BALLOTPEDIA

Colorado Proposition DD, Wagering on Sporting Events Measure (2019)

Colorado Proposition DD, the **Wagering on Sporting Events Measure**, is on the ballot in Colorado as a legislatively referred state statute on November 5, 2019.

A **yes** vote supports the measure to authorize sports betting in Colorado and authorize the legislature to levy a tax of 10% on those conducting sports betting operations.

A **no** vote opposes the measure to authorize sports betting in Colorado and authorize the legislature to levy a tax of 10% on those conducting sports betting operations.

Colorado Proposition DD

Election date
November 5, 2019

Topic
Gambling

Status
On the ballot

Type	Origin
State statute	State legislature

Overview

What is sports betting?

Sports betting is the act of wagering on the outcome of athletic sporting events. Sports betting was banned at the federal level under the Professional and Amateur Sports Protection Act (PASPA) until a 2018 United States Supreme Court decision, *Murphy v. NCAA*, overturned that federal ban and allowed states to legalize sports betting.

The Supreme Court found that PAPSA violated the U.S. Constitution's anti-commandeering doctrine, which states that Congress "lacks the power directly to compel the States to require or prohibit acts which Congress itself may require or prohibit."[1]

What would Proposition DD do?

This measure, House Bill 1327, would authorize the legislature to authorize sports betting and create a 10% tax on sports betting proceeds to be levied on those who conduct sports betting operations. This measure requires voter approval under the Taxpayer's Bill of Rights (TABOR) since it proposes

to implement a new tax. According to the fiscal impact statement for the measure, revenue from the 10% tax on sports betting proceeds is expected to generate revenue for the state of around $10 million for Fiscal Year (FY) 2020-21 and is expected to grow to between $13.5 to $15.2 million for FY 2021-22. Revenue generated from the tax on sports betting would be used to fund expenses related to the administration and regulation of sports betting in Colorado and to create and fund the Water Plan Implementation Cash Fund.[2][3]

The following table shows estimated distribution of sports betting revenue for fiscal year 2020-21:[4]

Estimated distribution	Fiscal year 2020-21
Administrative & regulatory expenses	$2,627,061
Hold Harmless Fund	at least $534,000
Office of Behavioral Health	$130,000
Water Implementation Cash Fund	$6,358,939

What states have sports betting?

As of May 2019, eight states had active sports betting industries: Delaware, Indiana, Mississippi, Nevada, New Jersey, Pennsylvania, Rhode Island, and West Virginia. Voters in Arkansas approved legalizing sports betting through Issue 4 in 2018. In many other states, legislative bills to legalize sports betting have been introduced. A citizen initiative was proposed in South Dakota targeting the 2020 ballot that would authorize wagering on sporting events within the city of Deadwood in South Dakota.

Measure design

Click on the arrows (▼) below for summaries of the different provisions of the measure.

►**Sports betting:** Authorizes sports betting at physical locations and online

►**Taxes and revenue use:** 10% tax on net sports betting proceeds to be used for administration and certain funds including the Water Plan Implementation Cash Fund

►**Licensing and conflicts of interest restrictions:** Provisions related to licenses of sports betting operations and entitites that may not be or be employed by a sports betting operator/licensee

Text of measure

Ballot title

The ballot title for the measure is below:[8]

Proposition DD ballot title [hide]
Shall state taxes be increased by twenty-nine million dollars annually to fund state water projects and commitments and to pay for the regulation of sports betting through licensed casinos by authorizing a tax on sports betting of ten percent of net sports betting proceeds, and to impose the tax on persons licensed to conduct sports betting operations?

Full text

The full text of the measure can be found here.

Readability score

See also: Ballot measure readability scores, 2019

Using the Flesch-Kincaid Grade Level (FKGL) and Flesch Reading Ease (FRE) formulas, Ballotpedia scored the readability of the ballot title and summary for this measure. Readability scores are designed to indicate the reading difficulty of text. The Flesch-Kincaid formulas account for the number of words, syllables, and sentences in a text; they do not account for the difficulty of the ideas in the text. The state legislature wrote the ballot language for this measure.

The FKGL for the ballot title is grade level 26, and the FRE is 11. The word count for the ballot title is 58, and the estimated reading time is 15 seconds.

Support

Sponsors in the Legislature

This measure was introduced by Representatives Alec Garnett (D-2) and Patrick Neville (R-45) and Senators Kerry Donovan (D-5) and John Cooke (R-13).

Supporters

The following groups support the measure:[9]

- Colorado Cattlemen's Association
- Colorado Municipal League
- Colorado River District
- Environmental Defense Action Fund
- Western Resource Advocates
- Denver Water

Arguments

Measure sponsor Rep. Alec Garnett (D-2) said, "Coloradans should have the option of betting on the Nuggets or the Broncos. This new funding will go toward protecting our precious water and we believe this is something everyone can support. I also hope this measure will help stamp out black market sports betting and thank my colleagues on both sides of the aisle for their support."[9]

Opposition

Coloradans for Climate Justice is leading the campaign in opposition to the measure.[10]

Opponents

- Save the Colorado[11]

Arguments

Save the Colorado argued that the measure would "legalize sports betting in Colorado to pay for new river-destroying dams supported by the Colorado Water Plan." Gary Wockner, Director of Save the Colorado and Coloradans for Climate Justice, said, "This 'Gambling For Dams' bill is a climate-denying, river-destroying scheme pure and simple. To think that Colorado can dam its way out of climate change is a gamble of the highest stakes."[11]

Polls

See also: Ballotpedia's approach to covering polls and *2019 ballot measure polls*

BettingUSA.com conducted a survey of 5,000 Coloradans via Google Surveys asking the following question"[12]

> In November, Colorado voters will vote on whether or not to legalize sports betting. If that vote was being held today, would you vote YES or NO?[13]

Poll results are displayed below:

Colorado Proposition DD [hide]					
Poll	Support	Oppose	Unsure	Margin of error	Sample size
BettingUSA.com Poll 6/2/19 - 6/5/19	29.0%	31.5%	39.5%	+/-1.3	5,000