

Colorado Limited Gaming Control Commission

Minutes of Public Session

May 22, 2025

PUBLIC SESSION

I. Call to Order

Chair Armstrong called the May 22, 2025, meeting of the Colorado Limited Gaming Control Commission to order at 11:00 a.m. MDT virtually via Zoom. Commissioners Hyland, and Workman were present in person, and a quorum existed. Commissioner Tipton was excused for good cause.

Officials & Administrators in Attendance (all via Zoom)

Kevin Armstrong, Commissioner/Chair

Kevin Hyland, Commissioner

Phil Workman, Commissioner

Michael Phibbs, Senior Director, Specialized Business Group

Christopher Schroder, Director

Kirsten Gregg, Chief of Investigations

Allen Hiserodt, Chief of Sports Betting

Kenya Collins, Director of Administration

Bradford Jones, Senior Assistant Attorney General

Torrey Samson, Senior Assistant Attorney General

Paul Hogan, Chief Auditor

J. Wolff, Agent in Charge, Central City/Black Hawk

Dane Albin, Agent in Charge, Cripple Creek

John Madruga, Agent in Charge, Background Unit

Breanne Nolan, Executive Assistant, Secretary to CLGCC

The Chair noted that the Commission was taking the public agenda out of order at its discretion; therefore, Item II. "Licensing Actions" would occur following the rulemaking hearing on Colorado Gaming Rule 14, Gaming Tax.

III. Consideration of Limited Gaming Financial Statements for March 2025

The Commission voted unanimously to approve the Statement of Gaming Revenues, Gaming Taxes, and Expenditures (unaudited) for the nine months ending on March 31, 2025, and to authorize its distribution.

IV. Consideration of Division Sports Betting Financial Statement for March 2025

The Commission voted unanimously to approve the Statement of Sports Betting Revenues, Taxes, and Expenditures (unaudited) for the nine months ending on March 31, 2025, and to authorize its distribution.

V. Fiscal Year 2026 Budget Requests

Kristi Piazza, Budget Manager, Specialized Business Group, presented the Fiscal Year 2026 Limited Gaming Budget Request.

The Commission voted unanimously to approve the Fiscal Year 2026 Limited Gaming Budget Request in the amount of \$24,089,845.

Kristi Piazza presented the Fiscal Year 2026 Responsible Gaming Fund Budget Request.

The Commission voted unanimously to approve the Fiscal Year 2026 Responsible Gaming Fund Budget Request in the amount of \$4,220,000.

Kristi Piazza presented the Limited Gaming Licensing Fees and Background Investigation Hourly Rate for Fiscal Year 2026.

The Commission voted unanimously to make no changes to the Limited Gaming Licensing Fees for Fiscal Year 2026.

At the direction of the Commission, Bradford Jones, Senior Assistant Attorney General, read out a motion to make no changes to the Limited Gaming Background Investigation Hourly Rate for Fiscal Year 2026. The Commission voted unanimously to accept the motion.

Kristi Piazza presented the Fiscal Year 2026 Sports Betting Budget Request.

The Commission voted unanimously to approve the Fiscal Year 2026 Sports Betting Budget Request in the amount of \$5,484,168.

Kristi Piazza presented the Sports Betting Licensing Fees for Fiscal Year 2026.

The Commission voted unanimously to make no changes to the Sports Betting Licensing Fees for Fiscal Year 2026.

Kristi Piazza presented the Sports Betting Operating Fees for Fiscal Year 2026.

At the direction of the Commission, Bradford Jones, Senior Assistant Attorney General, read out a motion to make no changes to the Sports Betting Operating Fees for Fiscal Year 2026. The Commission voted unanimously to accept the motion.

VI. Rulemaking Hearing on Colorado Gaming Rule 14, Gaming Tax

The Commission voted unanimously to reopen the rulemaking hearing on Colorado Gaming Rule 14, Gaming Tax.

Paul Hogan, Chief Auditor, was sworn in and gave the report from the City of Black Hawk. The City of Black Hawk recommended that no change be made to the tax rate for fiscal year 2026.

Paul Hogan presented the report from the County of Gilpin. He stated that the County of Gilpin requested that Colorado Limited Gaming Control Commission, at minimum, make no changes to the current tax structure for fiscal year 2026.

Paul Hogan submitted the report from the City of Central into the record. He quoted the City's letter directly, stating that "...any measure that effectively cuts gaming tax rates or otherwise reduces funding allocations to the local governments will endanger the health, safety and welfare of the gaming communities. Therefore, the City is opposed to any action or policy that could adversely affect funding distributions to the City."

Daniel Holmes, Partner and National Practice Leader for Gaming Services Practice, RubinBrown LLP, and Davis Platt, Gaming Consultant, 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. Commissioner Hyland asked if it could be determined which revenues were from tourism versus residents. Daniel Holmes responded that there was not a current metric for this information; however, operators could provide more data based on club cards and player rewards.

EXECUTIVE SESSION I

The Commission voted unanimously to go into Executive Session pursuant to sections 24-6-402(3)(a)(II) and (III) and 44-30-526(1) and (3) of the Colorado Revised Statutes to discuss confidential tax information of individual casinos and to receive legal advice regarding the Commission's tax authority, if necessary.

Executive Session I was called to order by Chair Armstrong at 11:45 a.m. MDT.

The Executive Session was adjourned at 11:55 a.m. MDT.

PUBLIC SESSION (RECONVENED)

The Public Session was called back to order by Chair Armstrong at 11:56 a.m. MDT.

The Chair extended an opportunity for members of the public to testify on behalf of Gaming Rule 14, Gaming Tax. No 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 amongst the Commissioners, the Commission voted unanimously to make no change to Colorado Limited Gaming Rule 14, Gaming Tax, basis for fiscal year 2026.

The Commission voted unanimously to close the hearing on Gaming Rule 14, Gaming Tax.

EXECUTIVE SESSION II

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 a confidential background licensing report that is scheduled for consideration in the Public Session.

Executive Session II was called to order by Chair Armstrong at 12:02 p.m. MDT.

Executive Session II was adjourned at 12:16 p.m. MDT.

II. Approval of Licensing Actions

Torrey Samson, Senior Assistant Attorney General, presented the Petition and Approval of Petition for Waiver of Change of Ownership Requirements for GAN Nevada, Inc.

The Commission voted unanimously to approve and authorize the Chair to sign the Petition and Approval of Petition for Waiver of Change of Ownership Requirements for GAN Nevada, Inc., Temporary Vendor Major License No. 94517635.

The Commission voted unanimously to approve the Change of Ownership of the Temporary Vendor Major License for GAN NEVADA, INC. This Temporary Vendor Major License was issued pending the final result of the Division's background investigation.

VII. Consideration of Organizational Matters

Approval of Minutes

Approval of the minutes from the April 17, 2025, public session of the Colorado Limited Gaming Control Commission was tabled until the June 2025 meeting.

Directors Updates

Michael Phibbs, Senior Director, Specialized Business Group stated that the tenant improvements for the new Black Hawk/Central City Division office could begin, following the approval of the budget earlier in the agenda. Senior Director Phibbs also stated that Christopher Schroder, Paul Hogan, Corrie Martinez, and himself visited the Southern Ute and Ute Mountain Ute Tribes in Durango the previous week.

Christopher Schroder, Director, Division of Gaming, shared that the Division continued to see an increase in sports betting tax revenues. He explained that as of April 2025, over \$30 million dollars in tax revenue was collected, representing an 18.5% increase from the previous fiscal year. He stated that the Communications team for the Department of Revenue would send the announcement, with official numbers, in the coming days.

VIII. Adjournment

The Commission voted unanimously to adjourn the May 22, 2025, meeting of the Colorado Limited Gaming Control Commission at approximately 12:25 p.m. MDT.

Breanne Nolan, Secretary to the Colorado Limited Gaming Control Commission