

**First Regular Session  
Seventieth General Assembly  
STATE OF COLORADO**

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 15-0050.02 Jerry Barry x4341

**SENATE BILL 15-065**

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**A BILL FOR AN ACT**

101 **CONCERNING A PROHIBITION ON THE USE OF PUBLIC ELECTRONIC**  
102 **BENEFITS TRANSFER SERVICES AT CERTAIN ESTABLISHMENTS.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)*

Federal law requires states to take measures to prevent recipients of public benefits from using electronic benefits transfers at liquor stores, gambling establishments, and adult-oriented entertainment establishments. Current Colorado statutes prohibit the use of automated teller machines by recipients of public benefits at liquor stores, gambling establishments, and firearms dealers. The bill extends the Colorado

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.*

prohibitions to establishments licensed to sell marijuana or marijuana-infused products and at adult-oriented entertainment establishments.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Legislative declaration.** (1) The general assembly  
3 finds and declares:

4 (a) Federal law requires states that offer public benefits through  
5 the use of an electronic benefits transfer card take measures to prohibit  
6 the use of the cards at liquor stores, casinos or gambling establishments,  
7 and at retail establishments that provide adult-oriented entertainment;

8 (b) The state board of human services has adopted rules that  
9 prohibit a welfare recipient from using an electronic benefits transfer card  
10 at such establishments;

11 (c) Current state statutes only prohibit welfare recipients from  
12 using electronic benefits transfer cards at liquor stores, gambling  
13 establishments, and stores that sell firearms; and

14 (d) With the constitutional authorization for establishments to sell  
15 medical and retail marijuana and marijuana-infused products in Colorado,  
16 it is necessary for Colorado to also prohibit the use of electronic benefit  
17 cards in those establishments.

18 **SECTION 2.** In Colorado Revised Statutes, 26-2-104, **amend** (2)  
19 (a) as follows:

20 **26-2-104. Public assistance programs - electronic benefits**  
21 **transfer service - rules.** (2) (a) (I) The state department is authorized to  
22 implement an electronic benefits transfer service for administering the  
23 delivery of public assistance payments and food stamps to recipients. The  
24 electronic benefits transfer service shall be designed to allow clients

1 access to cash benefits through automated teller machines or similar  
2 electronic technology. The electronic benefits transfer service ~~shall allow~~  
3 ~~ALLOWS~~ clients eligible for food stamps access to food items through the  
4 use of point of sale terminals at retail outlets.

5 (II) Only those businesses that offer products or services related  
6 to the purpose of the public assistance benefits ~~shall be~~ ARE allowed to  
7 participate in the electronic benefits transfer service through the use of  
8 point of sale terminals. Clients shall not be allowed to access cash  
9 benefits through the electronic benefits transfer service from automated  
10 teller machines in this state located in:

11 (A) Licensed gaming establishments as defined in section  
12 12-47.1-103 (15), C.R.S., in-state simulcast facilities as defined in section  
13 12-60-102 (14), C.R.S., tracks for racing as defined in section 12-60-102  
14 (26), C.R.S., commercial bingo facilities as defined in section 12-9-102  
15 (2.3), C.R.S.;

16 (B) Stores or establishments in which the principal business is the  
17 sale of firearms: ~~or~~

18 (C) Retail establishments licensed to sell malt, vinous, or  
19 spirituous liquors pursuant to part 3 of article 47 of title 12, C.R.S.;

20 (D) ESTABLISHMENTS LICENSED TO SELL MEDICAL MARIJUANA OR  
21 MEDICAL MARIJUANA-INFUSED PRODUCTS PURSUANT TO ARTICLE 43.3 OF  
22 TITLE 12, C.R.S., OR RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS  
23 PURSUANT TO ARTICLE 43.4 OF TITLE 12, C.R.S.; OR

24 (E) ESTABLISHMENTS THAT PROVIDE ADULT-ORIENTED  
25 ENTERTAINMENT IN WHICH PERFORMERS DISROBE OR PERFORM IN AN  
26 UNCLOTHED STATE FOR ENTERTAINMENT.

27 (III) In the development and implementation of the service, the

1 state department shall consult with representatives of those persons,  
2 agencies, and organizations that will use or be affected by the electronic  
3 benefits transfer service, including program clients, to assure that the  
4 service is as workable, effective, and efficient as possible. The electronic  
5 benefits transfer service ~~shall be~~ IS applicable to the public assistance  
6 programs described in subsection (1) of this section and to food stamps  
7 as described in part 3 of this article. The state department shall contract  
8 in accordance with state purchasing requirements with any entity for the  
9 development and administration of the electronic benefits transfer service.  
10 In order to ensure the integrity of the electronic benefits transfer service,  
11 the system developed pursuant to this section ~~shall~~ MUST use, but is not  
12 limited to, security measures such as individual personal identification  
13 numbers, photo identification, or fingerprint identification. The security  
14 method or methods selected ~~shall~~ MUST be those that are most efficient  
15 and effective. The state board shall establish by rule a policy and  
16 procedure to limit losses to a client after the client reports that the  
17 electronic benefits transfer card or benefits have been lost or stolen. The  
18 state department may authorize county departments of social services to  
19 charge a fee to a client to cover the costs related to issuing a replacement  
20 electronic benefits transfer card.

21 (IV) WHEN THE OWNER OF AN AUTOMATED TELLER MACHINE  
22 LOCATED IN AN ESTABLISHMENT DESCRIBED IN SUBPARAGRAPH (II) OF  
23 THIS PARAGRAPH (a) MOVES THE MACHINE TO A LOCATION NOT SO  
24 DESCRIBED, THE OWNER SHALL REPROGRAM THE MACHINE TO ALLOW  
25 PUBLIC ASSISTANCE RECIPIENTS TO ACCESS THE MACHINE.

26 **SECTION 3. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, and safety.