

Second Regular Session  
Seventy-fourth General Assembly  
STATE OF COLORADO

**REENGROSSED**

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

LLS NO. 24-1001.01 Alison Killen x4350

**HOUSE BILL 24-1436**

**HOUSE SPONSORSHIP**

**McCluskie and Catlin**, Amabile, Bird, Boesenecker, Daugherty, Duran, Hamrick, Jodeh, Joseph, Kipp, Lieder, Lindsay, Lindstedt, Lukens, Mabrey, McCormick, McLachlan, Ricks, Rutinel, Snyder, Soper, Taggart, Titone, Weissman

**SENATE SPONSORSHIP**

**Roberts and Simpson,**

**House Committees**

Finance  
Appropriations

**Senate Committees**

**A BILL FOR AN ACT**

101      **CONCERNING THE REFERRAL OF A BALLOT ISSUE RELATED TO THE**  
102            **REVENUE FROM THE SPORTS BETTING TAX, AND, IN CONNECTION**  
103            **THEREWITH, REFERRING A BALLOT ISSUE TO THE VOTERS TO**  
104            **ALLOW THE STATE TO KEEP AND SPEND ALL SPORTS BETTING**  
105            **TAX REVENUE IN EXCESS OF THE TWENTY-NINE MILLION DOLLAR**  
106            **ESTIMATED INCREASE IN STATE TAX REVENUE APPROVED BY**  
107            **VOTERS IN 2019 FOR THE PURPOSE OF FUNDING WATER**  
108            **CONSERVATION AND PROTECTION PROJECTS RATHER THAN**  
109            **REFUNDING SUCH EXCESS REVENUE TO CASINOS.**

**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*

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters or bold & italic numbers indicate new material to be added to existing law.*  
*Dashes through the words or numbers indicate deletions from existing law.*

HOUSE  
3rd Reading Unamended  
April 19, 2024

HOUSE  
2nd Reading Unamended  
April 18, 2024

*applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)*

The bill refers a ballot issue to the voters at the November 2024 statewide election to allow the state to keep and spend all revenue from the existing tax on the net proceeds of licensed sports betting (sports betting tax), including revenue in excess of the \$29 million fiscal year estimate included in the 2019 ballot question as follows:

- All revenue from the sports betting tax up to \$29 million annually, together with all revenue derived by the division of gaming in the department of revenue, will continue to be used to pay for the regulation of sports betting, to offset losses to other wagering revenue recipients, and to support responsible gaming, with any remaining money being transferred to the water plan implementation cash fund; and
- All sports betting tax revenue in excess of \$29 million annually will be transferred to the water plan implementation cash fund to be used for water conservation and protection projects.

If the majority of electors voting at the November 2024 statewide election vote against allowing the state to keep and spend all sports betting tax revenue as outlined above, then any tax revenue collected in excess of \$29 million annually will be refunded to the licensed sports betting operations that paid the sports betting tax according to a reasonable method to be determined by the department of revenue.

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

2           **SECTION 1. Legislative declaration.** (1) THE GENERAL  
3 ASSEMBLY FINDS AND DECLARES THAT:

4           (a) WATER IS THE LIFEBLOOD OF COLORADO - CRITICAL TO THE  
5 HEALTH OF OUR FAMILIES AND COMMUNITIES, SPLENDID NATURAL  
6 BEAUTY, VIBRANT AGRICULTURAL PRODUCTION, THRIVING OUTDOOR  
7 RECREATION, AND ABUNDANT WILDLIFE POPULATIONS ACROSS THE STATE;

8           (b) UNFORTUNATELY, COLORADO FACES UNPRECEDENTED WATER  
9 CHALLENGES. AS THE STATE'S POPULATION GROWS AND WE EXPERIENCE  
10 INCREASED DEMANDS ON OUR WATER RESOURCES, WE MUST INVEST IN OUR  
11 WATER SYSTEMS TO PRESERVE COLORADO'S WAY OF LIFE. PROTECTING

1 OUR WATER WILL ENSURE THAT OUR TOWNS AND CITIES HAVE RESILIENT,  
2 CLEAN, AND SAFE DRINKING WATER SUPPLIES, FARMS AND RANCHES  
3 THRIVE AND REMAIN PRODUCTIVE, AND HEALTHY FLOWING RIVERS  
4 REMAIN FOR THE BENEFIT OF RECREATION, OUR COMMUNITIES, AND THE  
5 NATURAL ENVIRONMENT.

6 (c) COLORADO'S WATER PLAN PROVIDES A ROADMAP TO ENSURE  
7 THAT COLORADO'S WATER NEEDS ARE MET COLLABORATIVELY IN A  
8 BALANCED AND RESILIENT MANNER. THE WATER PLAN IMPLEMENTATION  
9 CASH FUND HAS DISTRIBUTED GRANTS TO HUNDREDS OF DIVERSE AND  
10 COLLABORATIVE WATER PROJECTS AROUND THE STATE, BUT THERE IS  
11 MORE DEMAND FOR WATER PROJECT FUNDING THAN FUNDS CURRENTLY  
12 AVAILABLE.

13 (d) SPORTS BETTING HAS GENERATED OVER SIXTY-FIVE MILLION  
14 DOLLARS IN TAX REVENUE SINCE ITS COMMENCEMENT IN 2020, WHICH HAS  
15 BEEN USED TO FUND THE REGULATION AND STEWARDSHIP OF SPORTS  
16 BETTING AND ADDICTION TREATMENT AS WELL AS THE IMPLEMENTATION  
17 OF COLORADO'S WATER PLAN; AND

18 (e) SPORTS BETTING TAX REVENUE IS PROJECTED TO IMMINENTLY  
19 SURPASS THE TWENTY-NINE MILLION DOLLAR FISCAL YEAR ESTIMATE  
20 INCLUDED IN THE BALLOT QUESTION APPROVED BY VOTERS IN 2019.  
21 REMOVING THE TWENTY-NINE MILLION DOLLAR CAP AND ALLOWING THE  
22 STATE TO KEEP AND SPEND ALL SPORTS BETTING TAX REVENUE WILL  
23 ENSURE THAT MORE FUNDING CAN CONTINUE TO FLOW TO COLORADO'S  
24 WATER PLAN AND SIGNIFICANTLY BOOST EXISTING EFFORTS TO CONSERVE  
25 AND PROTECT COLORADO'S WATER.

26 **SECTION 2.** In Colorado Revised Statutes, 44-30-1508, **amend**  
27 **(2); and add (3) as follows:**

1           **44-30-1508. Sports betting tax - rules - repeal.** (2) EXCEPT AS  
2 PROVIDED IN SUBSECTION (3) OF THIS SECTION, all proceeds of the sports  
3 betting tax shall be forwarded to the state treasurer, who shall credit them  
4 to the sports betting fund created in section 44-30-1509.

5           (3) (a) IF A MAJORITY OF THE ELECTORS VOTING IN THE NOVEMBER  
6 2024 ELECTION VOTE "NO/AGAINST" ON THE BALLOT ISSUE SUBMITTED TO  
7 THE VOTERS PURSUANT TO SECTION 44-30-1517 (2), THEN THE STATE  
8 TREASURER SHALL CREDIT ALL PROCEEDS OF THE SPORTS BETTING TAX AS  
9 FOLLOWS:

10           (I) ALL PROCEEDS UP TO THE FIRST TWENTY-NINE MILLION  
11 DOLLARS COLLECTED ANNUALLY TO THE SPORTS BETTING FUND CREATED  
12 IN SECTION 44-30-1509; AND

13           (II) ALL PROCEEDS IN EXCESS OF THE FIRST TWENTY-NINE MILLION  
14 DOLLARS COLLECTED ANNUALLY TO THE SPORTS BETTING TAX REFUND  
15 CASH FUND CREATED IN SECTION 44-30-1518 (1).

16           (b) IF A MAJORITY OF THE ELECTORS VOTING IN THE NOVEMBER  
17 2024 ELECTION VOTE "YES/FOR" ON THE BALLOT ISSUE SUBMITTED TO THE  
18 VOTERS PURSUANT TO SECTION 44-30-1517 (2), THIS SUBSECTION (3) IS  
19 REPEALED, EFFECTIVE JANUARY 1, 2025.

20           **SECTION 3.** In Colorado Revised Statutes, 44-30-1509, **amend**  
21 (2) introductory portion, (2)(b), (2)(c) introductory portion, and (2)(e);  
22 **repeal** (2)(a); and **add** (2.5) as follows:

23           **44-30-1509. Sports betting fund - wagering revenue recipients**  
24 **hold-harmless fund - creation - rules - definitions - repeal.** (2) FOR  
25 FISCAL YEARS COMMENCING ON OR AFTER JULY 1, 2024, from the money  
26 in the sports betting fund, to the extent the unexpended and  
27 unencumbered balance in the fund so permits, the state treasurer shall

1       DISTRIBUTE AN AMOUNT EQUAL TO ALL REVENUE OF THE DIVISION  
2       ANNUALLY DERIVED FROM THE REGULATION OF SPORTS BETTING AND  
3       FANTASY CONTESTS, INCLUDING LICENSE FEES, FINES, AND PENALTIES,  
4       AND THE FIRST TWENTY-NINE MILLION DOLLARS ANNUALLY COLLECTED  
5       FOR PAYMENT OF THE SPORTS BETTING TAX AS FOLLOWS:

6           (a) ~~First, transfer an amount to the general fund to repay any~~  
7       ~~appropriation made from the general fund for the commission's and~~  
8       ~~division's startup costs, including initial licensing and rule-making,~~  
9       ~~related to sports betting;~~

10          (b) ~~Second~~ FIRST, pay all ongoing expenses related to  
11       administering this part 15 incurred by the commission, the department,  
12       the division, and any other state agency from whom assistance related to  
13       the administration of this part 15 is requested by the commission or the  
14       director, as determined in accordance with rules of the commission. When  
15       making distributions from the fund as described in this subsection (2), the  
16       state treasurer may withhold an amount reasonably anticipated to be  
17       sufficient to pay the expenses until the next annual distribution.

18          (c) ~~Third~~ SECOND, transfer an amount equal to six percent of the  
19       full fiscal year sports betting tax revenues, OR SIX PERCENT OF  
20       TWENTY-NINE MILLION DOLLARS, WHICHEVER IS LESS, to the wagering  
21       revenue recipients hold-harmless fund, referred to in this section as the  
22       "hold-harmless fund", which is ~~hereby~~ created in the state treasury, from  
23       which the state treasurer shall make disbursements as directed by the  
24       commission as follows:

25          (e) ~~Fourth~~ THIRD, transfer all remaining unexpended and  
26       unencumbered money in the fund THAT IS SUBJECT TO DISTRIBUTION  
27       PURSUANT TO THIS SUBSECTION (2) to the water plan implementation cash

1 fund created in section 37-60-123.3.

2 (2.5) (a) FOR EACH FISCAL YEAR COMMENCING ON OR AFTER JULY  
3 1, 2024, FROM THE MONEY IN THE SPORTS BETTING FUND, TO THE EXTENT  
4 THE UNEXPENDED AND UNENCUMBERED BALANCE IN THE FUND SO  
5 PERMITS, THE STATE TREASURER SHALL DISTRIBUTE AN AMOUNT EQUAL  
6 TO ALL REVENUE COLLECTED FOR PAYMENT OF THE SPORTS BETTING TAX  
7 IN EXCESS OF TWENTY-NINE MILLION DOLLARS TO THE WATER PLAN  
8 IMPLEMENTATION CASH FUND CREATED IN SECTION 37-60-123.3.

9 (b) IF A MAJORITY OF THE ELECTORS VOTING IN THE NOVEMBER  
10 2024 ELECTION VOTE "NO/AGAINST" ON THE BALLOT ISSUE SUBMITTED TO  
11 THE VOTERS PURSUANT TO SECTION 44-30-1517 (2), THIS SUBSECTION  
12 (2.5) IS REPEALED, EFFECTIVE JANUARY 1, 2025.

13 **SECTION 4.** In Colorado Revised Statutes, **add** 44-30-1517 as  
14 follows:

15 **44-30-1517. Ballot issue - retain and spend sports betting tax**  
16 **revenue - definition.** (1) AS USED IN THIS SECTION, "BALLOT ISSUE"  
17 MEANS THE QUESTION SUBMITTED TO VOTERS PURSUANT TO SUBSECTION  
18 (2) OF THIS SECTION.

19 (2) AT THE STATEWIDE ELECTION HELD IN NOVEMBER 2024, THE  
20 SECRETARY OF STATE SHALL SUBMIT TO THE REGISTERED ELECTORS OF  
21 THE STATE FOR THEIR APPROVAL OR REJECTION THE FOLLOWING BALLOT  
22 ISSUE: "WITHOUT RAISING TAXES, MAY THE STATE KEEP AND SPEND ALL  
23 SPORTS BETTING TAX REVENUE ABOVE VOTER-APPROVED LIMITS TO FUND  
24 WATER CONSERVATION AND PROTECTION PROJECTS INSTEAD OF  
25 REFUNDING REVENUE TO CASINOS?"

26 (3) IF A MAJORITY OF THE ELECTORS VOTING ON THE BALLOT ISSUE  
27 VOTE "YES/FOR", THIS CONSTITUTES VOTER APPROVAL TO AVOID THE

1 POTENTIAL REFUND REQUIRED BY SECTION 44-30-1519.

2 (4) FOR PURPOSES OF SECTION 1-5-407, THE BALLOT ISSUE IS A  
3 PROPOSITION. SECTION 1-40-106 (3)(d) DOES NOT APPLY TO THE BALLOT  
4 ISSUE.

5 **SECTION 5.** In Colorado Revised Statutes, **add** 44-30-1518 as  
6 follows:

7 **44-30-1518. Sports betting tax refund cash fund - repeal.**

8 (1) THE SPORTS BETTING TAX REFUND CASH FUND IS CREATED IN THE  
9 STATE TREASURY. IN ACCORDANCE WITH SECTION 44-30-1508 (3), THE  
10 FUND CONSISTS OF MONEY CREDITED TO THE FUND PURSUANT TO SECTION  
11 44-30-1509 (3)(a)(II).

12 (2) IF A MAJORITY OF THE ELECTORS VOTING IN THE NOVEMBER  
13 2024 ELECTION VOTE "YES/FOR" ON THE BALLOT ISSUE SUBMITTED TO THE  
14 VOTERS PURSUANT TO SECTION 44-30-1517 (2), THIS SECTION IS  
15 REPEALED, EFFECTIVE JANUARY 1, 2025.

16 **SECTION 6.** In Colorado Revised Statutes, **add** 44-30-1519 as  
17 follows:

18 **44-30-1519. Rejection of ballot issue - refunds - repeal.** (1) IF  
19 A MAJORITY OF THE ELECTORS VOTING ON THE BALLOT ISSUE SUBMITTED  
20 TO THE VOTERS PURSUANT TO SECTION 44-30-1517 (2) VOTE  
21 "NO/AGAINST", THEN, ON OR BEFORE JUNE 30 OF STATE FISCAL YEAR  
22 2024-2025, AND ON OR BEFORE JUNE 30 OF EACH STATE FISCAL YEAR  
23 THEREAFTER, THE STATE TREASURER SHALL REFUND ALL MONEY  
24 CREDITED TO THE SPORTS BETTING TAX REFUND CASH FUND FOR THE PRIOR  
25 STATE FISCAL YEAR IN THE MANNER DETERMINED BY THE DEPARTMENT OF  
26 REVENUE PURSUANT TO SUBSECTION (2) OF THIS SECTION.

27 (2) THE DEPARTMENT OF REVENUE SHALL DETERMINE A

1 REASONABLE METHOD TO DISTRIBUTE THE MONEY IN THE SPORTS BETTING  
2 TAX REFUND CASH FUND CREATED IN SECTION 44-30-1518 (1) IN  
3 ACCORDANCE WITH THIS TITLE 44 AND THE RULES ESTABLISHED BY THE  
4 COLORADO LIMITED GAMING CONTROL COMMISSION TO COLLECT THE  
5 SPORTS BETTING TAX AND CONSISTENT WITH ANY RELEVANT PROVISIONS  
6 OF TITLE 39 AND ANY RULES ESTABLISHED PURSUANT THERETO  
7 CONCERNING TAXPAYER REFUNDS. THE METHOD MUST INCLUDE THE  
8 DISTRIBUTION OF MONEY FROM THE SPORTS BETTING TAX REFUND CASH  
9 FUND ONLY TO TAXPAYERS WHO PAID THE SPORTS BETTING TAX.

10 (3) IF A MAJORITY OF THE ELECTORS VOTING IN THE NOVEMBER  
11 2024 ELECTION VOTE "YES/FOR" ON THE BALLOT ISSUE SUBMITTED TO THE  
12 VOTERS PURSUANT TO SECTION 44-30-1517 (2), THIS SECTION IS  
13 REPEALED, EFFECTIVE JANUARY 1, 2025.

14 **SECTION 7. Safety clause.** The general assembly finds,  
15 determines, and declares that this act is necessary for the immediate  
16 preservation of the public peace, health, or safety or for appropriations for  
17 the support and maintenance of the departments of the state and state  
18 institutions.