL GROWTH IN
5 GAMING TAX REVENUES ATTRIBUTABLE TO THIS SUBSECTION (7); AND

6 (III) OF THE REMAINING GAMING TAX REVENUES, DISTRIBUTIONS IN THE
7 FOLLOWING PROPORTIONS:

8 (A) SEVENTY-EIGHT PERCENT TO THE STATE'S PUBLIC COMMUNITY
9 COLLEGES, JUNIOR COLLEGES, AND LOCAL DISTRICT COLLEGES TO SUPPLEMENT EXISTING
10 STATE FUNDING FOR STUDENT FINANCIAL AID PROGRAMS AND CLASSROOM INSTRUCTION
11 PROGRAMS; PROVIDED THAT SUCH REVENUE SHALL BE DISTRIBUTED TO INSTITUTIONS
12 THAT WERE OPERATING ON AND AFTER JANUARY 1, 2008, IN PROPORTION TO THEIR
13 RESPECTIVE FULL-TIME EQUIVALENT STUDENT ENROLLMENTS IN THE PREVIOUS FISCAL
14 YEAR;

15 (B) TEN PERCENT TO THE GOVERNING BODIES OF THE CITIES OF CENTRAL,
16 BLACK HAWK, AND CRIPPLE CREEK TO ADDRESS LOCAL GAMING IMPACTS; PROVIDED
17 THAT SUCH REVENUE SHALL BE DISTRIBUTED BASED ON THE PROPORTION OF GAMING
18 TAX REVENUES, ATTRIBUTABLE TO THE OPERATION OF THIS SUBSECTION (7), THAT ARE
19 PAID BY LICENSEES OPERATING IN EACH CITY; AND

20 (C) TWELVE PERCENT TO THE GOVERNING BODIES OF GILPIN AND TELLER
21 COUNTIES TO ADDRESS LOCAL GAMING IMPACTS; PROVIDED THAT SUCH REVENUE SHALL
22 BE DISTRIBUTED BASED ON THE PROPORTION OF GAMING TAX REVENUES, ATTRIBUTABLE
23 TO THE OPERATION OF THIS SUBSECTION (7), THAT ARE PAID BY LICENSEES OPERATING
24 IN EACH COUNTY.

25 (d) AFTER JULY 1, 2009, THE COMMISSION SHALL IMPLEMENT REVISIONS TO LIMITS
26 ON GAMING AS APPROVED BY VOTERS IN THE CITIES OF CENTRAL, BLACK HAWK, OR
27 CRIPPLE CREEK. THE GENERAL ASSEMBLY IS ALSO AUTHORIZED TO ENACT, AS
28 NECESSARY, LEGISLATION THAT WILL FACILITATE THE OPERATION OF THIS SUBSECTION
29 (7).

30 (e) IF LOCAL VOTERS IN ONE OR MORE CITIES REVISE ANY LIMITS ON GAMING AS
31 PROVIDED IN PARAGRAPH (a) OF THIS SUBSECTION (7), ANY COMMISSION ACTION
32 PURSUANT TO SUBSECTION (5) OF THIS SECTION THAT INCREASES GAMING TAXES FROM
33 THE LEVELS IMPOSED AS OF JULY 1, 2008, SHALL BE EFFECTIVE ONLY IF APPROVED BY
34 VOTERS AT A STATEWIDE ELECTION HELD UNDER SECTION 20(4)(a) OF ARTICLE X OF THIS
35 CONSTITUTION.

1 (f) GAMING TAX REVENUES ATTRIBUTABLE TO THE OPERATION OF THIS SUBSECTION
2 (7) SHALL BE COLLECTED AND SPENT AS A VOTER-APPROVED REVENUE CHANGE WITHOUT
3 REGARD TO ANY LIMITATION CONTAINED IN SECTION 20 OF ARTICLE X OF THIS
4 CONSTITUTION OR ANY OTHER LAW.