

**First Regular Session
Seventieth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 15-0050.02 Jerry Barry x4341

SENATE BILL 15-065

SENATE SPONSORSHIP

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HOUSE SPONSORSHIP

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Senate Committees

State, Veterans, & Military Affairs

House Committees

Public Health Care & Human Services

A BILL FOR AN ACT

101 **CONCERNING A PROHIBITION ON THE USE OF PUBLIC ELECTRONIC**
102 **BENEFITS TRANSFER SERVICES AT CERTAIN ESTABLISHMENTS.**

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 applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/bills summaries>.)

Federal law requires states to take measures to prevent recipients of public benefits from using electronic benefits transfers at liquor stores, gambling establishments, and adult-oriented entertainment establishments. Current Colorado statutes prohibit the use of automated teller machines by recipients of public benefits at liquor stores, gambling establishments, and firearms dealers. The bill extends the Colorado

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.

SENATE
3rd Reading Unamended
February 9, 2015

SENATE
Amended 2nd Reading
February 6, 2015

prohibitions to establishments licensed to sell marijuana or marijuana-infused products and at adult-oriented entertainment establishments.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds and declares:

4 (a) Federal law requires states that offer public benefits through
5 the use of an electronic benefits transfer card take measures to prohibit
6 the use of the cards at liquor stores, casinos or gambling establishments,
7 and at retail establishments that provide adult-oriented entertainment;

8 (b) The state board of human services has adopted rules that
9 prohibit a welfare recipient from using an electronic benefits transfer card
10 at such establishments;

11 (c) Current state statutes only prohibit welfare recipients from
12 using electronic benefits transfer cards at liquor stores, gambling
13 establishments, and stores that sell firearms; and

14 (d) With the constitutional authorization for establishments to sell
15 medical and retail marijuana and marijuana-infused products in Colorado,
16 it is necessary for Colorado to also prohibit the use of electronic benefit
17 cards in those establishments.

18 **SECTION 2.** In Colorado Revised Statutes, 26-2-104, **amend** (2)
19 (a) as follows:

20 **26-2-104. Public assistance programs - electronic benefits**
21 **transfer service - rules.** (2) (a) (I) The state department is authorized to
22 implement an electronic benefits transfer service for administering the
23 delivery of public assistance payments and food stamps to recipients. The
24 electronic benefits transfer service shall be designed to allow clients

1 access to cash benefits through automated teller machines or similar
2 electronic technology. The electronic benefits transfer service ~~shall allow~~
3 **ALLOWS** clients eligible for food stamps access to food items through the
4 use of point of sale terminals at retail outlets.

5 (II) Only those businesses that offer products or services related
6 to the purpose of the public assistance benefits ~~shall be~~ **ARE** allowed to
7 participate in the electronic benefits transfer service through the use of
8 point of sale terminals. Clients shall not be allowed to access cash
9 benefits through the electronic benefits transfer service from automated
10 teller machines in this state located in:

11 (A) Licensed gaming establishments as defined in section
12 12-47.1-103 (15), C.R.S., in-state simulcast facilities as defined in section
13 12-60-102 (14), C.R.S., tracks for racing as defined in section 12-60-102
14 (26), C.R.S., commercial bingo facilities as defined in section 12-9-102
15 (2.3), C.R.S.;

16 (B) Stores or establishments in which the principal business is the
17 sale of firearms: ~~or~~

18 (C) Retail establishments licensed to sell malt, vinous, or
19 spirituous liquors pursuant to part 3 of article 47 of title 12, C.R.S.;

20 (D) ESTABLISHMENTS LICENSED TO SELL MEDICAL MARIJUANA OR
21 MEDICAL MARIJUANA-INFUSED PRODUCTS PURSUANT TO ARTICLE 43.3 OF
22 TITLE 12, C.R.S., OR RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS
23 PURSUANT TO ARTICLE 43.4 OF TITLE 12, **C.R.S.;** **EXCEPT THAT THE**
24 **PROHIBITION FOR THESE ESTABLISHMENTS DOES NOT TAKE EFFECT UNTIL**
25 **SIXTY DAYS AFTER THE EFFECTIVE DATE OF THIS SUB-SUBPARAGRAPH (D);**
26 **OR**

27 (E) ESTABLISHMENTS THAT PROVIDE ADULT-ORIENTED

1 ENTERTAINMENT IN WHICH PERFORMERS DISROBE OR PERFORM IN AN
2 UNCLOTHED STATE FOR ENTERTAINMENT; EXCEPT THAT THE PROHIBITION
3 FOR THESE ESTABLISHMENTS DOES NOT TAKE EFFECT UNTIL SIXTY DAYS
4 AFTER THE EFFECTIVE DATE OF THIS SUB-SUBPARAGRAPH (E).

5 (II.5) AS SOON AS POSSIBLE AFTER THE EFFECTIVE DATE OF THIS
6 SUBPARAGRAPH (II.5), THE STATE DEPARTMENT SHALL NOTIFY THE
7 ESTABLISHMENTS DESCRIBED IN SUB-SUBPARAGRAPHS (D) AND (E) OF
8 SUBPARAGRAPH (II) OF THIS PARAGRAPH (a) OF THE PROHIBITION
9 CONTAINED IN THOSE SUB-SUBPARAGRAPHS.

10 (III) In the development and implementation of the service, the
11 state department shall consult with representatives of those persons,
12 agencies, and organizations that will use or be affected by the electronic
13 benefits transfer service, including program clients, to assure that the
14 service is as workable, effective, and efficient as possible. The electronic
15 benefits transfer service ~~shall be~~ IS applicable to the public assistance
16 programs described in subsection (1) of this section and to food stamps
17 as described in part 3 of this article. The state department shall contract
18 in accordance with state purchasing requirements with any entity for the
19 development and administration of the electronic benefits transfer service.
20 In order to ensure the integrity of the electronic benefits transfer service,
21 the system developed pursuant to this section ~~shall~~ MUST use, but is not
22 limited to, security measures such as individual personal identification
23 numbers, photo identification, or fingerprint identification. The security
24 method or methods selected ~~shall~~ MUST be those that are most efficient
25 and effective. The state board shall establish by rule a policy and
26 procedure to limit losses to a client after the client reports that the
27 electronic benefits transfer card or benefits have been lost or stolen. The

1 state department may authorize county departments of social services to
2 charge a fee to a client to cover the costs related to issuing a replacement
3 electronic benefits transfer card.

4 (IV) WHEN THE OWNER OF AN AUTOMATED TELLER MACHINE
5 LOCATED IN AN ESTABLISHMENT DESCRIBED IN SUBPARAGRAPH (II) OF
6 THIS PARAGRAPH (a) MOVES THE MACHINE TO A LOCATION NOT SO
7 DESCRIBED, THE OWNER SHALL REPROGRAM THE MACHINE TO ALLOW
8 PUBLIC ASSISTANCE RECIPIENTS TO ACCESS THE MACHINE.

9 **SECTION 3. Safety clause.** The general assembly hereby finds,
10 determines, and declares that this act is necessary for the immediate
11 preservation of the public peace, health, and safety.