



COLORADO
Department of Revenue

Executive Director's Office

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April 15, 2015

Member of the General Assembly
200 E. Colfax Ave.
Denver, CO 80203

Dear Member of the General Assembly:

C.R.S. 24-4-103(3)(a.5) directs state agencies to send written or electronic notification to each member of the general assembly notifying the members of proposed rule-making that increases fees or fines and specifying the amount of the increase of fees and fines. Pursuant to that statute, please allow this letter to serve as notification that on April 15, 2015, the Division of Gaming of the Department of Revenue Enforcement Business Group filed notice with the Colorado Secretary of State to commence permanent rule-making regarding the license fees listed below. Please note that a Stakeholder Rule-making Workshop was held on March 26, 2015, regarding these fees. No comments resulted from the workshop or the information that was disseminated to our stakeholders.

On an annual basis, the Colorado Limited Gaming Control Commission (Commission) determines the fees for all initial licenses and renewal licenses authorized in 12-47.1-501, C.R.S and Colorado Limited Gaming Regulation 3. Commission Policy 95-02 states, "The cost incurred to deliver the service associated with processing an application shall not be less than the total amount of the direct cost and shall not exceed the total amount of the direct costs plus indirect costs."

License fees are due on a biennial basis and are assessed at an amount determined via fee setting for the purposes of maintaining adequate cash flow to cover a portion of the Division's expenses throughout the year. The business licenses fees have not been changed in seven years. Individual support license fees have not changed in 15 years and key license fees have not changed in 19 years. The FY 2015-16 License Fee Analysis resulted in the recommendation of an increase in license fees in order to cover costs associated with licensing. The FY 2015-16 License Fee Analysis will be presented to the Commission at the May 21, 2015 Commission meeting. The Commissioners will determine at that time if the recommended increase in fees is warranted.

License	Current & Renewal	Proposed New & Renewal	Difference
Retail Type 1	\$4,500.00	\$5,500.00	\$1,000.00
Retail Type 2	6,500.00	8,000.00	1,500.00
Operator Type 1	3,000.00	3,700.00	700.00
Operator Type 2	6,000.00	7,400.00	1,400.00
Mfg/Distributor Type 1*	3,000.00	3,700.00	700.00
Mfg/Distributor Type 2*	6,000.00	7,400.00	1,400.00
Table Games	2,000.00	2,250.00	250.00
Support New	100.00	115.00	15.00
Support Renewal	60.00	70.00	10.00
Key New	250.00	275.00	25.00
Key Renewal	200.00	215.00	15.00
Duplicate Badge	5.00	5.00	-

* Includes Associated Equipment Type 1 and Type 2

The complete rule change proposals are available on the Colorado Secretary of State's website at: <http://www.sos.state.co.us/CCR/eDocketCriteria.do>.

Copies of these same rules are also available on the Division of Gaming's website at: <https://www.colorado.gov/pacific/enforcement/node/38226>.

Sincerely,



Barbara J. Brohl
Executive Director