



## Notice of Permanent Adoption

### Office of the Secretary of State Rules Concerning Bingo and Raffles Games 8 CCR 1505-2

August 7, 2017

#### I. Adopted Rule Amendments

As authorized by the Colorado bingo and raffles laws<sup>1</sup> and the State Administrative Procedure Act<sup>2</sup>, the Colorado Secretary of State gives notice that the following amendments to the rules concerning bingo and raffles games<sup>3</sup> are adopted on a permanent basis.

The following rules were considered at the July 17, 2017 rulemaking hearing in accordance with the State Administrative Procedure Act<sup>4</sup>.

Please note the following formatting key:

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

#### *Amendments to Rule 1.9 correcting a statutory citation:*

1.9 “Licensee” means, as used in these rules unless otherwise specified, a bingo raffle licensee as defined HAS THE SAME MEANING AS SET FORTH in section ~~12-9-102(1.2)~~, C.R.S.-24-21-602(3), C.R.S.

#### *Amendments to Rule 1.15.2 correcting a statutory citation:*

1.15.2 “Remuneration” does not include food offered to volunteers in accordance with section ~~12-9-107(6)~~, C.R.S., 24-21-617(6), C.R.S., when the retail value of the food does not exceed \$10.00 per volunteer-duty shift.

<sup>1</sup> Article XVIII, Section 2 of the Colorado Constitution and Article 9, Title 12 of the Colorado Revised Statutes.

<sup>2</sup> Section 24-4-103(3)(a), C.R.S. (2016).

<sup>3</sup> 8 CCR 1505-2.

<sup>4</sup> Section 24-4-103(3)(a), C.R.S. (2016).

*Repeal of Rule 2.4.4(c):*

2.4.4 Prize information.

- (a) ~~The~~ AT THE BEGINNING OF EACH OCCASION, THE licensee ~~shall~~ MUST conspicuously post ~~information at the beginning of each occasion specifying~~ the number and amount of cash prizes, and how the prizes may be won, including the cost to players.
- (b) The licensee must either display the available merchandise prizes or post a list and complete description of the prizes, and how the prizes may be won, including the cost to players. If the licensee designates an alternative cash prize in the case of multiple bingo winners, the licensee must post details about the alternative prize in accordance with Rule 2.4.4(a).
- (c) ~~Merchandise prizes are not redeemable or convertible into cash directly or indirectly, in accordance with section 12-9-107.1(4), C.R.S.~~
- (d)(C) If the licensee offers prize payouts on the basis of number of players or gross amount of sales, the licensee must conspicuously post a statement to that effect.

*New Rule 2.5 concerning pre-selling tickets:*

2.5 A LICENSEE MAY PRESELL TICKETS IN ACCORDANCE WITH SECTION 24-21-604(4), C.R.S. AS FOLLOWS:

2.5.1 PRESELLING IS LIMITED TO THE NON-ELECTRONIC SALE, NOT MORE THAN FOURTEEN DAYS IN ADVANCE OF A BINGO GAMING EVENT, OF A TICKET EVIDENCING A PERSON'S RIGHT TO ENTER THE EVENT; AND

2.5.2 A LICENSEE MAY NOT PRESELL OR AUTHORIZE RESERVING A:

- (A) "CARD," AS DEFINED IN SECTION 24-21-602(7), C.R.S.;
- (B) "PULL TAB," AS USED IN SECTION 24-21-602(36), C.R.S.; OR
- (C) SPECIFIC SEAT.

*Amendments to Rule 3.1.11 concerning reserving seats during gaming:*

3.1.11 Prohibition on saving seats ~~and playing space~~. A SPECIFIC seat ~~or playing space~~ may only be reserved to provide a reasonable accommodation for a player with a disability.

*Amendments to Rule 3.4.4 concerning the prohibition on preselling tickets:*

3.4 Multiple Bingo Occasions. A licensee may conduct multiple bingo occasions on the same day, if:

- 3.4.1 The licensee concludes all games of chance from the first occasion and completes all player-related activities, including, but not limited to, the purchase, opening, and redemption of pull tabs, ~~prior to~~ BEFORE the end of the occasion.
- 3.4.2 The licensee does not begin the next occasion for 15 minutes after the conclusion of the previous occasion, or until the final accounting for games of bingo played and pull tabs sold is completed and the books are closed for all of the first occasion activities, whichever comes later.
- 3.4.3 The licensee does not offer to sell pull tabs or other raffle tickets after an occasion concludes and before the next occasion begins.
- 3.4.4 The licensee does not continue activities from an occasion during the next occasion, and does not offer to sell, distribute or reserve any cards, sheets, tickets (EXCEPT AS AUTHORIZED BY SECTION 24-21-604(4), C.R.S., AND RULE 2.5), ~~admissions~~, or chances for the next occasion during the previous occasion or during the period between the two occasions.

*Amendments to Rule 4.1.1(a)(2) correcting a statutory citation:*

- 4.1.1 Player ~~Payment~~ PAYMENT method. A licensee ~~must~~ MAY not extend credit to a player.
  - (a) When accepting payment, the licensee must:
    - (1) Collect the consideration for playing a game of chance in full, in advance, by check, cash, or debit or credit card.
    - (2) Directly deposit all proceeds into the licensee's segregated checking or savings account. The licensee may not commingle proceeds with funds in a general account or other account. [Section ~~12-9-108(3)~~, C.R.S.-24-21-622(3)(A), C.R.S.]

*Amendments to Rule 6.4.2 concerning the number of allowable of electronic aid device faces:*

- 6.4.2 Maximum number of faces. A licensee may not program an electronic bingo aid device to play more than ~~36~~ 54 faces per bingo game.

*Amendments to Rule 7.1.1 correcting a statutory citation:*

- 7.1.1 Reporting requirements. A licensee that conducts a promotion must report awarded prize information to the licensing authority in accordance with section ~~12-9-102.5(4)(e)~~, C.R.S.-24-21-604(3)(C), C.R.S.

*Amendments to Rule 8.5 correcting a statutory citation:*

- 8.5 Games not classified as raffles. The games of chance commonly known as "Animal Plop Bingo," "Golf Ball Drops," plastic or rubber "Duck Races," "Coin Flip Games," and variations of these games are not raffles as defined by section ~~12-9-102(19.3)~~, C.R.S., 24-

21-602(38), C.R.S., and are not raffles as authorized by subsections (2) to (4) of Section 2 of Article XVIII of the Colorado Constitution. Therefore, these games of chance are not licensed or regulated by the Secretary of State. In certain circumstances, these games of chance may be considered unlawful gambling. Licensees or other organizations who wish to conduct these games should contact law enforcement authorities or legal counsel to determine how to comply with Colorado law.

*Amendments to Rule 10.1.3(a) correcting a statutory citation:*

10.1.3 Progressive games

- (a) All receipts from the sale of progressive games must be accounted for separately within the licensee's bingo-raffle checking or savings account created in accordance with sections ~~12-9-108(3)(a) and (3)(b), C.R.S. 24-21-622(3)(A) AND (B), C.R.S.~~

*Amendments to Rule 14.1.1 and 14.1.1(d) and (e) correcting statutory citations:*

14.1.1 Application for approval. Any Colorado licensed manufacturer of an electronic bingo aid device and computer system may apply for a letter ruling in accordance with section ~~12-9-103(1)(d), C.R.S., 24-21-605(1)(D), C.R.S.,~~ by submitting a written request to the Secretary of State. The request must include:

- (A) ~~the~~ THE manufacturer's name, license number, address, telephone and fax numbers, and an email address;
- (B) ~~the~~ THE make, model and description of the bingo aid device and computer system for which approval is sought; ~~and~~
- (C) ~~the~~ THE name and specific contact information of the manufacturer's representative who is an expert on the construction, programming, and operation of the device and system. ~~All requests must also include;~~
- (~~a~~)-(D) A complete user's manual of the bingo aid device or system;
- (~~b~~)-(E) Either a working prototype or a location in Colorado where the manufacturer can demonstrate the prototype;
- (~~c~~)-(F) An affirmation from the manufacturer stating that the manual and prototype submitted to the Secretary of State do not differ materially from the manual, device and system that will be distributed in Colorado after approval of the prototype;
- (~~d~~)-(G) In the case of a bingo aid device, a verified certificate from the manufacturer stating that the device meets all the standards set forth in section ~~12-9-107.1(8)(a)(II)(A) through (D), C.R.S., 24-21-618(8)(A)(II)(A) THROUGH (D), C.R.S.,~~ and that the device can and will be restricted to allow the play of no more than 3654 faces per bingo game;

(e)-(H) In the case of a bingo aid computer system, a verified manufacturer's certificate stating that:

(1) ~~the~~THE system meets all the requirements set forth in section ~~12-9-107.1(9)(a) through (e), C.R.S., 24-21-618(9)(A) THROUGH (C), C.R.S.;~~ and

(2) ~~that the~~THE system, if constructed or intended for more than one ~~licensee~~LICENSEE'S USE, CAN:

(A) Clearly identify each user's data;

(B) ~~is capable of segregating, securing, and restricting access to~~ SEGREGATE AND SECURE each ~~licensee's~~USER'S data so ~~that no other licensee can~~FROM OTHERS' access ~~the data;~~ and

~~(f)~~(C) ~~The manufacturer must verify that a bingo aid computer system that is designed for use by more than one user only allows users to~~RESTRICT access ~~the system~~TO EACH USER'S DATA through a unique user identification and password, smart card, token, or other method. ~~Identification and access must:~~ THAT LIMITS ACCESS SOLELY TO THE UNIQUE IDENTIFIER'S BEARER, THE SECRETARY OF STATE AND THE MANUFACTURER.

~~(1)~~ Ensure that the licensee's data is accessible only to the bearer of the licensee's unique identifier, the Secretary of State and the personnel of the system's manufacturer; and

~~(2)~~ Clearly identify all of the licensee's data and only the licensee's data.

*Amendments to Rule 15.3.2(g) correcting a statutory citation:*

15.3.2 Class 2 violations include:

(g) Reserving or setting aside bingo cards or pull tabs for use by players, except as authorized in section ~~12-9-107.1(3)(d), C.R.S., 24-21-618(3)(D), C.R.S.,~~ or, except as authorized by these rules, reserving or allowing to be reserved any seat or playing space for use by players.

*Amendments to Rule 15.6.1 correcting a statutory citation:*

15.6.1 Request for hearing. In accordance with section ~~12-9-103(1)(a)(II), C.R.S., 24-21-605(1)(A)(II), C.R.S.,~~ a licensee may request a hearing before an administrative law judge to appeal the imposition of a fine. The Secretary of State must receive a written request for a hearing within 20 days of the date that the Secretary of State denied a fine suspension or reduction request.

**II. Basis, Purpose, and Specific Statutory Authority**

A Statement of Basis, Purpose, and Specific Statutory Authority follows this notice and is incorporated by reference.

**III. Effective Date of Adopted Rules**

These new and amended rules will become permanently effective twenty days after publication in the Colorado Register.<sup>5</sup>

Dated this 7<sup>th</sup> day of August, 2017,



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Suzanne Staiert  
Deputy Secretary of State

For

Wayne W. Williams  
Colorado Secretary of State

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<sup>5</sup> Section 24-4-103(5), C.R.S. (2016).



## Statement of Basis, Purpose, and Specific Statutory Authority

### Office of the Secretary of State Rules Concerning Bingo and Raffles Games 8 CCR 1505-2

August 7, 2017

#### I. Basis and Purpose

This statement explains amendments to the Colorado Secretary of State Rules Concerning Bingo and Raffles Games. The amendments are necessary to ensure uniform and proper administration, implementation, and enforcement of Colorado bingo and raffles laws.

Senate Bill 17-232 amended and relocated the Bingo and Raffles Law to Part 6, Article 21, Title 24 of the Colorado Revised Statutes. The following rule revisions are necessary to implement Senate Bill 17-232 and correct statutory citations:

- Repeal of Rule 2.4.4(c) which duplicates statutory language.
- New Rule 2.5 to clarify the requirements for preselling tickets as authorized in section 24-21-604(4), C.R.S.
- Amendments to Rule 3.1.1 to clarify that players cannot save specific seats and to remove the unnecessary reference to “playing space.”
- Amendments to Rule 3.4.4 to make consistent with section 24-21-604(4), C.R.S., which authorizes licensees to pre-sell entry tickets for charitable gaming events.
- Amendments to Rule 6.4.2 to make consistent with section 24-21-618(7)(c), C.R.S., which authorizes bingo players using the aid of an electronic device to play a maximum of fifty-four cards.
- Amendments to Rule 14.1.1 to consolidate sections and remove unnecessary portions.

Other changes to rules not specifically listed are non-substantive corrections to statutory citations.

#### II. Rulemaking Authority

The constitutional and statutory authority is as follows:

1. Section 24-21-605(1)(b), C.R.S. (2017), which authorizes the Secretary of State to “supervise the administration and enforcement of [the Bingo and Raffles Law] and, in consultation with the board, to adopt, amend, and repeal rules governing the holding, operating, and conducting of games of chance . . . .[.]”
2. Section 12-21-617(5), C.R.S. (2017), which authorizes the Secretary of State to “establish by rule the method of play and amount of prizes that may be awarded . . . [.]”