

A proposed constitutional amendment that would allow keno-type video terminals across the state – with the revenue devoted to college scholarships – has been introduced in the Colorado legislature.

It's the latest, and perhaps the most unconventional, proposal to surface as a way of meeting the never-ending budget challenges facing higher education. Some Senate Democratic leaders estimate higher education funding may have to be slashed by as much as \$300 million in 2011-12. Last year, this year and next year higher ed funding is being maintained only with tuition hikes and federal stimulus funds.



Senate Concurrent Resolution 10-1004 would require the Colorado Lottery to start the new games by March 1, 2011. Prime sponsors are Democratic Sens. Chris Romer of Denver and Abel Tapia of Pueblo, plus House Minority Leader Mike May, R-Parker, and Rep. Buffie McFayden, D-Pueblo West.

The measure is a proposed constitutional amendment that will require two-thirds votes in the House and Senate in order to be placed before voters in November.

The state actually has the authority to implement such games without an amendment, Romer told colleagues during a Senate Democratic caucus Thursday evening. The trouble is, the distribution of lottery funds is governed by the constitution, with the lion's share taken by Great Outdoors Colorado programs.

So, Romer said, a constitutional amendment is needed to divert keno receipts to scholarships. Of all the bad financial scenarios facing higher education, "I think the least painful is the extension of gambling," Romer said.

"This gives us a pot of money to cover financial aid," said Senate Majority Leader John Morse, D-Colorado Springs.

Romer said the proposal could include not only keno-type machines at bars and restaurants but also a "racino" operation at the Colorado State Fair grounds in Pueblo, which would include other types of video gambling games.

The resolution will be heard first in the Senate State Affairs Committee.

HCR 10-1004 is the second higher ed funding scheme to jell this week. Earlier, Morse and Senat Majority Leader Josh Penry, R-Grand Junction, unveiled a proposed revision of Senate Bill 10-003. It's a complex proposal that would give colleges and universities greater freedom to set tuition in exchange for detailed financial planning that would be reviewed by state officials (see story).

Colorado college presidents, or at least their aides, probably spent a fair amount of time Thursday going through the 41 dense pages of the proposed amendment to SB 10-003.

A quick *Education News Colorado* survey of some institutions found presidents not ready to comment on the bill.

"While we haven't formulated a position, we are very interested in the bill and appreciate the hard work and leadership of the sponsors in moving the discussion forward," Kay Norton, president of the University of Northern Colorado said diplomatically.

Spokesmen for the community college system and Mesa State College also said they're reviewing the proposal.

John Karakoulakis, spokesman for the Department of Higher Education, said the agency doesn't yet have a position on the bill.

While the proposal offers something college presidents something they've wanted – more freedom in setting tuition rates – it also seems to require a lot of new paperwork.

The plan also could be seen as pre-empting the strategic planning process now being conducted by the department and five panels of citizen volunteers.

Senate Education Committee chair Sen. Bob Bacon, D-Fort Collins, said there's a lot of chatter about the proposal and a variety of "concerns." Bacon's committee will hear the bill next Wednesday.