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ELECTIONS  
SECRETARY OF STATE

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**ORIGINAL**

*Be it enacted by the People of Colorado:*

**SECTION 1.** Subsections (3), (4), and (5) of section 9 of Article XVIII of the constitution of the state of Colorado are amended to read:

(3) Limited gaming shall be subject to the following:

(a) Limited gaming shall take place only in the existing Colorado cities of: the City of Central, county of Gilpin, the City of Black Hawk, county of Gilpin, and the City of Cripple Creek, county of Teller. Such limited gaming shall be further confined to the commercial districts of said cities as said districts are respectively defined in the city ordinances adopted by: the City of Central on October 7, 1981, the City of Black Hawk on May 4, 1978, and the City of Cripple Creek on December 3, 1973.

(b) Limited gaming shall only be conducted in structures which conform, as determined by the respective municipal governing bodies, to the architectural styles and designs that were common to the areas prior to World War I and which conform to the requirements of applicable respective city ordinances, regardless of the age of said structures.

(c) No more than thirty-five percent of the square footage of any building and no more than fifty percent of any one floor of such building, may be used for limited gaming.

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

(e) Limited gaming may occur in establishments licensed to sell alcoholic beverages.

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

(a) "Adjusted gross proceeds" means the total amount of all wagers made by players on limited gaming less all payments to players; said payments to players being deemed to include all payments of cash premiums, merchandise, tokens, redeemable game credits, or any other thing of value.

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

(c) "Slot machine" means any mechanical, electrical, video, electronic, or other device, contrivance, or machine which, after insertion of a coin, token, or similar object, or upon payment of any required consideration whatsoever by a player, is available to be played or operated, and which, whether by reason of the skill of the player or application of the element of chance, or both, may deliver or entitle the player operating the machine to receive cash premiums, merchandise, tokens, redeemable game credits, or any other thing of value other than

unredeemable free games, whether the payoff is made automatically from the machines or in any other manner.

(5) (a) Up to a maximum of forty percent of the adjusted gross proceeds of limited gaming shall be paid by each licensee, in addition to any applicable license fees, for the privilege of conducting limited gaming. SUBJECT TO SUBSECTION (7), SUCH ~~Such~~ percentage shall be established annually by the commission, according to the criteria established by the general assembly in the implementing legislation to be enacted pursuant to paragraph (c) of this subsection (5). Such payments shall be made into a limited gaming fund that is hereby created in the state treasury.

(b) (I) From the moneys in the limited gaming fund, the state treasurer is hereby authorized to pay all ongoing expenses of the commission and any other state agency, related to the administration of this section 9. Such payment shall be made upon proper presentation of a voucher prepared by the commission in accordance with statutes governing payments of liabilities incurred on behalf of the state. Such payment shall not be conditioned on any appropriation by the general assembly.

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

(III) Of the moneys in the state historical fund, from which the state treasurer shall also make annual distributions, twenty percent shall be used for the preservation and restoration of the cities of: the City of Central, the City of Black Hawk, and the City of Cripple Creek, and such moneys shall be distributed, to the governing bodies of the respective cities, according to the proportion of the gaming revenues generated in each respective city. The remaining eighty percent in the state historical fund shall be used for the historic preservation and restoration of historical sites and municipalities throughout the state in a manner to be determined by the general assembly.

(c) and (d) Repealed.

(e) The general assembly shall enact provisions for the special licensing of qualifying nonprofit charitable organizations desiring to periodically host charitable gaming activities in licensed gaming establishments.

(f) If any provision of this section 9 is held invalid, the remainder of this section 9 shall remain unimpaired.

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

**(7) LOCAL ELECTIONS TO REVISE LIMITS APPLICABLE TO GAMING — STATEWIDE ELECTIONS TO INCREASE GAMING TAXES.**

(a) THROUGH LOCAL ELECTIONS, THE VOTERS OF THE CITIES OF CENTRAL, BLACK HAWK, AND CRIPPLE CREEK ARE AUTHORIZED TO REVISE LIMITS ON GAMING TO EXTEND:

- (I) HOURS OF LIMITED GAMING OPERATION;
- (II) APPROVED GAMES TO INCLUDE ROULETTE OR CRAPS, OR BOTH; AND
- (III) SINGLE BETS UP TO ONE HUNDRED DOLLARS.

(b) LIMITED GAMING TAX REVENUES ATTRIBUTABLE TO THE OPERATION OF THIS SUBSECTION SHALL BE DEPOSITED IN THE LIMITED GAMING FUND. THE COMMISSION SHALL ANNUALLY DETERMINE THE AMOUNT OF SUCH REVENUES.

(c) ANNUAL GAMING TAX REVENUES THAT EXCEED THE AMOUNT COLLECTED IN THE FISCAL YEAR ENDING JUNE 30, 2007 SHALL BE DISTRIBUTED IN THE FOLLOWING PROPORTIONS:

(I) TWENTY-TWO PERCENT TO THE GOVERNING BODIES OF THE CITIES OF CENTRAL, BLACK HAWK, AND CRIPPLE CREEK AND GILPIN AND TELLER COUNTIES FOR LOCAL GAMING IMPACTS, BASED ON THE GAMING TAX REVENUES COLLECTED IN EACH CITY OR COUNTY ATTRIBUTABLE TO THE OPERATION OF THIS SUBSECTION; AND

(II) SEVENTY-EIGHT PERCENT TO SUPPLEMENT EXISTING STATE FUNDING FOR STUDENT FINANCIAL AID PROGRAMS AND CLASSROOM INSTRUCTION PROGRAMS AT THE STATE'S PUBLIC COMMUNITY COLLEGES, JUNIOR COLLEGES, AND LOCAL DISTRICT COLLEGES. SUCH REVENUE SHALL BE DISTRIBUTED TO SUCH INSTITUTIONS THAT WERE OPERATING ON AND AFTER JANUARY 1, 2008, IN PROPORTION TO THEIR RESPECTIVE STUDENT ENROLLMENTS AS OF JANUARY 1 OF EACH YEAR.

(d) AFTER JULY 1, 2009, THE COMMISSION MAY IMPLEMENT REVISIONS TO LIMITS ON GAMING APPROVED BY VOTERS IN THE CITIES OF CENTRAL, BLACK HAWK, OR CRIPPLE CREEK.

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

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