

Initiative 2025-26 #415
Limited Gaming Expansion and Local Control

Received by Legislative Council Staff
03/20/26 at 3:40 PM

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

SECTION 1. In the constitution of the State of Colorado, Article XVIII, section 9, **add** (8) as follows:

Section 9. LIMITED GAMING PERMITTED

(8) Gaming expansion.

(a) NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS SECTION, LIMITED GAMING IN ANY TOWN, CITY, COUNTY, OR CITY AND COUNTY IN THE STATE SHALL BE LAWFUL AS PROVIDED IN THIS SUBSECTION (8) AS OF JANUARY 1, 2027.

(b) THE ADMINISTRATION AND REGULATION OF THIS SUBSECTION (8) SHALL BE UNDER THE APPOINTED LIMITED GAMING CONTROL COMMISSION CREATED IN SUBSECTION (2) OF THIS SECTION (9).

(c)(I) EXCEPT AS PROVIDED IN PARAGRAPH (V) OF THIS SUBSECTION (8)(c), LIMITED GAMING SHALL NOT BE LAWFUL WITHIN ANY CITY, TOWN, CITY AND COUNTY, OR UNINCORPORATED PORTION OF A COUNTY WHICH HAS BEEN GRANTED CONSTITUTIONAL AUTHORITY FOR LIMITED GAMING WITHIN ITS BOUNDARIES UNLESS FIRST APPROVED BY AN AFFIRMATIVE VOTE OF A MAJORITY OF THE ELECTORS OF SUCH CITY, TOWN, OR COUNTY VOTING THEREON. THE QUESTION SHALL FIRST BE SUBMITTED TO THE ELECTORS AT A GENERAL, REGULAR, OR SPECIAL ELECTION HELD WITHIN THIRTEEN MONTHS AFTER THE EFFECTIVE DATE OF THE AMENDMENT WHICH FIRST ADDS SUCH CITY, COUNTY, OR TOWN TO THOSE AUTHORIZED FOR LIMITED GAMING PURSUANT TO THIS CONSTITUTION; AND SAID ELECTION SHALL BE CONDUCTED PURSUANT TO APPLICABLE STATE OR LOCAL GOVERNMENT ELECTION LAWS.

(II) THE VOTERS WITHIN ANY CITY, TOWN, CITY AND COUNTY, OR UNINCORPORATED PORTION OF A COUNTY MAY, BUT ARE NOT REQUIRED TO LIMIT:

- (A) APPROVED GAMES;
- (B) HOURS OF OPERATION; AND
- (C) ALLOWABLE SINGLE BET AMOUNTS.

(II) IF APPROVAL OF LIMITED GAMING IS NOT OBTAINED WHEN THE QUESTION IS FIRST SUBMITTED TO THE ELECTORS, THE QUESTION MAY BE SUBMITTED AT SUBSEQUENT ELECTIONS HELD IN ACCORDANCE WITH PARAGRAPH (IV) OF THIS SUBSECTION (c); EXCEPT THAT, ONCE APPROVAL IS OBTAINED, LIMITED GAMING SHALL THEREAFTER BE LAWFUL WITHIN THE SAID CITY, TOWN, OR UNINCORPORATED PORTION OF A COUNTY SO LONG AS THE CITY, TOWN, OR COUNTY REMAINS AMONG THOSE WITH CONSTITUTIONAL AUTHORITY FOR LIMITED GAMING WITHIN THEIR BOUNDARIES.

(III) NOTHING CONTAINED IN THIS SUBSECTION (8) SHALL BE CONSTRUED TO LIMIT THE ABILITY OF A CITY, TOWN, OR COUNTY TO REGULATE THE CONDUCT OF LIMITED GAMING AS OTHERWISE AUTHORIZED BY STATUTE OR BY THIS CONSTITUTION.

(IV)(A) THE QUESTION SUBMITTED TO THE ELECTORS AT ANY ELECTION HELD PURSUANT TO THIS SUBSECTION (6) SHALL BE PHRASED IN SUBSTANTIALLY THE FOLLOWING FORM: “SHALL LIMITED GAMING BE LAWFUL WITHIN _____?”

(B) THE FAILURE TO ACQUIRE APPROVAL OF LIMITED GAMING IN THE UNINCORPORATED PORTION OF A COUNTY SHALL NOT PREVENT LAWFUL LIMITED GAMING WITHIN A CITY OR TOWN LOCATED IN SUCH COUNTY WHERE SUCH APPROVAL IS ACQUIRED IN A CITY OR TOWN ELECTION, AND FAILURE TO ACQUIRE SUCH APPROVAL IN A CITY OR TOWN ELECTION SHALL NOT PREVENT LAWFUL LIMITED

GAMING WITHIN THE UNINCORPORATED AREA OF THE COUNTY IN WHICH SUCH CITY OR TOWN IS LOCATED WHERE SUCH APPROVAL IS ACQUIRED IN AN ELECTION IN THE UNINCORPORATED AREA OF A COUNTY.

(C) IF APPROVAL OF LIMITED GAMING IS NOT ACQUIRED WHEN THE QUESTION IS FIRST SUBMITTED IN ACCORDANCE WITH THIS SUBSECTION (8), THE QUESTION MAY BE SUBMITTED AT SUBSEQUENT ELECTIONS SO LONG AS AT LEAST FOUR YEARS HAVE ELAPSED SINCE ANY PREVIOUS ELECTION AT WHICH THE QUESTION WAS SUBMITTED.

(V) NOTHING CONTAINED IN THIS SUBSECTION (8) SHALL BE CONSTRUED TO AFFECT THE AUTHORITY GRANTED UPON THE INITIAL ADOPTION OF THIS SECTION AT THE 1990 GENERAL ELECTION, OR THE CONDUCT AND REGULATION OF GAMING ON INDIAN RESERVATIONS PURSUANT TO FEDERAL LAW.

(VI) FOR PURPOSES OF THIS SUBSECTION (8), A "CITY, TOWN, COUNTY, OR CITY AND COUNTY" INCLUDES ALL LAND AND BUILDINGS LOCATED WITHIN, OR OWNED AND CONTROLLED BY, SUCH CITY, TOWN, OR COUNTY OR ANY POLITICAL SUBDIVISION THEREOF.

(VII)(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 UNDER THIS SUBSECTION (8). SUCH PERCENTAGE SHALL BE ESTABLISHED ANNUALLY BY THE COMMISSION ACCORDING TO THE CRITERIA ESTABLISHED BY THE GENERAL ASSEMBLY. SUCH PAYMENTS SHALL BE MADE INTO LIMITED GAMING FUND THAT IS HEREBY CREATED IN THE STATE TREASURY.

(B) LIMITED GAMING TAX REVENUES ATTRIBUTABLE TO THE OPERATION OF THIS SUBSECTION (8) SHALL BE DEPOSITED IN THE LOCAL LIMITED GAMING FUND. THE COMMISSION SHALL ANNUALLY DETERMINE THE AMOUNT OF SUCH REVENUES GENERATED IN EACH JURISDICTION WHERE GAMING IS APPROVED.

(VIII) FROM GAMING TAX REVENUES ATTRIBUTABLE TO THE OPERATION OF THIS SUBSECTION (8), THE TREASURER SHALL PAY:

(A) THOSE ONGOING EXPENSES OF THE COMMISSION AND OTHER STATE AGENCIES THAT ARE RELATED TO THE ADMINISTRATION OF THIS SUBSECTION (8);

(B) ANNUAL ADJUSTMENTS, IN CONNECTION WITH DISTRIBUTIONS TO LOCAL LIMITED GAMING FUND RECIPIENTS, TO REFLECT THE LESSER OF SIX PERCENT OF, OR THE ACTUAL PERCENTAGE OF, ANNUAL GROWTH IN GAMING TAX REVENUES ATTRIBUTABLE TO THIS SUBSECTION (8); AND

(C) OF THE REMAINING GAMING TAX REVENUES, DISTRIBUTIONS IN THE FOLLOWING PROPORTIONS:

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

(II) TEN PERCENT TO THE GOVERNING BODIES OF THE AUTHORIZING JURISDICTIONS TO ADDRESS LOCAL GAMING IMPACTS; PROVIDED THAT SUCH REVENUE SHALL BE DISTRIBUTED BASED ON THE PROPORTION OF GAMING TAX REVENUES, ATTRIBUTABLE TO THE OPERATION OF THIS SUBSECTION (7), THAT ARE PAID BY LICENSEES OPERATING IN EACH CITY; AND

(III) TWELVE PERCENT TO THE SCHOOL DISTRICTS LOCATED WITHIN AUTHORIZING JURISDICTIONS, IN PROPORTION TO THE NUMBER OF STUDENTS ATTENDING THE SCHOOL DISTRICT FROM THE

AUTHORIZING JURISDICTION; PROVIDED THAT SUCH REVENUE SHALL BE DISTRIBUTED BASED ON THE PROPORTION OF GAMING TAX REVENUES, ATTRIBUTABLE TO THE OPERATION OF THIS SUBSECTION (8), THAT ARE PAID BY LICENSEES OPERATING IN EACH JURISDICTION.

(IX) GAMING TAX REVENUES ATTRIBUTABLE TO THE OPERATION OF THIS SUBSECTION (8) SHALL BE COLLECTED AND SPENT AS A VOTER-APPROVED REVENUE CHANGE WITHOUT REGARD TO ANY LIMITATION CONTAINED IN SECTION 20 OF ARTICLE X OF THIS CONSTITUTION OR ANY OTHER LAW.