



Help Shape Colorado's Bingo-Raffle Rules

April 24, 2014

What is this about?

The Secretary of State is considering possible amendments to Colorado's Bingo and Raffles Games Rules (8 CCR 1505-2). Some of these changes are in response to the passage of House Bill 14-1265, which reorganized and made technical and substantive changes to the Bingo and Raffles Law, Article 9, Title 12 of the Colorado Revised Statutes. A copy of House Bill 14-1265 is attached. Other proposed changes are aimed at further improving the regulations that govern Colorado's charitable gaming community.

Colorado law permits agencies to informally solicit views from interested stakeholders concerning proposed draft rules before commencing the formal rulemaking process. We invite you to share your thoughts and recommendations as we develop a preliminary draft of proposed rules to regulate charitable gaming in Colorado.

Please see the attached working draft rules. The following highlights the primary aims of the proposed draft rules:

- In accordance with House Bill 14-1265:
 - Revise the definition of "remuneration" to allow licensees to provide food to volunteers if the maximum retail value of the food does not exceed \$10 per volunteer per duty shift.
 - Eliminate the requirement to play successive games of progressive bingo at each bingo occasion.
 - Revise statutory citations.
- Repeal the provision that allows renewing games managers to use the expiration date of their prior certification as the start date of the new certification's period of validity.
- Repeal reporting requirements for licensees holding more than one progressive bingo game simultaneously.
- Revise requirements for printing raffle tickets and notifying winning raffle ticketholders.
- Limit the number of regular and progressive raffle drawings that a licensee may hold at a bingo occasion.
- Revise rules for playing-card progressive raffles and members-only progressive raffles.
- Allow licensees to set alternative maximum jackpots for progressive raffles.

Why does the Secretary need my help?

The Secretary values your feedback and we would very much like to hear your thoughts. We need your help to identify necessary revisions or additional guidance in order to propose a constructive and comprehensive draft rule for consideration during the formal rulemaking

proceedings. Overall, your opinions and recommendations will help shape Colorado's Bingo and Raffle Rules.

How do I submit my comments and what is the deadline?

You may email your written comments to SoS.Rulemaking@sos.state.co.us. To ensure consideration of your comments before the proposed draft is issued, we must receive your comments by 5:00 p.m. on May 2, 2014.

Will my comments become part of the official record for the anticipated rulemaking?

Yes, we will incorporate your comments into the official record when we commence with formal rulemaking. Our office will identify your comments as information received in anticipation of rulemaking to support the development of the proposed draft rule. Please note that you will have an additional opportunity to provide testimony and/or written comments regarding the proposed rule during the rulemaking proceeding.

To promote transparency and to help generate discussion, our office will post a copy of your comments on the Secretary of State's website. We appreciate privacy concerns and will redact personal contact information that may appear in your comments prior to posting (including your home address, personal email address, and telephone number). To view the comments that we receive, please visit: http://www.sos.state.co.us/pubs/rule_making/bingoRuleComments.html.

Working Draft of Proposed Rules

Office of the Colorado Secretary of State Bingo and Raffle Games Rules 8 CCR 1505-2

[Revised April 24, 2014]

Please note the following formatting key:

Font effect	Meaning
Sentence case	Retained/modified current rule language
SMALL CAPS	New language
Strikethrough	Deletions
<i>[Italic blue font text]</i>	Annotations

1 *[Current 8 CCR 1505-2 is amended as follows:]*

2 *Amendments to Rule 1:*

3 **Rule 1. Definitions**

4 ~~1.1 “Bingo raffle licensee rules” means rules established by a licensee for the payment for~~
5 ~~and playing of games of chance not covered by the state constitution, the Colorado~~
6 ~~revised statutes, or these rules.~~

7 *[Current Rule 1.1 is repealed; Current Rules 1.2 through 1.19 are renumbered*
8 *accordingly]*

9 ~~1.2~~-1.1 “Bucket raffle” means an event where a licensee conducts many small raffles at the same
10 time. Ticket purchasers may deposit one or more of the purchased tickets into various
11 receptacles from which a winner or winners will be drawn for a prize or prizes.

12 ~~1.3~~-1.2 “~~Call fulfillment~~ CALL-FULFILLMENT center” means a registered company that employs
13 telephone operators to answer calls and provide ~~data entry~~ DATA-ENTRY services.

14 ~~1.4~~-1.3 “Concealed face card” means a non-reusable bingo card containing five rows of five
15 squares with a free center space, one number preprinted on each of the remaining 24
16 spaces, and the letters “B I N G O” printed in order over the five columns. No part of the
17 card’s face is detectable or discernible until the card is purchased and opened by the
18 player.

19 ~~1.5~~-1.4 “Double Action Game” means a bingo game that uses a bingo card containing the letters
20 “B I N G O” placed horizontally over a five by five matrix of squares with the center
21 square blank, where each of the other squares contains two numbers in the range of one
22 to 75.

23 ~~1.6~~-1.5 “Face” means a bingo card.

24 ~~1.7~~-1.6 “Flare” means a piece of heavy paper stock or other material accompanying a pull tab
25 deal that shows at minimum the following about the matching deal:

26 ~~1.7.1~~-1.6.1 The name and form number of the game;

27 ~~1.7.2~~-1.6.2 The manufacturer name or logo;

28 ~~1.7.3~~-1.6.3 The number of tickets in the deal and the cost per play; and

29 ~~1.7.4~~-1.6.4 The prize structure, including the number of winning tickets by
30 denomination and their respective winning symbol combinations.

1 ~~1.8~~-1.7 “Licensed Premises” means the premises owned, leased by, or controlled by a licensee
2 and used for games of chance, ~~but which~~ AND THAT are not leased to other licensees for
3 the conduct of games of chance.

4 ~~1.9~~-1.8 “Licensee” means, ~~for the purposes of~~ AS USED IN these rules ~~and~~ unless otherwise
5 specified, a bingo-raffle licensee as defined in section 12-9-102(1.2), C.R.S.

6 ~~1.10~~-1.9 “Master Board” means the rack in which a bingo ball is placed after it is taken
7 from the receptacle. If a master board is electronically connected to a lighted display
8 board with an electronic random number generator that calls numbers, the lighted display
9 board is the master board.

10 ~~1.11~~-1.10 “Pack” means a collation of disposable paper bingo cards or sheets.

11 ~~1.12~~-1.11 “Pre-Draw Concealed Face Game” means a bingo game in which a designated
12 number of balls, objects, or numbers are drawn or randomly generated in the presence of
13 at least ten players prior to the purchase of the cards. Players purchase concealed face
14 cards after the designated number of balls, objects, or numbers is drawn or randomly
15 generated. The licensee announces the resumption of the game and continues to draw
16 balls or generate numbers until a player signals a bingo.

17 ~~1.13~~-1.12 “Progressive Pull Tab” means a game consisting of one or more seal pull tab deals
18 with identical form numbers that offers a cumulative or carryover jackpot prize. The prize
19 structure for a progressive pull tab game is predetermined by the game’s manufacturer.
20 The structure includes a cumulative jackpot prize, to which each deal of the game in
21 which the jackpot prize is not won contributes a pre-designated amount.

22 ~~1.14~~-1.13 “Progressive Jackpot (“Progressive”) Bingo Game” means a bingo game in which
23 a prize amount is carried over to the subsequent game in the progression if no bingo is
24 achieved within a specified number of balls drawn and called.

25 *[Amendments to Rule 1.15 (formerly Rule 1.14); new Rule 1.14.2:]*

26 ~~1.15~~-1.14 “Remuneration” means a payment given to a member of an organization in return
27 for that member’s participation in the operation of charitable gaming.

28 ~~1.15.1~~-1.14.1 The definition “REMUNERATION” includes, but is not limited to:

29 ~~1.15.1~~(A) Cash;

30 ~~1.15.2~~(B) Reduced-price or free packs;

31 ~~1.15.3~~(C) Reduced dues based on the number of volunteer hours that the
32 member works in the operation of charitable gaming;

33 ~~1.15.4~~(D) Meal vouchers;

34 ~~1.15.5~~(E) Reimbursement of travel expenses when other members who do
35 not participate in the operation of charitable gaming are not reimbursed for
36 travel;

37 ~~1.15.6~~(F) Non-competitive scholarships where the selection of the
38 scholarship recipient is based on the amount of time volunteered in
39 charitable gaming operations, whether by the recipient or a member of the
40 organization related to the recipient; or

41 ~~1.15.7~~(G) Tips received from a player as a result of the member’s
42 participation in charitable gaming operations.

43 1.14.2 “REMUNERATION” DOES NOT INCLUDE FOOD OFFERED TO VOLUNTEERS IN
44 ACCORDANCE WITH SECTION 12-9-107(6), C.R.S., WHEN THE RETAIL VALUE OF THE
45 FOOD DOES NOT EXCEED \$10.00 PER VOLUNTEER-DUTY SHIFT.

1 ~~1.16~~-1.15 “Renewal Application” means an application for bingo-raffle license renewal
2 filed by a CURRENTLY LICENSED qualified organization. ~~that holds a bingo-raffle license~~
3 ~~for the immediately preceding calendar year.~~

4 ~~1.17~~-1.16 “Seal Pull tab” means a pull tab game that offers one or more prizes by means of
5 a flare or a jackpot card that is part of a pull tab deal. The flare or jackpot card includes a
6 section bearing a tab or tabs that must be torn or broken apart to reveal a winning
7 combination or combinations.

8 ~~1.18~~-1.17 “Stub” means the portion of a raffle ticket kept by the licensee.

9 ~~1.19~~-1.18 “Ticket” means a slip of paper or any other object that is discrete from every other
10 object sold, which evidences that the person to whom it is issued, or the current holder, is
11 entitled to some right or privilege as indicated by the licensee.

12 *Amendments to Rule 2.3.1(d):*

13 2.3.1 A licensee may not conduct any bingo, raffle, or other game of chance ~~until at~~
14 ~~least~~ UNLESS one of its designated games managers holds a current, valid games
15 manager certificate issued by the Secretary of State. ~~as follows:~~

16 (a) The Secretary of State may issue a games manager certificate to any
17 individual who has successfully completed a games manager training
18 program and passed a test.

19 (b) The Secretary of State may issue games manager certificates that are valid
20 for the management of all licensed bingo-raffle activities or may issue a
21 limited certificate valid only for licensed raffles.

22 (c) Each games manager must execute a games manager’s oath on a form
23 prescribed by the Secretary of State.

24 (d) A games manager certificate is valid for a period of four years from the
25 date of issuance, ~~except that a certificate that is renewed in the six months~~
26 ~~prior to the expiration date is valid for a period of four years from the~~
27 ~~expiration date of the prior certificate.~~

28 *Amendments to Rule 2.4.3(a):*

29 2.4.3 Occasion Rules.

30 (A) Each licensee must post ~~at a conspicuous location~~ a sign, in A
31 CONSPICUOUS LOCATION AND IN at least 12-point font ~~stating, THAT~~
32 INCLUDES THE FOLLOWING INFORMATION:

33 (a)(1) All licensee HOUSE rules in effect during that occasion, ~~none of~~
34 ~~which may be in conflict with the Bingo and Raffles Law or these~~
35 ~~rules;~~

36 (b)(2) That the games manager is the final authority in the event of a
37 dispute; AND

38 (c)(3) The procedure for determining refunds and the amount of the
39 refund in the event of a power failure.

40 (B) FOR PURPOSES OF THIS RULE, “HOUSE RULES” MEANS THE LICENSEE’S RULES
41 GOVERNING THE CONDUCT OF GAMES, CONSISTENT WITH THE COLORADO
42 CONSTITUTION, THE BINGO AND RAFFLES LAW, AND THESE RULES.

43 *Amendments to Rule 2.4.4(c) concerning prize information:*

44 (c) Merchandise prizes are not redeemable or convertible into cash directly or
45 indirectly, in accordance with section ~~12-9-107(8)~~-12-9-107.1(4), C.R.S.

1 *Amendments to Rule 3.2.3(b) concerning progressive jackpot bingo games method of play:*

- 2 (b) If the game is not won within the drawing of the previously designated
3 number of objects or balls, the licensee must replay the game ~~over~~
4 ~~successive occasions~~ at the same location using the previously designated
5 arrangement of numbers or spaces, until the game is won.

6 *Current Rule 3.2.16 is repealed:*

7 ~~3.2.16 Multiple progressive type bingo games. A licensee intending to conduct more~~
8 ~~than one progressive bingo game must provide the following information in~~
9 ~~writing to the Secretary of State for approval not less than ten days before~~
10 ~~commencing the games:~~

11 ~~(a) Conduct of games~~

12 ~~(1) Method of play for the new progressive bingo game(s);~~

13 ~~(2) All applicable rules for the new progressive bingo game(s); and~~

14 ~~(3) Accounting methods to ensure distinctness of the new progressive~~
15 ~~bingo games.~~

16 ~~(b) Restrictions. The results of a progressive bingo game may not depend on~~
17 ~~any other bingo game, pull tab or raffle.~~

18 *Amendments to Rule 4.1.1(a)(2) concerning player payment method:*

- 19 (2) Directly deposit all proceeds ~~received~~ into the licensee's
20 segregated checking or savings account. The licensee ~~must~~ MAY
21 not commingle proceeds with funds in a general account or other
22 account. [Section ~~12-9-108(3)~~-12-9-108(3), C.R.S.]

23 *Current Rules 4.1.4 through 4.1.7 are renumbered as Rules 4.1.2 through Rule 4.1.5:*

24 ~~4.1.4~~4.1.2 Premises only sales. All sales of cards, packs, and sheets must take place
25 on the licensed premises during the bingo occasion.

26 ~~4.1.5~~4.1.3 Set price. A LICENSEE:

27 (a) ~~A licensee~~ Must sell all cards, packs, and sheets at a set price.

28 (b) ~~A licensee~~ May offer discounts on the basis of criteria available to all
29 players, such as quantity purchased.

30 (c) ~~A licensee~~ Must set a price for the purchase, lease, or use of an electronic
31 bingo aid device and that price must not change throughout the bingo
32 occasion.

33 (d) ~~A licensee~~ Must charge identical fees for electronic and non-electronic
34 bingo card faces.

35 (e) ~~A licensee~~ Must post the price of each card, pack, or sheet, including
36 discounts offered, and the charge, if any, for the purchase, lease, or use of
37 each electronic bingo aid device, during the occasion, and before players
38 may purchase items.

39 ~~4.1.6~~4.1.4 Sales of individual sheets and cards. At all bingo occasions where
40 individual disposable cards or sheets are sold, the following procedures apply:

- 41 (a) The licensee must issue individual disposable cards or sheets and a change
42 fund to the workers. The licensee must record the exact number of
43 disposable cards or sheets issued using the form prescribed by the
44 Secretary of State.

- 1 (b) After the cards or sheets for a game are sold, the games manager or other
2 designated individual must count the amount on hand, subtract the change
3 fund, and compare cards or sheets sold against the money received.
- 4 (c) The licensee must record and retain the exact number of cards or sheets
5 that are removed from inventory, sold, and returned to inventory using the
6 form prescribed by the Secretary of State.
- 7 (d) Sellers of individual disposable cards or sheets may not use proceeds from
8 sales to pay prizes.

9 4.1.74.1.5 Progressive bingo cards and sheets. The following procedures and
10 requirements, in addition to those for bingo operations generally, apply to the sale
11 and use of progressive jackpot bingo cards and sheets:

- 12 (a) The licensee must sell only disposable paper cards and must only lease
13 electronic bingo aid devices where card faces are distinguishable by a
14 color or design that the licensee does not use for any other game.
- 15 (b) Each card or face sold for a progressive game must contain five rows of
16 five squares with 24 preprinted numbers, or 48 preprinted numbers in the
17 case of double action games, from the range of 1-75, a free center space,
18 and the letters B I N G O printed in order over the five columns.

19 *Amendments to current Rule 4.1.7(c); renumbered 4.1.5(c):*

- 20 (c) A licensee must determine a SET card price of ~~at least one dollar per card~~
21 before the first game in a progression. Discounts, free cards or faces, price
22 changes, and variable pricing are prohibited.
- 23 (d) A licensee must sell progressive bingo cards prior to the drawing of the
24 first number for the game, except that, if the progressive game is a pre-
25 draw concealed face game, the licensee may sell cards after the first
26 drawing of numbers and before the game resumes.
- 27 (e) A licensee must sell and account for progressive cards separately from
28 other cards, sheets, or packs sold or used at a bingo occasion. A licensee
29 may, by house rule, make purchase of a pack or door card a pre-requisite
30 for purchase of a progressive card.

31 *Amendments to Rule 4.2.2:*

32 4.2.2 Tally cards. A licensee must provide a tally card or cash receipt to ~~Anyone~~
33 ANYONE who purchases cards or packs at the door. At a minimum, the tally card
34 or cash receipt must show the date of purchase and the total number of cards or
35 packs purchased. A licensee must only award a prize when the purchaser provides
36 the tally card or cash receipt.

37 *Amendments to Rule 5.3.2:*

38 5.3.2 If the licensee uses a mechanical pull tab dispensing device, the licensee must
39 post a conspicuous notice upon the machine indicating whether ~~t~~-all unsold tickets
40 in the deal are loaded in the machine.

41 *Amendments to Rule 5.4.3:*

42 5.4.3 Offered for play. Once a progressive pull tab game starts at a bingo occasion, a
43 licensee must offer the game at each succeeding bingo occasion sponsored by the
44 licensee until the jackpot is won. If a progressive pull tab game starts on the
45 licensee's premises, the licensee must offer the game on each successive day that
46 the premises ~~is~~-ARE open.

1 *Amendments to Rule 7.1.1:*

2 7.1.1 Reporting requirements. A licensee that conducts a promotion must report
 3 awarded prize information to the licensing authority in accordance with section 12
 4 ~~9-102.5(4)(a)-12-9-102.5(4)(c)~~, C.R.S.

5 *Amendments to Rule 8.1.4:*

6 8.1.4 ~~Prizes exceeding \$1,000 in value. If the total retail value of the raffle prize or~~
 7 ~~prizes to be won in a single raffle exceeds \$1,000, a licensee must:~~

8 ~~(a) — Print a paper ticket stating the bingo raffle license number and the name of~~
 9 ~~the licensee, exactly as it appears on its license, together with the date,~~
 10 ~~time and place of the drawing, the cost of the ticket, an adequate~~
 11 ~~description of the major prize or prizes offered, the date or dates, if any,~~
 12 ~~when the ticket price will increase or decrease, the cost if tickets are~~
 13 ~~purchased as part of a package, and the word “Raffle”.~~

14 ~~(b) — Print on each ticket a statement indicating whether the holder presence is~~
 15 ~~required to win the raffle prize.~~

16 ~~(c) — Print a ticket stub providing for the entry of the name and mailing address~~
 17 ~~of the ticket purchaser if:~~

18 ~~(1) — Presence is not required to win;~~

19 ~~(2) — Presence is required to win and tickets are sold on any day other~~
 20 ~~than the day of the drawing; or~~

21 ~~(3) — Presence is required to win and tickets are sold at any location~~
 22 ~~other than the location of the drawing.~~

23 ~~(d) — Retain all raffle ticket stubs and unsold tickets for six months following~~
 24 ~~the quarter in which the raffle was held.~~

25 ~~(e) — File a voided ticket for the raffle with the Secretary of State prior to the~~
 26 ~~sale of any tickets.~~

27 IF THE TOTAL RETAIL VALUE OF THE RAFFLE PRIZE OR PRIZES IN A SINGLE RAFFLE
 28 EXCEEDS \$1,000, A LICENSEE MUST SATISFY THE FOLLOWING REQUIREMENTS:

TOTAL RETAIL VALUE OF PRIZES OVER \$1,000			
REQUIREMENT TYPE	WHEN TICKETHOLDER'S PRESENCE IS REQUIRED TO WIN	WHEN TICKETHOLDER'S PRESENCE IS NOT REQUIRED TO WIN	
		IF LICENSEE NOTIFIES WINNERS BY MAIL	IF LICENSEE NOTIFIES WINNERS BY ONLINE POSTING
TICKET CONTENT	PRINT A PAPER TICKET WITH THE FOLLOWING: 1. LICENSE NUMBER; 2. LICENSEE NAME EXACTLY AS IT APPEARS ON THE LICENSE; 3. DATE, TIME AND PLACE OF THE DRAWING; 4. TICKET COST; 5. ADEQUATE DESCRIPTION OF THE MAJOR PRIZE(S) OFFERED; 6. DATE(S) WHEN THE TICKET PRICE WILL INCREASE OR DECREASE; COST IF TICKETS PURCHASED AS A PACKAGE; AND 7. THE WORD “RAFFLE.”	PRINT A PAPER TICKET WITH THE FOLLOWING: 1. LICENSE NUMBER; 2. LICENSEE NAME EXACTLY AS IT APPEARS ON THE LICENSE; 3. DATE, TIME AND PLACE OF THE DRAWING; 4. TICKET COST; 5. ADEQUATE DESCRIPTION OF THE MAJOR PRIZE(S) OFFERED; 6. DATE(S) WHEN THE TICKET PRICE WILL INCREASE OR DECREASE; COST IF TICKETS PURCHASED AS A PACKAGE; AND 7. THE WORD “RAFFLE.”	PRINT A PAPER TICKET WITH THE FOLLOWING: 1. LICENSE NUMBER; 2. LICENSEE NAME EXACTLY AS IT APPEARS ON THE LICENSE; 3. DATE, TIME AND PLACE OF THE DRAWING; 4. TICKET COST; 5. ADEQUATE DESCRIPTION OF THE MAJOR PRIZE(S) OFFERED; 6. DATE(S) WHEN THE TICKET PRICE WILL INCREASE OR DECREASE; COST IF TICKETS PURCHASED AS A PACKAGE; AND 7. THE WORD “RAFFLE.”

TOTAL RETAIL VALUE OF PRIZES OVER \$1,000			
REQUIREMENT TYPE	WHEN TICKETHOLDER'S PRESENCE IS REQUIRED TO WIN	WHEN TICKETHOLDER'S PRESENCE IS NOT REQUIRED TO WIN	
		IF LICENSEE NOTIFIES WINNERS BY MAIL	IF LICENSEE NOTIFIES WINNERS BY ONLINE POSTING
TICKET CONTENT (CONTINUED)	PRINT ON EACH TICKET A STATEMENT INDICATING THAT THE TICKETHOLDER MUST BE PRESENT TO WIN PRIZE.	PRINT ON EACH TICKET A STATEMENT INDICATING THAT THE TICKETHOLDER NEED NOT BE PRESENT TO WIN PRIZE.	PRINT ON EACH TICKET A STATEMENT INDICATING THAT THE TICKETHOLDER NEED NOT BE PRESENT TO WIN PRIZE.
	PRINT TICKET STUB PROVIDING FOR ENTRY OF TICKETHOLDER'S NAME AND MAILING ADDRESS IF RAFFLE TICKETS ARE SOLD ON ANY DAY OR AT ANY LOCATION OTHER THAN THE DAY AND LOCATION OF THE DRAWING.	PRINT TICKET STUB PROVIDING FOR ENTRY OF TICKETHOLDER'S NAME AND MAILING ADDRESS.	PRINT ON EACH TICKET THE WEB ADDRESS WHERE THE LICENSEE WILL POST THE WINNING NUMBER, THE PERIOD OF TIME FOR WHICH THE WINNING NUMBER WILL BE POSTED, AND A PHONE NUMBER THAT TICKETHOLDERS CAN CALL TO VERIFY THE WINNING NUMBER.
PRE-RAFFLE FILING	BEFORE THE SALE OF ANY TICKETS, FILE A VOIDED TICKET FOR THE RAFFLE WITH THE SECRETARY OF STATE.	BEFORE THE SALE OF ANY TICKETS, FILE A VOIDED TICKET FOR THE RAFFLE WITH THE SECRETARY OF STATE.	BEFORE THE SALE OF ANY TICKETS, FILE A VOIDED TICKET FOR THE RAFFLE WITH THE SECRETARY OF STATE.
			AT LEAST 14 CALENDAR DAYS BEFORE ANY TICKET SALE, SUBMIT TO THE SECRETARY OF STATE THE WEBSITE ADDRESS WHERE WINNING TICKET NUMBERS WILL BE POSTED THE WEBSITE MUST INDICATE WHEN THE WINNING TICKET NUMBERS WILL BE AVAILABLE.
CLAIMING PRIZE	<p>PROVIDE A REASONABLE AMOUNT OF TIME, NOT TO EXCEED 30 MINUTES, FOR WINNER(S) TO CLAIM PRIZE(S).</p> <p>IF WINNER(S) FAILS TO CLAIM A PRIZE, THE LICENSEE MUST CONTINUE DRAWING TICKETS UNTIL THE PRIZE IS CLAIMED.</p>	<p>WITHIN 30 DAYS OF THE DRAWING, NOTIFY ALL WINNERS WHO HAVE NOT CLAIMED THEIR PRIZES BY U.S. POSTAL SERVICE CERTIFIED MAIL, RETURN RECEIPT REQUESTED.</p> <p>THE NOTIFICATION MUST INDICATE THE PRIZE WON, A CONTACT PERSON'S TELEPHONE NUMBER, AND THE TIME AND LOCATION WHERE THE WINNER MAY CLAIM THE PRIZE(S).</p> <p>IF A WINNER FAILS TO CLAIM A PRIZE WITHIN 30 DAYS OF RECEIVING NOTIFICATION, THE LICENSEE MAY RETAIN THE PRIZE OR OFFER IT IN ANOTHER RAFFLE.</p>	<p>WITHIN 24 HOURS OF THE DRAWING, POST ALL WINNING TICKET NUMBERS AND A CONTACT PHONE NUMBER TO THE WEBSITE LISTED ON RAFFLE TICKETS. THE WINNING TICKET NUMBERS AND PHONE NUMBER MUST REMAIN POSTED ON THE WEBSITE FOR AT LEAST 30 DAYS AFTER THE RAFFLE DRAWING.</p>
	RETAIN ALL RAFFLE TICKET STUBS AND UNSOLD TICKETS FOR SIX MONTHS FOLLOWING THE QUARTER IN WHICH THE RAFFLE WAS HELD.	RETAIN ALL RAFFLE TICKET STUBS AND UNSOLD TICKETS FOR SIX MONTHS FOLLOWING THE QUARTER IN WHICH THE RAFFLE WAS HELD.	RETAIN ALL RAFFLE TICKET STUBS AND UNSOLD TICKETS FOR SIX MONTHS FOLLOWING THE QUARTER IN WHICH THE RAFFLE WAS HELD.

1 *Amendments to Rule 8.1.5:*

2 8.1.5 ~~Requiring Presence at drawing to win. A licensee may require a ticket holder's~~
3 ~~presence at the raffle drawing in order to claim a prize.~~

4 ~~(a) If a ticket holder's presence is required to win, the licensee must provide a~~
5 ~~reasonable amount of time for the holder to claim his or her prize. The~~
6 ~~time to claim the prize may not exceed 30 minutes. If no ticket holder~~
7 ~~claims a prize after a reasonable amount of time, the licensee must~~
8 ~~continue drawing tickets until the prize is claimed.~~

9 ~~(b) If presence is not required to win, the licensee must notify all winners by~~
10 ~~U.S. postal service certified mail, return receipt requested, who have not~~
11 ~~claimed their prize(s) within 30 days of the drawing. The notification must~~
12 ~~state the prize won, a telephone number of a contact person, and the time~~
13 ~~and location where the winner may claim his or her prize(s). If a prize is~~
14 ~~not claimed within 30 days of receipt of the notification, the licensee may~~
15 ~~retain the prize or offer it in another raffle.~~

16 IF THE TOTAL RETAIL VALUE OF THE RAFFLE PRIZE OR PRIZES IN A SINGLE RAFFLE IS
17 \$1,000 OR LESS, A LICENSEE MUST SATISFY THE FOLLOWING REQUIREMENTS:
18

TOTAL RETAIL VALUE OF PRIZES \$1,000 AND UNDER			
REQUIREMENT TYPE	WHEN TICKETHOLDER'S PRESENCE IS REQUIRED TO WIN	WHEN TICKETHOLDER'S PRESENCE IS NOT REQUIRED TO WIN	
		IF LICENSEE NOTIFIES WINNERS BY MAIL	IF LICENSEE NOTIFIES WINNERS BY ONLINE POSTING
TICKET CONTENT		PRINT TICKET STUB PROVIDING FOR ENTRY OF TICKETHOLDER'S NAME AND MAILING ADDRESS.	PRINT ON EACH TICKET THE WEB ADDRESS WHERE THE LICENSEE WILL POST THE WINNING NUMBER, THE PERIOD OF TIME FOR WHICH THE WINNING NUMBER WILL BE POSTED, AND A PHONE NUMBER THAT TICKETHOLDERS CAN CALL TO VERIFY THE WINNING NUMBER.
PRE-RAFFLE FILING			AT LEAST 14 CALENDAR DAYS BEFORE ANY TICKET SALE, SUBMIT TO THE SECRETARY OF STATE THE WEBSITE ADDRESS WHERE WINNING TICKET NUMBERS WILL BE POSTED THE WEBSITE MUST INDICATE WHEN THE WINNING TICKET NUMBERS WILL BE AVAILABLE.

TOTAL RETAIL VALUE OF PRIZES \$1,000 AND UNDER			
REQUIREMENT TYPE	WHEN TICKETHOLDER'S PRESENCE IS REQUIRED TO WIN	WHEN TICKETHOLDER'S PRESENCE IS NOT REQUIRED TO WIN	
		IF LICENSEE NOTIFIES WINNERS BY MAIL	IF LICENSEE NOTIFIES WINNERS BY ONLINE POSTING
CLAIMING PRIZE	<p>PROVIDE A REASONABLE AMOUNT OF TIME, NOT TO EXCEED 30 MINUTES, FOR WINNER(S) TO CLAIM PRIZE(S).</p> <p>IF WINNER(S) FAILS TO CLAIM A PRIZE, THE LICENSE MUST CONTINUE DRAWING TICKETS UNTIL THE PRIZE IS CLAIMED.</p>	<p>WITHIN 30 DAYS OF THE DRAWING, NOTIFY ALL WINNERS WHO HAVE NOT CLAIMED THEIR PRIZES BY U.S. POSTAL SERVICE CERTIFIED MAIL, RETURN RECEIPT REQUESTED.</p> <p>THE NOTIFICATION MUST INDICATE THE PRIZE WON, A CONTACT PERSON'S TELEPHONE NUMBER, AND THE TIME AND LOCATION WHERE THE WINNER MAY CLAIM THE PRIZE(S).</p> <p>IF A WINNER FAILS TO CLAIM A PRIZE WITHIN 30 DAYS OF RECEIVING NOTIFICATION, THE LICENSEE MAY RETAIN THE PRIZE OR OFFER IT IN ANOTHER RAFFLE.</p>	<p>WITHIN 24 HOURS OF THE DRAWING, POST ALL WINNING TICKET NUMBERS AND A CONTACT PHONE NUMBER TO THE WEBSITE LISTED ON RAFFLE TICKETS. THE WINNING TICKET NUMBERS AND PHONE NUMBER MUST REMAIN POSTED ON THE WEBSITE FOR AT LEAST 30 DAYS AFTER THE RAFFLE DRAWING.</p>

1 *Amendments to Rule 8.1.6:*

2 8.1.6 ~~Cancellation.~~ CANCELLATION. A licensee ~~must~~ MAY not cancel a raffle after the
 3 first raffle ticket ~~has been~~ IS sold unless the licensee ~~can demonstrate~~
 4 DEMONSTRATES to the Secretary of State that it WILL PROVIDE NOTICE OF
 5 CANCELLATION TO ALL TICKET PURCHASERS ~~maintained name and address records~~
 6 ~~for every raffle ticket purchaser and can refund the purchase amount to every~~
 7 purchaser.

8 *New Rule 8.1.8:*

9 8.1.8 A LICENSEE MAY NOT CONDUCT MORE THAN ONE REGULAR (NON-PROGRESSIVE)
 10 RAFFLE DRAWING AT A BINGO OCCASION.

11 *Amendments to Rule 8.4.1(b)(2) concerning playing card progressive raffles:*

12 (2) The licensee must place ~~each card~~ THE CARDS from the deck in
 13 IDENTICAL ~~a separate envelope~~ ENVELOPES or other ~~container~~
 14 CONTAINERS, ONE CARD PER CONTAINER, through which the card is
 15 not visible. The container must be sealed so that the licensee must
 16 tear, break, or rip a portion of the container in order to access the
 17 card.

1 *Amendments to Rule 8.4.2:*

2 8.4.2 Additional rules for playing card progressive raffles

- 3 (a) Before sealing cards in the containers, the games manager and at least one
4 other licensee member must verify that all cards are present.
- 5 (b) The licensee must shuffle the envelopes containing the cards before
6 putting them on public display.
- 7 (c) Once the licensee places the envelopes on display, the licensee must keep
8 them in a locked container at all times except during drawings. Only the
9 games manager and licensee officers are allowed access to the keys for the
10 container.

11 *[Current Rule 8.4.4. is incorporated into Rule 8.4.2(d) as follows:]*

- 12 (d) ~~8.4.4 a~~ A ticket holder must be present at the drawing in order to claim a
13 progressive raffle prize. If the winning ticket purchaser is not present at
14 the drawing, the licensee must continue to draw tickets until selecting a
15 ticket purchaser who is present.
- 16 (e) If the envelope selected by the drawing winner does not contain the
17 Jackpot Prize Card, the licensee must display the selected card at all future
18 drawings until the licensee awards the jackpot prize.

19 *[Current Rule 8.4.6(a) is amended and recodified as New Rule 8.4.2(f) as*
20 *follows:]*

- 21 ~~8.4.6(a)~~(F) A licensee must determine the amount of a progressive raffle THE
22 jackpot based on a percentage of gross raffle ticket sales from each raffle
23 in the progressive sequence, not to exceed 70%.
- 24 ~~(F)~~(G) The licensee may offer a cash consolation prize for a winning ticket
25 purchaser that does not select the Jackpot Prize Card.
- 26 (1) Consolation prizes do not count against the \$15,000 maximum
27 progressive raffle prize limit.
- 28 (2) Before conducting a progressive raffle offering a consolation prize,
29 the licensee must designate the consolation prize as either a
30 specified amount or a specified percentage of the gross proceeds
31 collected from the sale of raffle tickets for a particular drawing.

1 *Amendments to Rule 8.4.3:*

2 8.4.3 The licensee may ~~hold~~ CONDUCT a maximum of two progressive raffles
3 simultaneously. THE LICENSEE MAY NOT CONDUCT MORE THAN ONE PROGRESSIVE
4 RAFFLE DRAWING AT EACH BINGO OCCASION.

5 *[Current Rule 8.4.4. is moved to Rule 8.4.2(d)]*

6 *Current Rule 8.4.5 is renumbered as New Rule 8.4.4:*

7 ~~8.4.5~~8.4.4 Progressive Raffles Ticket Sales.

8 (a) If the licensee only sells progressive raffle tickets to licensee members,
9 Rule 8.1.4 requirements do not apply.

10 (b) Tickets sold for a specific drawing are void and ineligible for future
11 drawings.

12 (c) The licensee must determine ticket prices before selling progressive raffle
13 tickets and must not change ticket prices for any drawing in that
14 progressive sequence.

15 *Amendments to Rules 8.4.6 through 8.4.8 (renumbered as Rules 8.4.5 though 8.4.7):*

16 ~~8.4.6~~8.4.5 Progressive Jackpot Prizes.

17 *[Current Rule 8.4.6(a) is amended and recodified as New Rule 8.4.2(f)]*

18 (b)(A) A progressive raffle jackpot prize must not exceed \$15,000. When the
19 jackpot prize reaches \$15,000, the licensee must award it in the following
20 manner:

21 (1) In a members-only drawing, the licensee must continue to draw
22 member names until a member who purchased a ticket is drawn.
23 The licensee must award the progressive prize to that member.

24 (2) In a playing card progressive raffle, the licensee must either:

25 (i) Award the jackpot to the ticket purchaser whose ticket is
26 first drawn after the prize limit is reached; or

27 (ii) Determine the winner by drawing raffle tickets and allow
28 ticket holders to select envelopes until a drawing winner
29 selects the jackpot prize card.

30 (3) The licensee may retain any proceeds from raffle tickets sold after
31 the progressive prize reaches the \$15,000 prize limit.

1 (4) A LICENSEE MAY IMPOSE A PROGRESSIVE RAFFLE JACKPOT
2 MAXIMUM BELOW THE \$15,000 MAXIMUM SET BY RULE. UPON
3 REACHING THE SELF-IMPOSED MAXIMUM, THE LICENSEE MUST
4 AWARD THE JACKPOT ACCORDING TO PROCEDURES LISTED IN RULE
5 8.4.5(A). THE LICENSEE MUST POST NOTICE OF SELF-IMPOSED
6 MAXIMUMS IN ACCORDANCE WITH RULE 8.4.6.

7 (B) A LICENSEE MAY SEED A SINGLE PROGRESSIVE RAFFLE WITH AN AMOUNT
8 NOT TO EXCEED \$500.

9 8.4.7-8.4.6 Required Postings. In addition to any postings otherwise required by these
10 rules, a licensee that conducts a progressive raffle must also post a sign in at least
11 12-point font stating:

12 (a) The amount of the progressive raffle jackpot and any consolation prizes;

13 (b) The percentage of gross sales of progressive raffle tickets that will be
14 contributed to the jackpot;

15 (c) If applicable, the maximum number of progressive raffle drawings without
16 a jackpot winner OR THE MAXIMUM JACKPOT AMOUNT before the licensee
17 will automatically award the prize according to procedures listed in Rule
18 ~~8.4.6(b)~~-8.4.5(A);

19 (d) If the jackpot is not awarded, the date, time, and location of the occasion
20 at which the next drawing will occur; and

21 (e) In a playing card progressive raffle, the Jackpot Prize Card and the
22 number of envelopes to be selected per drawing.

23 ~~8.4.8~~-8.4.7 If a licensee's license expires, is not renewed, is suspended, revoked, or
24 surrendered, or if the licensee permanently terminates its operations or terminates
25 its operations at a particular location before awarding a progressive raffle jackpot,
26 the licensee must determine a winner and award the jackpot prize on the last
27 posted drawing date at the location where the progression was started.

28 *Amendments to Rule 14.1.1:*

29 14.1.1 Application for approval. Any Colorado licensed manufacturer of an electronic
30 bingo aid device and computer system may apply for a letter ruling in accordance
31 with section ~~12-9-103(1)(d)~~12-9-103(1)(D), C.R.S., by submitting a written
32 request to the Secretary of State. The request must include the manufacturer's
33 name, license number, address, telephone and fax numbers, and an email address;
34 the make, model and description of the bingo aid device and computer system for
35 which approval is sought; and the name and specific contact information of the
36 manufacturer's representative who is an expert on the construction, programming,
37 and operation of the device and system. All requests must also include:

- 1 (a) A complete user's manual of the bingo aid device or system;
- 2 (b) Either a working prototype or a location in Colorado where the
3 manufacturer can demonstrate the prototype;
- 4 (c) An affirmation from the manufacturer stating that the manual and
5 prototype submitted to the Secretary of State do not differ materially from
6 the manual, device and system that will be distributed in Colorado after
7 approval of the prototype;
- 8 (d) In the case of a bingo aid device, a verified certificate from the
9 manufacturer stating that the device meets all the standards set forth in
10 section ~~12-9-107(29)(a)(II)(A) through (D)~~12-9-107.1(8)(A)(II)(A)
11 THROUGH (D), C.R.S., and that the device can and will be restricted to
12 allow the play of no more than 36 faces per bingo game;
- 13 (e) In the case of a bingo aid computer system, a verified manufacturer's
14 certificate stating that the system meets all the requirements set forth in
15 section ~~12-9-107(30)(a) through (c)~~12-9-107.1(9)(A) THROUGH (C), C.R.S.,
16 and that the system, if constructed or intended for more than one licensee,
17 is capable of segregating, securing, and restricting access to each
18 licensee's data so that no other licensee can access the data; and
- 19 (f) The manufacturer must verify that a bingo aid computer system that is
20 designed for use by more than one user only allows users to access the
21 system through a unique user identification and password, smart card,
22 token, or other method. Identification and access must:
 - 23 (1) Ensure that the licensee's data is accessible only to the bearer of
24 the licensee's unique identifier, the Secretary of State and the
25 personnel of the system's manufacturer; and
 - 26 (2) Clearly identify all of the licensee's data and only the licensee's
27 data.

28 *Amendments to Rule 15.3.2:*

29 15.3.2 Class 2 violations include, ~~but are not limited to:~~

- 30 (a) Using bingo-~~raffle~~ OR PULL TAB equipment that is not owned or leased by
31 a landlord licensee or owned or leased by a licensee.
- 32 (b) Paying other than reasonable, bona fide, lawful expenses in connection
33 with the conduct of licensed games of chance, purchasing games of chance
34 prizes or equipment at prices exceeding reasonable and usual amounts, or
35 other use of games of chance proceeds for other than the lawful purposes
36 of the licensee.

- 1 (c) Converting into or redeeming for cash any bingo merchandise prizes.
- 2 (d) Offering or giving any alcoholic beverage as a prize in a licensed game of
3 chance.
- 4 (e) Giving, receiving, authorizing, or permitting the assistance in the conduct
5 of games of chance of any person disqualified or prohibited by statute or
6 rule from rendering such assistance.
- 7 (f) Offering or giving any bingo door prizes or jackpot prizes exceeding the
8 statutory maximum amounts set for prizes.
- 9 (g) Reserving or setting aside bingo cards or pull tabs for use by players,
10 except as authorized in section ~~12-9-107(27)~~12-9-107.1(3)(D), C.R.S., or,
11 except as authorized by these rules, reserving or allowing to be reserved
12 any seat or playing space for use by players.
- 13 (h) Drawing a check on a bingo-raffle account payable to “cash” or to a
14 fictitious payee.
- 15 (i) Authorizing or allowing the play of bingo by a person not present on the
16 premises where the game is conducted, or the play of any game of chance
17 on credit, or without collecting the consideration required in full and in
18 advance.
- 19 (j) Engaging in any act, practice or conduct described as a Class 1 violation in
20 Rule 15.2, or that would otherwise be a Class 1 violation, when the act or
21 conduct is not intended to and does not directly result in the profit,
22 inurement or remuneration of the violator.

**Second Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO**

PREAMENDED

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

LLS NO. 14-0788.01 Duane Gall x4335

HOUSE BILL 14-1265

HOUSE SPONSORSHIP

Moreno,

SENATE SPONSORSHIP

(None),

House Committees
State, Veterans, & Military Affairs

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE REGULATION OF GAMES OF CHANCE.**

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>.)

The bill reorganizes the "Bingo and Raffles Law" and makes technical amendments to the law. In addition, the bill makes the following substantive changes:

- ! The office of the secretary of state (the "licensing authority") may specify other methods for selecting winning numbers in a raffle besides the "random method"

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.

- specified in current law. **(Section 1)**
- ! For purposes of the prohibition on remunerating volunteer workers at a game of chance, food is excluded so long as the retail value of the food does not exceed a limit set by rules of the licensing authority. **(Section 5)**
- ! Games of chance other than bingo and pull tab games may be conducted with equipment not owned or leased by the bingo-raffle licensee or landlord of the premises on which the game of chance is held. **(Section 5)**
- ! If a game of progressive bingo is not won at the first occasion on which it is played, the play may continue on subsequent occasions that fall on the same day of the week as the first occasion rather than on every subsequent occasion as required under current law. **(Section 6)**
- ! Licensees may maintain a bank account containing only proceeds from progressive games. **(Section 10)**

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

2 **SECTION 1.** In Colorado Revised Statutes, 12-9-102, **amend**
 3 (19.3) as follows:

4 **12-9-102. Definitions.** As used in this article, unless the context
 5 otherwise requires:

6 (19.3) "Raffle" means a game in which a participant buys a ticket
 7 for a chance at a prize with the winner determined by a random method
 8 ~~of selecting numbers as determined by rules of~~ the licensing authority, or
 9 a pull tab ticket as described in subsection (18.1) of this section. The term
 10 "raffle" does not ~~mean and shall not be interpreted to~~ include any activity
 11 that is authorized or regulated by the state lottery division pursuant to part
 12 2 of article 35 of title 24, C.R.S., or the "Limited Gaming Act of 1991",
 13 article 47.1 of this title.

14 **SECTION 2.** In Colorado Revised Statutes, **amend** 12-9-102.5
 15 as follows:

16 **12-9-102.5. Legislative declaration - consideration for tickets**

1 **- conditions - rules.** (1) The general assembly hereby finds and declares
2 that prize promotions involving the conduct of free product giveaways
3 through the use of free chances for purposes of commercial
4 advertisement, the creation of goodwill, the promotion of new products
5 or services, or the collection of names should not be subject to regulation
6 under this article. ~~Such~~ THE giveaways ~~shall be~~ DESCRIBED IN THIS
7 SUBSECTION (1) ARE exempt from regulation under this article when all
8 of the conditions set forth in this section are satisfied.

9 (2) No award of prizes by chance for a purpose set forth in
10 subsection (1) of this section ~~shall be deemed~~ IS a lottery or game of
11 chance, nor ~~shall~~ IS any share, or ticket, or right to participate in ~~such~~ AN
12 award of prizes ~~be~~ deemed to have been sold or charged for,
13 notwithstanding that ~~such~~ THE award is made to persons who have paid
14 a fee entitling them to general admission to the grounds or premises on
15 which ~~such~~ THE award is made, if each share or ticket by means of which
16 the award is made is given away free of charge and without any
17 obligation on the part of the person receiving it.

18 (3) (Deleted by amendment, L. 99, p. 1411, § 1, effective June 5,
19 1999.)

20 (4) (a) ~~Within ten days after the award of any prize, the licensee~~
21 ~~shall file with the licensing authority a written report containing a~~
22 ~~description of the prize, the value of the prize, and such other information~~
23 ~~as the licensing authority may require by rule. Any prize offered pursuant~~
24 ~~to this section shall be awarded by the end of the calendar quarter in~~
25 ~~which it was offered.~~

26 (b) (a) (I) A licensee may conduct a prize promotion on the
27 licensed premises, whether ~~such~~ THE premises are rented or owned by the

1 licensee. ~~The~~ A LICENSEE SHALL CLEARLY DISCLOSE, IN THE RENTAL
2 AGREEMENT OR OTHERWISE, THE promotion and its cost, if any, to the
3 licensee, ~~shall be clearly disclosed, in the rental agreement or otherwise,~~
4 pursuant to rules adopted by the licensing authority.

5 (II) A landlord licensee shall not require a bingo-raffle licensee to
6 participate in or conduct a promotion under this section, nor may a games
7 manager for any occasion assist in any ~~such~~ promotion conducted during
8 an occasion by a landlord licensee. Prizes offered as part of a promotion
9 ~~shall~~ ARE not be considered as part of the prizes subject to limitation
10 under section 12-9-107 ~~(13)~~ (5).

11 (e) (b) Before conducting a promotion under this section, the
12 licensee shall provide evidence of ownership, free and clear, of the prizes
13 to be offered unless all ~~such~~ OF THE prizes are available for viewing on
14 the premises on the day they are to be awarded. The licensee offering any
15 promotional prize shall disclose, at the beginning of the promotion, full
16 and complete information identifying the prizes to be awarded and the
17 method by which ~~such~~ THE prizes may be won. This disclosure need not
18 be made separately or personally to each participant, but may be made by
19 conspicuously posting or displaying, at the premises where the promotion
20 is being conducted, either the available prizes themselves or a list and
21 complete description of the prizes and the method by which they may be
22 won.

23 (c) WITHIN TEN DAYS AFTER THE AWARD OF ANY PRIZE, THE
24 LICENSEE SHALL FILE WITH THE LICENSING AUTHORITY A WRITTEN REPORT
25 CONTAINING A DESCRIPTION OF THE PRIZE, THE VALUE OF THE PRIZE, AND
26 SUCH OTHER INFORMATION AS THE LICENSING AUTHORITY MAY REQUIRE
27 BY RULE. ANY PRIZE OFFERED PURSUANT TO THIS SECTION MUST BE

1 AWARDED BY THE END OF THE CALENDAR QUARTER IN WHICH IT WAS
2 OFFERED.

3 (d) The licensing authority may establish by rule the maximum
4 amount or value of a cash prize or a prize of a product or service that may
5 be awarded; except that such maximum amount ~~shall not be less than~~
6 MUST BE AT LEAST one thousand dollars.

7 **SECTION 3.** In Colorado Revised Statutes, 12-9-103, **amend** (1)
8 (g) as follows:

9 **12-9-103. Licensing and enforcement authority - powers -**
10 **rules - duties - license suspension or revocation proceedings -**
11 **definitions.** (1) The secretary of state is hereby designated as the
12 "licensing authority" of this article. As licensing authority, the secretary
13 of state's powers and duties are as follows:

14 (g) To license devices for reading pull tabs as provided in ~~section~~
15 ~~12-9-107.7~~ SECTION 12-9-107.2; except that the licensing authority shall
16 not impose or collect any fee for the issuance of such a license.

17 **SECTION 4.** In Colorado Revised Statutes, 12-9-105.3, **amend**
18 (1) (f) as follows:

19 **12-9-105.3. Application for landlord license - fee.** (1) Each
20 applicant for a landlord license shall file with the licensing authority a
21 written application, duly executed and verified, in the form presented by
22 the licensing authority, which application shall include, but not be limited
23 to, the following information:

24 (f) A statement by the landlord or the chief executive of the
25 landlord that the primary purpose of the premises described in paragraph
26 ~~(e)~~ (c) of this subsection (1) is the conduct of bingo occasions.

27 **SECTION 5.** In Colorado Revised Statutes, **amend with**

1 **relocated provisions** 12-9-106 as follows:

2 **12-9-106. Persons permitted to conduct games of chance -**
3 **form of bingo-raffle licenses - display.** (1) [Formerly 12-9-107 (1)
4 (a)] ~~No games of chance shall be conducted by any person, firm, or~~
5 ~~organization within this state, unless a bingo-raffle license as provided in~~
6 ~~this article has been issued by the licensing authority. No person shall~~
7 ~~hold, operate, or conduct games of chance under a license issued under~~
8 ~~this article except~~ A PERSON, FIRM, OR ORGANIZATION WITHIN THIS STATE
9 SHALL NOT CONDUCT A GAME OF CHANCE WITHOUT A BINGO-RAFFLE
10 LICENSE ISSUED BY THE LICENSING AUTHORITY. ONLY an active member
11 of the organization to which the bingo-raffle license is issued MAY HOLD,
12 OPERATE, OR CONDUCT GAMES OF CHANCE UNDER A LICENSE ISSUED
13 UNDER THIS ARTICLE, and ~~no~~ A person shall NOT assist in the holding,
14 operating, or conducting of any games of chance under ~~such~~ A
15 BINGO-RAFFLE license except ~~such~~ an active member or a member of an
16 organization or association that is an auxiliary to the licensee, a member
17 of an organization or association of which ~~such~~ THE licensee is an
18 auxiliary, or a member of an organization or association that is affiliated
19 with the licensee by being, with it, auxiliary to another organization or
20 association. ~~No item of expense shall be incurred or paid in connection~~
21 ~~with the holding, operating, or conducting of a game of chance held,~~
22 ~~operated, or conducted pursuant to a license issued under this article,~~
23 ~~except~~ A LICENSEE SHALL INCUR OR PAY ONLY bona fide expenses in a
24 reasonable amount for goods, wares, and merchandise furnished or
25 services rendered THAT ARE reasonably necessary for the holding,
26 operating, or conducting ~~thereof~~ OF A GAME OF CHANCE.

27 (†) (2) Each bingo-raffle license ~~shall~~ MUST contain a statement

1 of the name and address of the licensee and the place where ~~such~~ bingo
2 or lotto games or the drawing of the raffles is to be held. If the
3 bingo-raffle licensee moves from the games or drawing location listed on
4 its license, the bingo-raffle licensee ~~shall~~ MUST notify the licensing
5 authority in writing prior to commencing bingo or conducting a raffle
6 drawing at the new location. The licensing authority may issue a letter of
7 authorization to move the location of the bingo or lotto games or the
8 drawing of the raffles. ~~Any such~~ THE letter of authorization ~~shall~~ MUST
9 remain with the original license and MUST be available for inspection at
10 the place where ~~such~~ games or drawings are to be held. ~~Any such~~ A
11 license issued for an exempt organization ~~shall provide for the inclusion~~
12 ~~of~~ MUST INCLUDE the place or places where drawings are to be held. Each
13 bingo-raffle license issued for the conduct of any ~~such~~ games of chance
14 ~~shall~~ MUST be conspicuously displayed at the place where the game is to
15 be conducted or the drawings held at all times during the conduct thereof.
16 An exempt organization may comply with ~~the requirements of~~ this section
17 by providing written notice of ~~such~~ a license to all employees of a
18 participating private business or government agency holding a
19 fund-raising drive that includes a drawing on behalf of ~~such~~ THE
20 organization. ~~Such~~ THE notice ~~shall~~ MUST state that the ~~exempt~~
21 ~~organization shall make such~~ license IS available for public inspection
22 during reasonable business hours and ~~shall~~ MUST specify where ~~such~~ THE
23 license ~~shall be~~ IS maintained for inspection.

24 (3) [~~Formerly 12-9-107 (5) (a)~~] ~~Each license issued for the~~
25 ~~conduct of games of chance shall be~~ A LICENSEE SHALL conspicuously
26 ~~displayed~~ DISPLAY, at the place where ~~any~~ A game is being conducted, ITS
27 LICENSE ISSUED FOR THE CONDUCT OF GAMES OF CHANCE at all times

1 during the conduct of the game and for at least thirty minutes after the last
2 game has been concluded.

3 ~~(2)~~ (4) Notwithstanding subsection ~~(1)~~ (2) of this section, a
4 bingo-raffle licensee conducting a pull tab game for the benefit of its
5 members and guests on premises that are owned by it, or leased by it for
6 purposes other than the conduct of a bingo occasion, may display a copy
7 of its license, in a format approved by the licensing authority, on ~~such~~ THE
8 premises during any time the licensee is also conducting a bingo or raffle
9 occasion at a separate location.

10 **SECTION 6.** In Colorado Revised Statutes, **amend with**
11 **relocated provisions** 12-9-107 as follows:

12 **12-9-107. General conduct of games of chance - premises -**
13 **equipment - expenses - rules.** (1) **[Formerly 12-9-107 (7)]** ~~No~~ A
14 licensee ~~may~~ SHALL NOT hold, operate, or conduct a game of bingo or
15 lotto more often than as specified by the licensing authority by rule, after
16 consultation with the board.

17 (2) **[Formerly 12-9-107 (25)]** ~~No~~ A person or licensee shall NOT
18 permit any person ~~who has not attained the age of~~ UNDER eighteen years
19 OF AGE to purchase the opportunity to participate in any game of chance
20 or purchase pull tab games.

21 (3) **[Formerly 12-9-107 (26)]** ~~No~~ A person or licensee shall NOT
22 permit any person ~~who has not attained the age of~~ UNDER fourteen years
23 OF AGE to assist in the conduct of bingo or pull tabs.

24 (4) **[Formerly 12-9-107 (10)]** ~~No~~ A LICENSEE SHALL NOT OFFER
25 OR GIVE AN alcoholic beverage ~~shall be offered or given~~ as a prize in ~~any~~
26 ~~such~~ A game OF CHANCE.

27 (5) **[Formerly 12-9-107 (13) (a)]** The licensing authority shall

1 establish by rule the method of play and amount of prizes that may be
2 awarded; except that the maximum prize that may be awarded ~~shall~~ MUST
3 be at least five hundred dollars.

4 (6) FOOD OFFERED IN THE COURSE OF A VOLUNTEER DUTY SHIFT
5 AND CONSUMED ON THE PREMISES WHERE THE GAME OF CHANCE IS BEING
6 CONDUCTED IS NOT REMUNERATION IF THE RETAIL VALUE OF THE FOOD
7 OFFERED DOES NOT EXCEED THE MAXIMUM AMOUNT PER VOLUNTEER SET
8 BY RULE.

9 (7) **[Formerly 12-9-107 (2)]** (a) The officers of a bingo-raffle
10 licensee shall designate one or more bona fide, active members of the
11 licensee as its games managers to be in charge OF and primarily
12 responsible for the conduct of the games of bingo or lotto on each
13 occasion. The games managers shall supervise all activities on the
14 occasion for which they are in charge and are responsible for ~~the~~ making
15 ~~of the~~ ALL required ~~report thereof~~ REPORTS. The games managers,
16 governing board of the licensee, and the individual acting in the role of
17 a treasurer on behalf of the licensee ~~shall~~ MUST be familiar with ~~the~~ ALL
18 APPLICABLE provisions of ~~the state laws~~ LAW, the rules of the licensing
19 authority, and the ~~provisions of the~~ license. The governing board of the
20 licensee ~~shall be~~ IS ultimately responsible for the maintenance of books
21 and records and the filing of the reports pursuant to this section. At least
22 one games manager shall be present on the premises continuously during
23 the games and for a period sufficient to ensure that all books and records
24 for the occasion have been closed and that all supplies and equipment
25 have been secured.

26 (b) An exempt organization may designate more than one of its
27 bona fide, active members in order to comply with ~~the requirements of~~

1 this subsection ~~(2)~~ (7).

2 (8) [Formerly 12-9-107 (3)] The officers of a bingo-affle
3 licensee shall designate an officer to be in full charge OF and primarily
4 responsible for the proper utilization of the entire net proceeds of any
5 game in accordance with the state law.

6 (9) [Formerly 12-9-107 (6)] The premises where any game of
7 chance is being held, operated, or conducted, ~~where it~~ OR is intended that
8 ~~any game of chance~~ TO be held, operated, or conducted, or where it is
9 intended that any equipment be used, ~~at all times, shall~~ MUST be KEPT
10 open to inspection AT ALL TIMES by the licensing authority, its agents and
11 employees, and ~~by~~ peace officers of any political subdivision of the state.

12 (10) [Formerly 12-9-107 (1) (b)] ~~No games of chance shall be~~
13 ~~conducted with any equipment unless it is owned by a bingo-affle~~
14 ~~licensee, owned or leased by a landlord licensee, or owned or leased by~~
15 ~~a bingo-affle licensee operating such equipment on premises that are~~
16 ~~owned, leased, or rented by the bingo-affle licensee, used as its principal~~
17 ~~place of business, and controlled so that admittance to the premises is~~
18 ~~limited to the bingo-affle licensee's members and bona fide guests. IN~~
19 ~~CONDUCTING A BINGO OR PULL TAB GAME, A BINGO-RAFFLE LICENSEE MAY~~
20 ~~OPERATE EQUIPMENT IF THE BINGO-RAFFLE LICENSEE OR THE LANDLORD~~
21 ~~LICENSEE OF THE PREMISES OWNS OR LEASES THE EQUIPMENT. IF A~~
22 ~~BINGO-RAFFLE LICENSEE LEASES THE EQUIPMENT, THEN THE LICENSEE~~
23 ~~MUST OPERATE THE EQUIPMENT ON PREMISES THAT ARE OWNED, LEASED,~~
24 ~~OR RENTED BY THE LICENSEE, USED AS THE LICENSEE'S PRINCIPAL PLACE~~
25 ~~OF BUSINESS, AND CONTROLLED SO THAT ADMITTANCE TO THE PREMISES~~
26 ~~IS LIMITED TO THE LICENSEE'S MEMBERS AND BONA FIDE GUESTS. Nothing~~
27 in this ~~paragraph (b) shall prohibit~~ SUBSECTION (10) PROHIBITS a

1 bingo-raffle licensee from leasing electronic devices used as aids in the
2 game of bingo.

3 (11) **[Formerly 12-9-107 (22)]** ~~No~~ A licensee shall NOT possess,
4 use, sell, offer for sale, or put into play any bingo or pull tab game, ticket,
5 card, or sheet unless it conforms to the definitions and requirements of
6 this article and was purchased by the licensee from a licensed bingo-raffle
7 manufacturer or supplier or licensed agent thereof. ~~No~~ A licensee shall
8 NOT possess, use, sell, offer for sale, or put into play any electronic device
9 used as an aid in the game of bingo unless it conforms to the requirements
10 of this article and was purchased or leased by the licensee from a licensed
11 bingo-raffle manufacturer or supplier or licensed agent thereof.

12 (12) **[Formerly 12-9-107 (23)]** ~~No licensee shall~~ IN ORDER TO
13 possess, use, sell, offer for sale, or put into play any bingo or pull tab
14 game, ticket, card, or sheet, ~~for which it does not~~ A LICENSEE MUST have
15 at the location of the game an invoice from its licensed supplier showing
16 at least the name, description, color code, if any, and serial number of the
17 pull tab, card, or sheet.

18 (13) **[Formerly 12-9-107 (13) (j)]** The licensing authority shall
19 establish, by rule, safeguards to protect the bingo-raffle licensee's players
20 against defaults in charitable gaming debts owed or to become payable by
21 the bingo-raffle licensee.

22 (14) **[Formerly 12-9-107 (11)]** The net proceeds derived from the
23 holding of games of chance must be devoted, within one year, to the
24 lawful purposes of the organization permitted to conduct the ~~same~~ GAME
25 OF CHANCE. Any organization desiring to hold the net proceeds of games
26 of chance for a period longer than one year ~~shall~~ MUST apply to the
27 licensing authority for special permission and, upon good cause shown,

1 the licensing authority may grant the request.

2 (15) [Formerly 12-9-107 (12)] Any licensee that does not report,
3 during any one-year period, net proceeds will be required to show cause
4 before the licensing authority why its right to conduct games of chance
5 should not be revoked.

6 **SECTION 7.** In Colorado Revised Statutes, **add with amended**
7 **and relocated provisions** 12-9-107.1 as follows:

8 **12-9-107.1. Conduct of bingo games.** (1) [Formerly 12-9-107
9 (18)] In the playing of bingo, ~~no person~~ ONLY PERSONS who ~~is not~~ ARE
10 physically present on the premises where the game is actually conducted
11 ~~shall be allowed to~~ MAY participate as ~~a player~~ PLAYERS in the game.

12 (2) (a) [Formerly 12-9-107 (19) (a)] ~~No~~ A person shall NOT act
13 as a caller or assistant to the caller in the conduct of any game of bingo
14 unless ~~such~~ THE person has been a member in good standing of the
15 bingo-raffle licensee conducting ~~such~~ THE game or one of its licensed
16 auxiliaries for at least three months immediately prior to the date of ~~such~~
17 THE game, is of good moral character, and never has been convicted of a
18 felony or a crime involving gambling.

19 (b) [Formerly 12-9-107 (20)] ~~No~~ AN owner, co-owner, or lessee
20 of premises or, if a corporation is the owner of the premises, any officer,
21 director, or stockholder owning more than ten percent of the outstanding
22 stock ~~shall~~ MUST NOT be a person responsible for or assisting in the
23 holding, operating, or conducting of any game of bingo.

24 (3) (a) [Formerly 12-9-107 (14)] The equipment used in the
25 playing of bingo and the method of play ~~shall~~ MUST be such that each card
26 has an equal opportunity to ~~be a winner~~ WIN. The objects or balls to be
27 drawn ~~shall~~ MUST be essentially the same as to size, shape, weight,

1 balance, and all other characteristics that may influence their selection.
2 All objects or balls ~~shall~~ MUST be present in the receptacle before each
3 game ~~is begun~~ BEGINS. All numbers announced ~~shall~~ MUST be plainly and
4 clearly audible to all the players present. Where more than one room is
5 used for any one game, the receptacle and the caller must be present in the
6 room where the greatest number of players are present, and all numbers
7 announced ~~shall~~ MUST be plainly audible to the players in the aforesaid
8 room and also audible to the players in the other rooms.

9 (b) **[Formerly 12-9-107 (15)]** The receptacle and the caller must
10 be visible to all the players at all times except where more than one room
11 is used for any one game, in which case ~~the provisions of subsection (14)~~
12 ~~PARAGRAPH (a) of this section shall prevail~~ SUBSECTION (3) APPLIES.

13 (c) **[Formerly 12-9-107 (16)]** The particular arrangement of
14 numbers required to be covered in order to win the game and the amount
15 of the prize ~~shall~~ MUST be clearly and audibly described and announced
16 to the players immediately before each game ~~is begun~~ BEGINS.

17 (d) **[Formerly 12-9-107 (27)]** ~~No~~ AN operator shall NOT reserve
18 or allow to be reserved any bingo cards for use by players except braille
19 cards or other cards for use by legally blind players. Legally blind players
20 may use their personal braille cards when a licensed organization does not
21 provide such cards. A licensed organization ~~has the right to~~ MAY inspect
22 and ~~to~~ reject any personal braille card. A legally blind or disabled person
23 may use a braille card or hard card in place of a purchased disposable
24 paper bingo card.

25 (e) **[Formerly 12-9-107 (17)]** Any player ~~is entitled to~~ MAY call
26 for a verification of all numbers drawn at the time a winner is determined
27 and for a verification of the objects or balls remaining in the receptacle

1 and not yet drawn. The verification shall be made in the immediate
2 presence of the member designated to be in charge of the occasion, but if
3 ~~such~~ THAT member is also the caller, then in the immediate presence of
4 any officer of the licensee.

5 (4) **[Formerly 12-9-107 (8)]** When any merchandise prize is
6 awarded in a game of bingo, its value ~~shall be~~ IS its current retail price.
7 ~~No~~ A merchandise prize ~~shall be~~ IS NOT redeemable or convertible into
8 cash directly or indirectly.

9 (5) (a) **[Formerly 12-9-107 (13) (b)]** Notwithstanding the
10 limitations stated in ~~paragraph (a) of this subsection (13)~~ SECTION
11 12-9-107 (5), during a bingo occasion a bingo-raffle licensee may also
12 start a single game of progressive bingo, in an amount established by rule
13 by the licensing authority, in which the game is won when a previously
14 designated arrangement of numbers or spaces on the card or sheet is
15 covered within a previously designated number of objects or balls drawn.
16 If the game is not won within the drawing of the previously designated
17 number of objects or balls, the game ~~shall~~ MUST be replayed EITHER
18 during each SUBSEQUENT occasion the licensee conducts at the same
19 location OR DURING EACH SUBSEQUENT OCCASION THAT FALLS ON THE
20 SAME DAY OF THE WEEK AT THE SAME LOCATION, using the previously
21 designated arrangement of numbers or spaces.

22 (b) **[Formerly 12-9-107 (13) (c)]** A bingo-raffle licensee may
23 award a consolation prize for a game of progressive bingo in which the
24 progressive prize is not won. The BINGO-RAFFLE LICENSEE DETERMINES
25 THE amount of the consolation prize. ~~shall be an amount determined by~~
26 ~~the bingo-raffle licensee.~~ Notice of the amount shall be conspicuously
27 displayed prior to the beginning of the bingo-raffle occasion, and the

1 amount ~~shall be~~ IS included as part of the aggregate amount of all prizes
2 offered or given in games played on a single occasion, as set forth in
3 paragraph ~~(b)~~ (a) of this subsection ~~(13)~~ (5). If a consolation prize is
4 offered, the game ~~shall be continued~~ CONTINUES until the previously
5 designated arrangement of numbers or spaces on the card or sheet is
6 covered, regardless of the number of balls drawn, in order to determine
7 the winner of the consolation prize. If ~~no~~ A consolation prize is NOT
8 offered, the progressive game ~~shall end without a prize awarded~~ ENDS
9 when the last of the previously designated number of balls is drawn and
10 ~~shall~~ MUST be replayed ~~at the next occasion the licensee conducts~~, in
11 accordance with paragraph ~~(b)~~ (a) of this subsection ~~(13)~~ (5).

12 (c) **[Formerly 12-9-107 (13) (d)]** A bingo-raffle licensee may
13 fund a secondary jackpot from ten percent of the gross proceeds collected
14 from the sale of progressive cards or sheets at the occasion where the
15 game is offered. Notwithstanding the limitation stated in paragraph ~~(b)~~ (a)
16 of this subsection ~~(13)~~ (5), the amount in the secondary jackpot may be
17 used to start a single game of progressive bingo after a previous
18 progressive jackpot is won.

19 (d) **[Formerly 12-9-107 (13) (e)]** The licensing authority may
20 establish by rule the maximum jackpot that may be awarded in a
21 progressive bingo game; except that ~~such~~ THE maximum ~~may not be less~~
22 ~~than~~ JACKPOT MUST BE AT LEAST fifteen thousand dollars.

23 (e) **[Formerly 12-9-107 (13) (f)]** The licensing authority may
24 establish by rule the maximum number of progressive bingo games, not
25 less than one, that may be conducted during an occasion. In order to
26 ensure that all prizes offered are timely awarded, the licensing authority
27 may limit by rule the number of occasions in which a progressive bingo

1 game may be conducted before a prize must be awarded; except that ~~such~~
2 THE MAXIMUM number of occasions shall be not be less than MUST BE AT
3 LEAST thirty.

4 (6) (a) **[Formerly 12-9-107 (9) (a)]** Equipment, prizes, and
5 supplies for games of bingo shall MUST not be purchased or sold at prices
6 in excess of the usual price thereof. A licensee shall not sell or offer for
7 sale any game of chance, or supplies for a game of chance, that is not
8 authorized by this article or by rules adopted by the licensing authority
9 pursuant to this article.

10 (b) **[Formerly 12-9-107 (9) (b)]** Cards and sheets that are
11 designed or intended for use with electronic devices used as aids in the
12 game of bingo shall not be purchased or sold at prices in excess of the
13 usual price of cards and sheets that are not ~~so~~ designed or intended FOR
14 USE WITH ELECTRONIC DEVICES USED AS AIDS IN THE GAME OF BINGO.
15 Charges imposed by any manufacturer, supplier, agent thereof, or
16 bingo-raffle licensee for cards and sheets that are designed or intended for
17 use with electronic devices used as aids in the game of bingo shall be
18 stated and imposed separately from any charges imposed by ~~such~~ THE
19 manufacturer, supplier, agent thereof, or bingo-raffle licensee for the
20 purchase, lease, or use of electronic devices used as aids in the game of
21 bingo. Manufacturers, suppliers, and THEIR agents ~~thereof~~ shall not
22 include costs attributable to the manufacture or distribution of electronic
23 devices used as aids in the game of bingo in charges imposed for the
24 purchase or lease of equipment, including cards and sheets.

25 (7) **[Formerly 12-9-107 (28)]** (a) If a card or sheet is played with
26 the aid of an electronic device, a winning bingo may be determined and
27 verified EITHER by reference to ~~such~~ THE card or sheet or ~~may be~~

1 ~~determined and verified~~ by reference to the electronic device. Nothing in
2 this article ~~shall be construed to authorize~~ AUTHORIZES the playing of
3 bingo solely by means of an electronic device.

4 (b) A bingo-raffle licensee shall adequately mark, destroy, or
5 dispose of cards or sheets played with the aid of an electronic device in
6 order to prevent the reuse of ~~such~~ THOSE cards or sheets.

7 (c) The licensing authority may establish by rule the maximum
8 number of bingo cards that a bingo player who plays using the aid of an
9 electronic device ~~shall be~~ IS permitted to use with the aid of such a device
10 per game; except that ~~such~~ THE maximum number ~~shall not be less than~~
11 MUST BE AT LEAST thirty-six.

12 (d) A bingo-raffle licensee ~~shall not be~~ IS NOT required to use or
13 offer the use of electronic devices used as aids in the game of bingo
14 during a bingo session.

15 (8) **[Formerly 12-9-107 (29)]** (a) With the application for a letter
16 ruling pursuant to section 12-9-103 (1) (d) for the approval of a new type
17 of electronic device used in the aid of bingo, the manufacturer of ~~such~~
18 THE device ~~shall~~ MUST provide the following to the licensing authority:

19 (I) A prototype of the new type of electronic device used in the aid
20 of bingo with a prototype bingo aid computer system and a user's manual
21 used for such electronic device; and

22 (II) A certification by the manufacturer that the new type of
23 electronic device used in the aid of bingo and all such electronic devices
24 used in the state meet the following standards:

25 (A) The electronic device provides a means for the input of
26 numbers announced by a bingo caller;

27 (B) The electronic device compares the numbers entered to the

1 numbers contained on bingo cards previously stored in the electronic data
2 base DATABASE of ~~such~~ THE electronic device;

3 (C) The electronic device identifies winning bingo patterns; and

4 (D) The electronic device signals when a winning bingo pattern
5 is achieved.

6 (b) The licensing authority shall return the prototype electronic
7 device used in the aid of bingo, the prototype bingo aid computer system,
8 and the user's manual submitted pursuant to subparagraph (I) of paragraph
9 (a) of this subsection ~~(29)~~ (8) no later than forty-five days after receiving
10 ~~such~~ THE items.

11 (c) When a complaint regarding an electronic device used in the
12 aid of bingo that is in use in the state of Colorado has been filed with the
13 licensing authority, the manufacturer of ~~such~~ THE device shall provide to
14 the licensing authority a sample of ~~such~~ THE device and bingo aid
15 computer system to assist the investigation by the licensing authority. The
16 licensing authority shall return ~~such~~ THE electronic device and bingo aid
17 computer system no later than forty-five days after receiving ~~such items~~
18 THEM unless ~~the licensing authority needs such electronic device~~ THEY
19 ARE NEEDED longer to complete the investigation.

20 (d) Any electronic device used in the aid of bingo, ~~any~~ bingo aid
21 computer system, ~~and any~~ OR user's manual for such a device that is in the
22 custody of the licensing authority pursuant to this section ~~shall~~ IS not be
23 ~~construed to be~~ A public records RECORD.

24 (9) [Formerly 12-9-107 (30)] A bingo aid computer system used
25 by a bingo-raffle licensee for bingo sessions ~~shall~~ MUST meet the
26 following standards:

27 (a) ~~Such~~ THE system ~~shall~~ MUST contain a record of all

1 transactions occurring during a bingo-raffle session. ~~Such~~ THE record
2 ~~shall~~ MUST be retained in memory until the transactions have been totaled,
3 printed, and cleared by the bingo-raffle licensee, regardless of whether the
4 power supply has been interrupted.

5 (b) ~~Such~~ THE system ~~shall~~ MUST be able to compute and total all
6 transactions processed by the system during a bingo-raffle session and to
7 print all information required by the ~~secretary of state~~ LICENSING
8 AUTHORITY, in the form prescribed by the ~~secretary of state~~ LICENSING
9 AUTHORITY.

10 (c) ~~Such~~ THE system ~~shall~~ MUST maintain and control the
11 ~~transaction number~~ time, and date of sale, ~~Such~~ AND TRANSACTION
12 NUMBER, KEEPING THE information ~~shall be~~ secure enough that only a
13 manufacturer's qualified personnel can change or reset ~~such~~ THE
14 information. ~~A detailed record, supported by service documents, shall be~~
15 ~~retained by such personnel~~ THE MANUFACTURER'S QUALIFIED PERSONNEL
16 SHALL RETAIN A DETAILED RECORD for each service call that involves a
17 change of the time, date of sale, or transaction number.

18 (10) [Formerly 12-9-107 (31)] If an electronic device used as an
19 aid in the game of bingo complies with sub-subparagraphs (A) to (D) of
20 subparagraph (II) of paragraph (a) of subsection ~~(29)~~ (8) of this section,
21 and if the bingo aid computer system for ~~such~~ THE electronic device
22 substantially complies with the requirements of subsection ~~(30)~~ (9) of this
23 section, the licensing authority shall approve ~~such~~ THE electronic device
24 and computer system for use by a letter ruling pursuant to section
25 12-9-103 (1) (d).

26 **SECTION 8.** In Colorado Revised Statutes, **add with amended**
27 **and relocated provisions** 12-9-107.2 as follows:

1 **12-9-107.2. Conduct of pull tabs - license revocation - rules -**

2 **definitions.** (1) ~~Formerly 12-9-107 (24)]~~ A licensee shall NOT sell,
3 offer for sale, or put into play any pull tab ticket except at the location of
4 and during its licensed bingo occasions or upon premises that are:

5 (a) Owned, leased, or rented by the bingo-raffle licensee, used as
6 its principal place of business, and controlled so that admittance to the
7 premises is limited to the bingo-raffle licensee's members and bona fide
8 guests; or

9 (b) Owned, leased, or rented by a landlord licensee.

10 (2) **[Formerly 12-9-107 (13) (i)]** A bingo-raffle licensee may
11 offer a prize to the purchaser of a last sale ticket in a pull tab game, deal,
12 or series without regard to its winning or nonwinning status as revealed
13 if broken or torn apart.

14 (3) A BINGO-RAFFLE LICENSEE MAY OFFER AN EVENT PULL TAB
15 SERIES. FOR THE PURPOSES OF THIS SUBSECTION (3):

16 (a) "EVENT PULL TAB SERIES" MEANS A PULL TAB SERIES THAT
17 INCLUDES A PREDETERMINED NUMBER OF PULL TABS THAT ALLOW A
18 PLAYER TO ADVANCE TO AN EVENT ROUND.

19 (b) "EVENT ROUND" MEANS A SECONDARY ELEMENT OF CHANCE
20 WHERE THE PRIZES ARE DETERMINED BASED ON PULL TABS THAT MATCH
21 SPECIFIC WINNING NUMBERS DRAWN IN A BINGO GAME AND THE WINNING
22 NUMBERS SHALL FALL WITHIN NUMBERS ONE TO SEVENTY-FIVE,
23 INCLUSIVE.

24 (4) (a) **[Formerly 12-9-107 (13) (g)]** A bingo-raffle licensee may
25 offer a progressive pull tab game in which a prize may be carried over
26 and increased from one deal to another until a prize is awarded. ~~Such~~ THE
27 game may include a subsequent pull tab deal bearing a different serial

1 number from that offered in a previous deal. ~~No~~ A LICENSEE SHALL NOT
2 OFFER OR GIVE A prize greater, in amount or value, than five thousand
3 dollars ~~shall be offered or given~~ in any progressive pull tab game. The
4 licensing authority may limit by rule the types of progressive pull tab
5 games allowed to be sold by supplier licensees. ~~A bingo-raffle licensee~~
6 ~~may offer an event pull tab series. For the purposes of this paragraph (g):~~

7 (I) ~~"Event pull tab series" means a pull tab series that includes a~~
8 ~~predetermined number of pull tabs that allow a player to advance to an~~
9 ~~event round.~~

10 (H) ~~"Event round" means a secondary element of chance where~~
11 ~~the prizes are determined based on pull tabs that match specific winning~~
12 ~~numbers drawn in a bingo game and the winning numbers shall fall~~
13 ~~within numbers one to seventy-five, inclusive.~~

14 (b) [Formerly 12-9-107 (13) (h)] When a deal of progressive pull
15 tabs is received in two or more packages, boxes, or other containers, all
16 of the progressive pull tabs from the respective packages, boxes, or other
17 containers ~~shall~~ MUST be placed out for play at the same time.

18 (5) [Formerly 12-9-107 (21.5)] ~~Effective September 1, 1999:~~

19 (a) ~~No~~ A licensee shall NOT possess, use, sell, offer for sale, or put
20 into play any computerized or electromechanical facsimile of a pull tab
21 game.

22 (b) ~~No~~ A licensee shall NOT possess, use, sell, offer for sale, or put
23 into play any device that reveals the winning or nonwinning status of a
24 pull tab ticket unless ~~such~~ THE device has been tested, approved, and
25 licensed pursuant to ~~section 12-9-107.7~~ SUBSECTION (6) OF THIS SECTION
26 and not subsequently altered or tampered with.

27 (c) Any of the following persons that are found to have violated

1 paragraph (b) of this subsection ~~(21.5) shall be~~ (5) ARE subject to
2 immediate and permanent revocation of all licenses issued under this
3 article:

4 (I) The manufacturer of the device;

5 (II) The supplier through which the device was supplied;

6 (III) The landlord licensee on whose premises the device was
7 found; and

8 (IV) The bingo-raffle licensee of the occasion during which the
9 device was present.

10 (6) (a) **[Formerly 12-9-107.7 (1)]** THE LICENSING AUTHORITY
11 SHALL TEST, INSPECT, AND LICENSE every mechanical, electronic, or
12 electromechanical device that reveals the winning or nonwinning status
13 of a pull tab ticket ~~shall be tested, inspected, and licensed by the licensing~~
14 ~~authority~~ before ~~being~~ THE DEVICE IS used in charitable gaming. The
15 licensing authority shall employ an independent contractor to conduct
16 ~~such~~ THE tests and inspections, the cost of which shall be borne by the
17 manufacturer or supplier seeking approval of the device. ~~No license shall~~
18 ~~be issued~~ THE LICENSING AUTHORITY SHALL NOT ISSUE A LICENSE for a
19 device until the device is secured in a manner prescribed by the licensing
20 authority and the contractor receives payment in full for the cost of ~~such~~
21 ALL tests and inspections.

22 (b) **[Formerly 12-9-107.7 (2)]** Every person shipping or
23 importing into Colorado a device subject to ~~subsection (1) of this section~~
24 PARAGRAPH (a) OF THIS SUBSECTION (6) shall provide the licensing
25 authority with a copy of the shipping invoice at the time of shipment.
26 ~~Such~~ THE invoice ~~shall~~ MUST contain, at a minimum, the destination of
27 the shipment and the serial number and description of each device being

1 transported.

2 (c) **[Formerly 12-9-107.7 (3)]** Every person receiving a device
3 subject to ~~subsection (1) of this section~~ PARAGRAPH (a) OF THIS
4 SUBSECTION (6) shall, upon receipt of the device, provide the licensing
5 authority with the serial number and description of each device received
6 and information describing the location of each ~~such~~ device. The
7 requirements of this ~~subsection (3) shall~~ PARAGRAPH (c) apply regardless
8 of whether the device is received from a licensed supplier or from any
9 other source.

10 (d) **[Formerly 12-9-107.7 (4)]** A device licensed pursuant to this
11 ~~section shall be~~ SUBSECTION (6) IS licensed for and may only be used in
12 one specific licensed location identified by the licensing authority. Any
13 movement of the device from ~~such~~ THE licensed location for use at
14 another licensed location shall be reported to the licensing authority in
15 advance.

16 (e) **[Formerly 12-9-107.7 (5)]** The licensing authority may adopt
17 rules and prescribe all necessary forms in furtherance of this ~~section~~
18 SUBSECTION (6).

19 (f) **[Formerly 12-9-107.7 (6)]** Notwithstanding any other
20 provision of this article, the licensing authority shall not license:

21 (a) (I) A pull tab game that is stored, electronically or otherwise,
22 within a device and designed to be played on such device; or

23 (b) (II) Any device that qualifies as a slot machine pursuant to
24 section 9 (4) (c) of article XVIII of the Colorado constitution.

25 (g) **[Formerly 12-9-107.7 (7)]** The prohibition contained in
26 ~~subsection (6) PARAGRAPH (f) of this section shall not be construed to~~
27 SUBSECTION (6) DOES NOT prohibit the licensing of:

1 (a) (I) A device that merely dispenses pull tab tickets to players;

2 or

3 (b) (II) A device that merely reads or validates a pull tab ticket
4 inserted by a player, if:

5 (H) (A) The pull tab ticket itself displays its winning or
6 nonwinning status so that use of the device is not required to determine
7 such status; and

8 (H) (B) The device cannot be used in a manner that would qualify
9 it as a slot machine pursuant to section 9 (4) (c) of article XVIII of the
10 Colorado constitution.

11 **SECTION 9.** In Colorado Revised Statutes, **add with amended**
12 **and relocated provisions** 12-9-107.3 as follows:

13 **12-9-107.3. Conduct of raffles - rules.** (1) [Formerly 12-9-107
14 (21)] The licensing authority shall not require an exempt organization to
15 use raffle tickets in any particular form or displaying any particular
16 information that would cause undue expense to the exempt organization
17 and therefore interfere with the charitable fund-raising drive of ~~such~~ THE
18 organization.

19 (2) (a) [Formerly 12-9-107 (13) (k)] A bingo-raffle licensee may
20 offer a progressive raffle in which a jackpot may be carried over and
21 increased from one drawing to another until the jackpot is awarded. If the
22 jackpot is not awarded at a drawing, the bingo-raffle licensee shall
23 conduct a new drawing at the same location at a time and date determined
24 by the bingo-raffle licensee.

25 (b) [Formerly 12-9-107 (13) (l) (I)] A bingo-raffle licensee may
26 award a consolation prize for a progressive raffle in which the jackpot is
27 not won. The bingo-raffle licensee may designate the consolation prize

1 as either a specified amount or a specified percentage of the gross
2 proceeds collected from the sale of raffle tickets for a particular drawing.
3 The bingo-raffle licensee may determine the amount of the jackpot based
4 on the gross proceeds collected from the sale of raffle tickets for a
5 particular drawing plus the value of the jackpot carried over from
6 previous drawings in which the jackpot was not awarded.

7 (c) **[Formerly 12-9-107 (13) (l) (ii)]** If the bingo-raffle licensee
8 offers a consolation prize, the bingo-raffle licensee shall, before the
9 drawing:

10 ~~(A)~~ (I) Designate the specific amount or specific percentage of the
11 gross proceeds collected from the sale of raffle tickets that the consolation
12 prize equals; and

13 ~~(B)~~ (II) Conspicuously display the amount or percentage of the
14 gross proceeds collected that the consolation prize equals.

15 (d) **[Formerly 12-9-107 (13) (m)]** The licensing authority may
16 establish by rule the maximum jackpot that a bingo-raffle licensee may
17 award for a progressive raffle; except that, notwithstanding ~~paragraph (a)~~
18 ~~of this subsection (13)~~ SECTION 12-9-107 (5), the maximum jackpot ~~may~~
19 ~~not~~ MUST be ~~less than~~ AT LEAST fifteen thousand dollars. The maximum
20 jackpot does not include the aggregate amount of consolation prizes
21 awarded.

22 (e) **[Formerly 12-9-107 (13) (n)]** The licensing authority may
23 establish by rule the maximum number of progressive raffles that a
24 bingo-raffle licensee may conduct simultaneously. To ensure that all
25 prizes offered are timely awarded, the licensing authority may limit by
26 rule the number of drawings that a bingo-raffle licensee may conduct
27 before a jackpot must be awarded; except that the ~~licensing authority may~~

1 ~~not limit the~~ MAXIMUM number of drawings ~~to less than~~ MUST BE AT
2 LEAST thirty.

3 (f) [**Formerly 12-9-107 (13) (o)**] (I) The licensing authority may
4 establish by rule the permitted methods of conducting a progressive
5 raffle.

6 (II) The licensing authority may not prohibit those methods of
7 conducting a progressive raffle in which the participant whose ticket
8 number is drawn wins both a prize for the winning ticket number and a
9 chance to win the jackpot.

10 **SECTION 10.** In Colorado Revised Statutes, 12-9-107.5, **amend**
11 (4) introductory portion as follows:

12 **12-9-107.5. Persons permitted to manufacture and distribute**
13 **games of chance equipment - reporting requirements.** (4) Except to
14 the extent otherwise provided in ~~section 12-9-107 (1) no~~ SECTION
15 12-9-106 (1), A manufacturer or supplier licensee or licensed agent shall
16 NOT buy, receive, sell, lease, furnish, or distribute any pull tabs, bingo
17 cards or sheets, electronic devices used as aids in the game of bingo, or
18 other games of chance equipment from or to any person within Colorado
19 other than manufacturer or supplier licensees or agents and bingo-raffle
20 licensees; except that:

21 **SECTION 11.** In Colorado Revised Statutes, 12-9-108, **amend**
22 (3) (a) as follows:

23 **12-9-108. Bingo-raffle licensee's statement of receipts -**
24 **expenses - fee.** (3) (a) All moneys collected or received from the sale of
25 admission, extra regular cards, special game cards, sale of supplies, and
26 all other receipts from the games of bingo, raffles, and pull tab games
27 shall be deposited in a special checking or savings account, or both, of the

1 licensee, which ~~shall~~ MUST contain only ~~such money. All funds shall be~~
2 ~~withdrawn from said account~~ THESE MONEYS. IF THE LICENSEE CONDUCTS
3 PROGRESSIVE GAMES OF CHANCE, THE LICENSEE MAY MAINTAIN ONE
4 ADDITIONAL CHECKING OR SAVINGS ACCOUNT, WHICH MUST CONTAIN
5 ONLY MONEY RECEIVED FROM THE SALE OF PROGRESSIVE GAMES. THE
6 LICENSEE MAY WITHDRAW MONEY FROM THESE ACCOUNTS ONLY by
7 consecutively numbered checks or withdrawal slips or by electronic
8 transactions referenced by transaction number or date. ~~No~~ A check or
9 withdrawal slip ~~shall~~ MUST NOT be drawn to "cash" or a fictitious payee.
10 The licensee shall maintain all of its books and records in accordance
11 with generally accepted accounting principles.

12 **SECTION 12. Repeal of relocated and nonrelocated**
13 **provisions in this act.** In Colorado Revised Statutes, **repeal** 12-9-107
14 and 12-9-107.7; except that section 12-9-107 (4) and (5) (b) are not
15 relocated.

16 **SECTION 13. Act subject to petition - effective date.** This act
17 takes effect at 12:01 a.m. on the day following the expiration of the
18 ninety-day period after final adjournment of the general assembly (August
19 6, 2014, if adjournment sine die is on May 7, 2014); except that, if a
20 referendum petition is filed pursuant to section 1 (3) of article V of the
21 state constitution against this act or an item, section, or part of this act
22 within such period, then the act, item, section, or part will not take effect
23 unless approved by the people at the general election to be held in
24 November 2014 and, in such case, will take effect on the date of the
25 official declaration of the vote thereon by the governor.