

## Colorado Limited Gaming Control Commission

Minutes of Public Session  
May 20, 2021

### **PUBLIC SESSION**

#### **I. Call to Order**

The May 20, 2021 meeting of the Colorado Limited Gaming Control Commission was called to order by Vice-Chair Nathan, acting as the Commission Chair, at approximately 9:20 a.m. via a Cisco Webex video conference at the Division of Gaming Office at 1707 Cole Blvd., Suite 300, Lakewood, Colorado, 80401. Commissioners Coleman, and Davis were present via Cisco Webex and a quorum existed. Commissioners Blessman and Carlson were excused for good cause.

#### **Officials & Administrators in Attendance**

Richard Nathan, Vice-Chair via Cisco Webex  
Shawn Coleman, Commissioner via Cisco Webex  
Justin Davis, Commissioner via Cisco Webex  
Dan Hartman, Director via Cisco Webex  
Torrey Samson, Assistant Attorney General via Cisco Webex  
Bradford Jones, Senior Assistant Attorney General via Cisco Webex  
Suzanne Karrer, Communications Manager via Cisco Webex  
John Madruga, Agent in Charge via Cisco Webex  
Brett Buckingham, Supervisory Investigator via Cisco Webex  
Breanne Nolan, Assistant to the Director, Secretary to the Commission via Cisco Webex

### **EXECUTIVE SESSION I**

The Commission voted unanimously to go into Executive Session pursuant to sections 24-6-402(3)(a) (III), 44-30-521(1)(a), 44-30-526(1)(d), and 44-30-1507 of the Colorado Revised Statutes to review confidential background licensing reports from the Division of Gaming that were scheduled for consideration in the Public Session.

### **PUBLIC SESSION**

#### **II. Approval of Licensing Actions**

The Commission voted unanimously to approve the Temporary Internet Sports Betting Operator License for Tipico Colorado LLC. The Temporary Internet Sports Betting Operator License was issued pending the final results of the Division's background investigation.

The Commission voted unanimously to approve the Temporary Vendor Major License for Genius Sports Media, Inc. The Temporary Vendor Major License was issued pending the final results of the Division's background investigation.

The Commission voted unanimously to approve the First Vendor Minor Licenses for Front Office Sports, LLC, World Wrestling Entertainment Inc., Xpoint Services LLC, 365 Scores LTD, Bullpen Media Inc., and Tour Junkies LLC. These Vendor Minor Licenses will expire 2 years from the dates of issuance.

### **III. Opportunity for the Public to Address the Commission**

The Chair extended an opportunity for the public to address the Commission. No members of the public came forward to address the Commission.

### **IV. Consideration of Division Limited Gaming Financial Statement for March 2021**

The Commission voted unanimously to approve the Statement of Gaming Revenues, Gaming Taxes, and Expenditures (unaudited) for the nine months ending on March 31, 2021 and to authorize its distribution.

### **V. Consideration of Division Sports Betting Financial Statement for March 2021**

The Commission voted unanimously to approve the Statement of Sports Betting Revenues, Taxes, and Expenditures (unaudited) for the nine months ending on March 31, 2021 and to authorize its distribution.

### **VI. Consideration of Sports Betting Operating Fees for FY22**

Kristi Piazza, Budget Manager, Specialized Business Group, gave a presentation regarding the Sports Betting Operating fees for fiscal year 2022.

Discussion was had between the Commission, Ms. Piazza, and Director Hartman about the decrease in operator fees for fiscal year 2022.

The Commission voted unanimously to approve the \$73,000 Internet Sports Betting Operator License fee and \$12,300 Sports Betting Operator (brick and mortar) fee for fiscal year 2022.

### **VII. Continuation of Hearing on Colorado Gaming Regulation 30-1404, Gaming Tax**

The Commission voted unanimously to open the continued hearing on Colorado Gaming Rule 14, Gaming Tax.

Mark Superka, Vice Chancellor for Administration and Finance, Colorado Community College system, was sworn in and gave a presentation regarding the usage of Gaming Tax revenues for staff and student success as the college system gets back to a state of normalcy in 2021. He stated that the Colorado Community College system did not recommend changes to the tax rate for fiscal year 2022.

Discussion was had by the Commission and Mr. Superka. The Chair thanked Mr. Superka for his presentation.

Paul Hogan, Chief Auditor, Division of Gaming, was sworn in and submitted into the record the written report from the City of Blackhawk. The written report stated that the City of Blackhawk did not recommend a change in the tax rate for fiscal year 2022.

Daniel Miera, City Manager, City of Central, was sworn in and gave a presentation regarding the 2020 report from the City of Central. Discussion was had by the Commission and Mr. Miera regarding the impacts of COVID-19 on casinos within Central City. On behalf of Central City, Mr. Miera recommended that there be no change to the tax rate for fiscal year 2022.

Paul Harris, Finance Director, City of Cripple Creek, was sworn in and submitted the 2020 city report into the record. He gave a presentation regarding the current numbers and statistics for Cripple Creek, as well as highlighted the impacts of COVID-19 on casinos and devices. He stated that the City of Cripple Creek recommended that no change be made to the tax rate for fiscal year 2022.

Abel Montoya, County Manager, County of Gilpin, was sworn in and gave the 2020 gaming report for Gilpin County. He also detailed the impact and reductions faced by the county due to COVID-19. Gilpin county recommended that there be no change to the fiscal year 2022 tax rate.

Daniel Holmes, Gaming Partner, and Cary Walker, Financial Analyst, from RubinBrown, LLP gave a presentation on gaming industry performance trends, as well as detailed gaming revenues statistics with regard to earnings and taxes of casinos within Colorado. Discussion was had by Mr. Holmes, Mr. Walker, and the Commission concerning casino revenues in Colorado and the impacts of COVID-19 when compared to other states.

Peggi O'Keefe, Executive Director, and Mark Grueskin, Counsel for the Colorado Gaming Association presented comments from gaming industry members requesting that no changes be made to the tax rate for fiscal year 2022. Discussion was had by the Commission, Ms. O'Keefe, and Mr. Grueskin regarding new policies to increase employment in casinos, like decreasing the minimum employee age to 18 years old.

### **Executive Session II**

The Commission voted unanimously to go into Executive Session pursuant to sections 24-6-402(3)(a)(II) and (III) and 44-30-526(I) and (III) of the Colorado Revised Statutes to discuss confidential tax information of individual casinos and to receive legal advice, if necessary.

The Chair extended an opportunity for the public to testify on behalf of Gaming Rule 14, Gaming Tax. Daniel Miera, City Manager, City of Central, reiterated Central City's request to make no changes to the tax rate for fiscal year 2022 and asked that all gaming cities be included in any further tax or rebate discussions throughout the year. No other members of the public came forward to testify.

The Commission voted unanimously to close the public comment portion of the rulemaking hearing for Colorado Rule 14, Gaming Tax.

After public deliberation, the Commission voted unanimously to make no change to Colorado Limited Gaming Rule 14, Gaming Tax, for fiscal year 2022.

### **VIII. Consideration of Organizational Matters**

#### 1. Adoption of Public Session Minutes for April 15, 2021

The Commission approved the minutes from the April 15, 2021 public session of the Colorado Limited Gaming Control Commission.

#### 2. Director's Update

Dan Hartman, Director, Division of Gaming, stated that there was a bill going forward which would allow the Governor to look more closely at appointments and minimize conflicts within the statute to permit individuals from Gilpin and Teller counties to be considered for the Colorado Limited Gaming Control Commission. He explained that an additional bill was in process that would require gaming cities to report sports betting numbers and revenues. He also detailed his sports betting figures and taxes presentation to the Colorado Water Board, explaining how revenues contributed to water projects within the state. Director Hartman acknowledged that it was employee appreciation week and expressed his gratitude for the Division of Gaming staff and their commitment to keeping the agency running smoothly. He ended his update stating that the Division was anticipating hosting in-person meetings, with a Webex video conference option, as soon as possible.

Commissioner Nathan, acting Chair, offered public comment explaining the Commission's role in approving and allocating revenues from the State of Colorado. He stated that while the Commission takes into consideration Department of Public Safety (DPS) and Division of Gaming (DOG) budget requests, all other revenue and budget appropriations to DPS and DOG are determined by constitution and statute. He clarified that the Commission did not decide which agencies are to be beneficiaries, nor does it determine how much money is received by the beneficiaries, except for in terms of the tax rate and revenues. He concluded by thanking the Division of Gaming staff for their hard work over the last trying year.

### **Adjournment**

The Commission voted unanimously to adjourn the May 20, 2021 meeting of the Colorado Limited Gaming Control Commission at 12:35 p.m.

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Breanne Nolan, Secretary to the Colorado Limited Gaming Control Commission