



## Notice of Proposed Rulemaking

### Colorado Department of State Rules Concerning Bingo and Raffles Games 8 CCR 1505-2

**Date of notice: July 15, 2024**

**Date and time of public hearing: August 14, 2024 at 11:00AM**

#### **I. Hearing Notice**

As required by the State Administrative Procedure Act,<sup>1</sup> the Colorado Department of State gives notice of proposed rulemaking. The hearing is scheduled for August 14, 2024 at 11:00AM. **This meeting will be conducted in person and via webinar.** Details regarding how to join the online and testify during the hearing are outlined in section VI of this notice.

#### **II. Subject**

The Department is considering amendments to the bingo and raffles games rules<sup>2</sup> to improve the administration and enforcement of Colorado bingo and raffles laws.<sup>3</sup>

Specifically, the Department proposes permanent rule revisions necessary to: implement legislation recently passed by the Colorado General Assembly, specifically House Bill 24-1326; eliminate obsolete provisions; organize existing rules for clarity; simplify the language of existing rules; and ensure consistency with Department rulemaking standards. The Department may consider additional rule amendments.

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

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<sup>1</sup> Section 24-4-103(3)(a), C.R.S. (2023).

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

<sup>3</sup> Article XVIII, Section 2 of the Colorado Constitution and Part 6, Article 21, Title 24 of the Colorado Revised Statutes.

### **III. Statutory authority**

The Department proposes the rule revisions and amendments in accordance with the following statutory provisions:

- House Bill 24-1326, enacted June 5, 2024.
- Section 24-21-605(1)(a)(II), C.R.S., (2023), which authorizes the Secretary of State to “impose a reasonable fine for any violation of [the Bingo and Raffles Law] or any rule adopted pursuant to [the Bingo and Raffles Law], not to exceed two hundred fifty dollars per citation...”
- Section 24-21-605(1)(b), C.R.S., (2023), 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 . . . [.]”
- Section 24-21-617(5), C.R.S., (2023), which requires the Secretary of State to establish by rule the method of play for games of chance.
- Section 24-21-620(2)(f)(I), C.R.S., (2023), which authorizes the Secretary of State to establish by rule the permitted methods of conducting a progressive raffle.
- Section 24-21-622(6)(a)(II)(B), (D), and (E) C.R.S., (2023), which authorizes the Secretary of State to establish by rule the reasonable amounts a bingo-raffle licensee may pay for accountant services, janitorial services, and security expenses.

### **IV. Copies of draft rules**

A preliminary draft of the proposed rules is posted on the Department of State’s [rules and notices of rulemaking website](#).

You may also contact our office to request an editable electronic copy of the draft rules.

As required by the State Administrative Procedures Act,<sup>4</sup> if changes are made before the hearing, revised proposed draft rules will be available to the public and posted on the website by August 9, 2024.

### **V. Opportunity to testify and submit written comments**

The Department values your feedback in our rulemaking process, and we would very much like to hear your thoughts on the proposed amendments. Please review and consider the attached proposed draft rules.

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<sup>4</sup> Section 24-4-103(3)(a), C.R.S. (2023). “Any proposed rule or revised proposed rule by an agency which is to be considered at the public hearing...shall be made available to any person at least five days prior to said hearing.”

Everyone will have the opportunity to testify and provide written comment concerning the rule amendments. You may submit written comments to [SoS.Rulemaking@coloradosos.gov](mailto:SoS.Rulemaking@coloradosos.gov) any time before and during the hearing. If you attend the hearing in person, you may submit written comments to the hearing panel as well. An additional opportunity to comment in writing will be announced at the conclusion of the hearing. Information regarding how to testify during the hearing is providing in section VI of this notice.

As soon as possible after receipt, written comments will be posted online at this [bingo-raffle rulemaking's webpage](#) on the Colorado Department of State's website.

We will redact apparent personal contact information, including home address, email address, and telephone number(s), from submissions before posting the information online, unless otherwise directed by the contributor. All written comments will be added to the official rulemaking record.

## **VI. Webinar and audio recording of hearing**

### *Register for the hearing online*

To join and listen to the hearing online, you must [register](#).

When you register, you must provide your full name and email address. Please provide additional contact information including your address and telephone number. You may also provide your job title and organization. Lastly, indicate whether you plan to testify during the hearing. When you submit your registration, you should receive a confirmation email including details about how to join the webinar.

### *Hearing procedures*

After the introduction and a brief summary of the rulemaking, we will open the hearing to testimony as follows:

- In-person attendees will be called upon first to provide their public comment, for the sake of efficiency. We will reference the sign-in sheet provided and individually call upon attendees who wish to provide their testimony. Once we have exhausted the in-person sign-in sheet, we will move forward with the testimony of online attendees.
- Referencing online registration records, we will identify and individually unmute online attendees who indicated that their intent to testify during the hearing.
- Once we have exhausted that list, we will ask whether any additional attendees wish to testify. In-person attendees may raise their hands to indicate their intention to testify, and online attendees may raise/lower their virtual hand by clicking the icon in their control panel.
- To ensure that the hearing is prompt and efficient, oral testimony may be time-limited.

Before the hearing concludes, we will announce an additional opportunity to submit written comments and the associated deadline.

*Webinar audio requirements*

**Please be advised:** we strongly encourage attendees to join the webinar through their computer or the Zoom app, even if they use their telephone to dial in for audio. To testify during the hearing, it is best to use your computer or the Zoom app to be unmuted and to utilize the “raise hand” feature within the webinar. If you access the webinar only by telephone, you may not appear in our webinar attendee list, meaning we may not be able to unmute you to provide testimony. Moreover, the raise your hand feature is only available to attendees who access the webinar by computer or by app. For the best audio, it is best to use your computer microphone and speakers or a headset or headphones, if you choose to testify. As outlined above, we will receive testimony from online attendees whose registration indicates that they plan to provide testimony before we offer both in-person and online attendees the option to raise their hand.

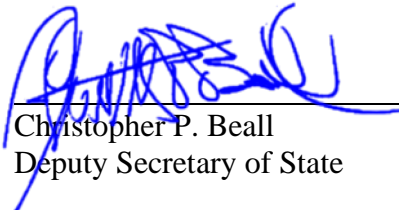
*Audio recording*

After the hearing concludes, a recording will be available on the Department’s [upcoming events and audio broadcasts webpage](#).

**VII. Office contact**

If you have any questions, would like to submit written comments, or require a reasonable accommodation, please contact the Rulemaking Policy Analyst at [SoS.Rulemaking@coloradosos.gov](mailto:SoS.Rulemaking@coloradosos.gov) or (303) 894-2200 ext. 6124.

Dated this 15<sup>th</sup> day of July, 2024,



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Christopher P. Beall  
Deputy Secretary of State

For

Jena Griswold  
Colorado Secretary of State



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

### **Colorado Department of State Rules Concerning Bingo and Raffles Games 8 CCR 1505-2**

**July 15, 2024**

#### **I. Basis and Purpose**

This statement explains proposed amendments to the Colorado Department of State Bingo and Raffles Games Rules. The Department is considering amendments to ensure uniform and proper administration, implementation, and enforcement of Colorado bingo and raffles laws<sup>1</sup> and improve the administration of bingo and raffles games in Colorado.

Specific proposed changes include:

- Amendments to Rule 1 concerning definitions.
  - Rule 1.2 is repealed due to the repeal of section 24-21-602(5.5), C.R.S. This definition is now outdated.
  - Rule 1.11 is repealed since it is duplicative of statute.
  - Amendments to current Rule 1.13, renumbered to Rule 1.11, update language to remain consistent with new Rule 1.18's definition of "strip bingo card" since Rule 1.2 is repealed.
  - Amendments to current Rule 1.16, renumbered to Rule 1.14, update language to remain consistent with New Rule 1.18's definition of "strip bingo card" and includes necessary grammatical changes.
  - New Rule 1.18 defines "strip bingo card" as is used in these rules and as is also defined in section 24-21-602(40.5), C.R.S.
  - Amendments to current Rule 1.21, renumbered to Rule 1.20, simplifies existing language.

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<sup>1</sup> Article XVIII, Section 2 of the Colorado Constitution and Part 6, Article 21, Title 24 of the Colorado Revised Statutes.

- Amendments to Rule 2 concerning bingo-raffle licensees.
  - Amendments to Rule 2.1.1 clarify in subsection (a)(4) that the organization must have functioned for at least five years, repeal subsection (a)(4)(iv) as it is no longer necessary, and include necessary grammatical changes.
  - Amendments to Rule 2.4.1 clarify that the statutes referred to in the current rule specifically mean the Bingo and Raffles Law. Additionally, subsection (a) is amended to require the inclusion of the Secretary of State's email address in the notice that licensee may post to inform players of the availability of copies of the Bingo and Raffles Law and rules from the Secretary of State's office.
  - Amendments to Rule 2.4.4 require, at the beginning of each occasion, licensees to post in at least 12-point font and in a conspicuous location the number and amount of cash prizes and how many prizes may be won, including the cost to players.
  - Amendments to Rule 2.4.5 require that when posting the notice of cancellation, a licensee must use at least 12-point font and post the notice in a conspicuous location. The amendments to this rule include necessary grammatical changes.
  - Amendments to Rule 2.5 update the statutory reference.
  - Amendments to Rule 2.5.2 remove the reference to Rule 1.2 since that rule is repealed, include the definition provided in the new Rule 1.18, "strip bingo card", and renumber the sections as is necessary.
- Amendments to Rule 3 concerning bingo games.
  - Amendments to Rule 3.1 improve the reading comprehension of the title.
  - Amendments to Rule 3.1.2 simplify existing language.
  - Amendments to Rule 3.1.7(b) simplify existing language.
  - Amendments to Rule 3.2, including Rules 3.2.1 through 3.2.15 and their subsections, clarify that these rules pertain to progressive bingo games, as is defined in current Rule 1.16, and includes necessary grammatical changes.
    - Amendments to Rule 3.2.3(d) require that if the jackpot reaches \$15,000, the licensee must award the jackpot on that or the following occasion.
    - Amendments to Rule 3.2.3(e) clarify that the licensee may impose by house rule a progressive jackpot maximum below the \$15,000 maximum ceiling.
    - Amendments to Rule 3.2.11 simplify existing language for clarity.
  - Amendments to Rule 3.4.4 update a statutory reference.

- Amendments to Rule 4 concerning the sale and use of bingo cards, packs, and sheets.
  - Amendments to Rule 4.1.3 simplify existing language and include necessary grammatical changes.
  - Amendments to Rule 4.1.4 update the terminology from “bingo strip card” to “strip bingo card” since the corresponding statute and Rule 1.2 was repealed and replaced with new Rule 1.18.
  - Amendments to Rule 4.1.5 update existing language to be consistent with the definition provided in current Rule 1.16.
  - Amendments to Rules 4.2.3 and 4.3.1 simplify existing language.
- Amendments to Rule 5 concerning the sale and use of pull tabs.
  - Amendments to Rule 5.3.3(b) clarify that any government-issued identification card number, not only a Colorado identification number, can be used to verify the identity of the prize winner.
  - Amendments to Rule 5.4.5(b) clarify that a licensee must display, or keep available for viewing, the flare or jackpot card for each deal in a progressive pull tab game being played or that has been played during the course of a progressive pull tab game.
  - Amendments to Rule 5.4.6 include clarifying language regarding the gross proceeds from progressive pull tab games and necessary grammatical changes.
  - Amendments to Rule 5.4.7 include repealing section (b) since it does not apply to pull tab games, renumbering as necessary, and clarifying that the rule is pertaining to progressive pull tab games and those jackpot prizes.
  - Amendments to Rule 5.5 incorporate Rules 5.5.1 and 5.5.2 into Rule 5.5 and clarify that a licensee that conducts bingo occasions at two or more locations may also conduct pull tab operations at each location, if the bingo-raffle licensee uses a different deal of pull tabs at each location and does not use pull tabs with the same name, form number, and serial number at more than one location. The repeal of Rules 5.5.1 and 5.5.2 requires the renumbering of current Rules 5.5.3 and 5.5.4 to Rules 5.5.1 and 5.5.2.
- Amendments to Rule 6 concerning electronic bingo aid devices.
  - Amendments to Rules 6.2.3(b) and 6.4.3 simplify existing language.
- Amendments to Rule 8 concerning raffles.
  - Amendments to Rule 8.1.1 clarify what members cannot do when selling tickets, simplify existing language, and include necessary grammatical changes.

- Amendments to Rule 8.1.3 update an internal rule reference and simplify existing language.
- Amendments to Rule 8.2.1 include the repeal and replacement of sections (a) through (e) with new language to clarify how a licensee may raffle a motor vehicle.
- Amendments to Rule 8.2.2 include the repeal and replacement of sections (a) through (e) with new language to clarify how a licensee may raffle real estate, including real estate containing an existing house.
- Amendments to Rule 8.2.3 include the repeal and replacement of sections (a) through (d) with new language to clarify how a licensee may raffle real estate that will include a house under construction.
- Amendments to Rule 8.3.3 restructure the existing language into subsections (a) through (c) for clarity.
- Amendments to Rule 8.3.4 simplify existing language.
- Amendments to Rule 8.3.5 clarify that each ticket sold for wheel raffles must match only one of the numbers or symbols on the wheel and include necessary grammatical changes.
- Amendments to Rule 8.4.1(b) identify the “Jackpot Prize Card” as the winning card that is called. Additionally, there are amendments in this rule to simplify existing language.
- Amendments to Rule 8.4.5 include the restructuring of existing current subsections (a)(3) and (4) to standalone sections (b) and (c) and necessary grammatical changes. Additionally, current subsection (a)(3) requires a licensee to retain any proceeds from raffle tickets sold after the progressive prize reaches the \$15,000 prize limit.
- Amendments to Rule 8.4.6 require that the sign must be posted in a conspicuous location.
- Amendments to Rule 9 concerning prize amounts and payment of prizes.
  - Amendments to Rule 9.1 clarify that a licensee may award any amount as a prize for any single game of traditional bingo and a maximum of \$1,000 for any single game of strip bingo so long as the total value of prizes offered during a bingo occasion does not exceed the statutory maximum of \$15,000. This includes the repeal and replacement of language in Rules 9.1.1 and 9.1.2.
- Amendments to Rule 10 concerning accounting for receipts and deposits.
  - Amendments to Rule 10.1.2 update the terminology from “bingo strip card” to “strip bingo card” since statute and Rule 1.2 were repealed and replaced with new



statute and Rule 1.18. Additionally, there are amendments that include grammatical changes.

- Amendments to Rule 10.1.3 update a statutory reference and simplify existing language.
- Amendments to Rule 10.2.1 simplify existing language.
- Amendments to Rule 10.2.4 include language to remain consistent with forms provided by the Secretary of State's office and necessary grammatical changes.
- Amendments to Rule 10.2.5 simplify existing language.
- Amendments to Rule 10.2.7 simplify existing language.
- Amendments to Rule 10.3, including Rules 10.3.1 through 10.3.5, update the allowable expenses limitations and necessary grammatical changes. This increases the bookkeeper or accountant services limit from \$100 to \$200, the security expenses limit from \$100 to \$400, and the janitorial services limit from \$100 to \$200.
- Amendments to Rule 11 concerning rental agreements. The amendments to this rule are grammatical or technical.
- Amendments to Rule 12 concerning landlord licensees.
  - Amendments to Rules 12.2.1 through 12.2.3 simplify existing language.
- Amendments to Rule 13 concerning manufacturer and supplier licensees.
  - Amendments to Rules 13.2.1 and 13.2.2 reverse the order of "supplier or manufacturer" to be consistent with other rules and simplify existing language.
  - Amendments to Rule 13.3, including Rules 13.3.1 through 13.3.3, reverse the order of "supplier or manufacturer" to be consistent with other rules.
  - Amendments to Rule 13.4, including Rules 13.4.1 and 13.4.2, reverse the order of "supplier or manufacturer" to be consistent with other rules.
- Amendments to Rule 14 concerning electronic devices used as bingo aids and bingo aid computer systems manufacturers and supplier requirements.
  - Amendments to Rule 14.1.1(h) update a statutory reference.
  - Amendments to Rule 14.4 simplify existing language.
- Amendments to Rule 15 concerning fines.

- Amendments to Rule 15.1 repeal language that does not exist in current statute after the passage of House Bill 24-1326.
- Amendments to Rule 15.2 increase the class 1 violation fine from \$100 to \$175 and necessary grammatical changes.
- Amendments to Rule 15.3 increase the class 2 violation fine from \$75 to \$125 and necessary grammatical changes.
- Amendments to Rule 15.4 increase the class 3 violation fines from \$20 to \$50 and \$50 to \$75, if the violation is repeated or knowing and deliberate, and necessary grammatical changes.

Other changes to rules not specifically listed are non-substantive and necessary for consistency with Department rulemaking format and style. Cross-references in rules are also corrected or updated.

## **II. Rulemaking Authority**

The statutory authority is as follows:

- House Bill 24-1326, enacted June 5, 2024.
- Section 24-21-605(1)(a)(II), C.R.S., (2023), which authorizes the Secretary of State to “impose a reasonable fine for any violation of [the Bingo and Raffles Law] or any rule adopted pursuant to [the Bingo and Raffles Law], not to exceed two hundred fifty dollars per citation...”
- Section 24-21-605(1)(b), C.R.S., (2023), 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 . . . [.]”
- Section 24-21-617(5), C.R.S., (2023), which requires the Secretary of State to establish by rule the method of play for games of chance.
- Section 24-21-620(2)(f)(I), C.R.S., (2023), which authorizes the Secretary of State to establish by rule the permitted methods of conducting a progressive raffle.
- Section 24-21-622(6)(a)(II)(B), (D), and (E) C.R.S., (2023), which authorizes the Secretary of State to establish by rule the reasonable amounts a bingo-raffle licensee may pay for accountant services, janitorial services, and security expenses.

# Preliminary Draft of Proposed Rules

## Colorado Department of State Bingo and Raffle Games 8 CCR 1505-2

July 15, 2024

### Disclaimer:

In accordance with the State Administrative Procedure Act, this draft is filed with the Colorado Department of State and submitted to the Department of Regulatory Agencies.<sup>1</sup>

This is a preliminary draft of the proposed rules that may be revised before the August 14, 2024 rulemaking hearing. If changes are made, a revised copy of the proposed rules will be available to the public and a copy will be posted on the Department of State's website no later than **August 9, 2024**.<sup>2</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

Table 1 - Formatting Key

*Amendments to 8 CCR 1505-2 are as follows:*

*Amendments to Rule 1 are as follows:*

*Rule 1.2 repealed due to the repeal of section 24-21-605(5.5), C.R.S.:*

1.2 — ~~“Bingo strip card” means a strip of up to five connected paper bingo cards with each card containing a concealed grid of preprinted numbers ranging from one to seventy-five as specified in section 24-21-602(5.5), C.R.S. Symbols cannot be used in the grid. Each grid may contain no more than one free space.~~

*[Not shown: current Rule 1.3 renumbered to Rule 1.2.]*

<sup>1</sup> Sections 24-4-103(2.5) and (3)(a), C.R.S. (2023). A draft must be submitted to the Department at the time that a notice of proposed rulemaking is filed with the Secretary of State.

<sup>2</sup> Section 24-4-103(4)(a), C.R.S. (2023). “[A]ny proposed rule or revised proposed rule by an agency which is to be considered at the public hearing...shall be made available to any person at least five days prior to said hearing.”

*Amendments to current Rule 1.3 concerning a grammatical change and renumbering to Rule 1.3:*

4.41.3 “Call- fulfillment center” means a registered company that employs telephone operators to answer calls and provide data-entry services.

*[Not shown: current Rule 1.5 renumbered to Rule 1.4.]*

*Amendments to current Rule 1.6 concerning grammatical changes and renumbering to Rule 1.5:*

4.61.5 “Double AAction GGame” means a bingo game that uses a bingo card containing the letters “B I N G O” placed horizontally over a ~~five by five~~ FIVE-BY-FIVE matrix of squares with the center square blank, where each of the other squares contains two numbers in the range of one to 75.

*[Not shown: current Rules 1.7 through 1.9 renumbered to Rules 1.6 through 1.8. This includes current Rules 1.8.1 through 1.8.4 being renumbered to Rules 1.7.1 through 1.7.4.]*

*Amendments to current Rule 1.10 concerning grammatical changes and renumbering to Rule 1.9:*

4.101.9 “Licensed PPremises” means the premises owned, leased by, or controlled by a licensee and used for games of chance, and that are not leased to other licensees for the conduct of games of chance.

*Rule 1.11 repealed due to re-stating statute:*

1.11 —“Licensee” has the same meaning as set forth in section 24-21-602(3), C.R.S.

*Amendments to current Rule 1.12 concerning grammatical changes and renumbering to Rule 1.10:*

4.421.10 “Master BBoard” means the rack in which a bingo ball is placed after it is taken from the receptacle. If a master board is electronically connected to a lighted display board with an electronic random number generator that calls numbers, THEN the lighted display board is the master board.

*Amendments to current Rule 1.13 concerning a grammatical change and renumbering to Rule 1.11:*

4.431.11 “Pack” means a collation of disposable paper bingo cards, including ~~binge~~ strip BINGO cards, or sheets.

*Amendments to current Rule 1.14 concerning grammatical changes and renumbering to Rule 1.12:*

4.441.12 “Pre-DDraw CConcealed FFace GGame” means a bingo game in which a designated number of balls, objects, or numbers are drawn or randomly generated in the presence of at least ten players ~~prior to~~ BEFORE the purchase of the cards. Players purchase concealed face cards after the designated number of balls, objects, or numbers is drawn or randomly generated. The licensee announces the resumption of the game and continues to draw balls or generate numbers until a player signals a bingo.

*Amendments to current Rule 1.15 concerning grammatical changes and renumbering to Rule 1.13:*

4.451.13 “Progressive PPull Ttab” means a game consisting of one or more seal pull tab deals with identical form numbers that offers a cumulative or carryover jackpot prize. The prize structure for a progressive pull tab game is predetermined by the game’s manufacturer. The structure includes a cumulative jackpot prize, to which each deal of the game in which the jackpot prize is not won contributes a pre-designated amount.

*Amendments to current Rule 1.16 concerning grammatical changes and renumbering to Rule 1.14:*

- ~~4.16~~1.14 “Progressive Jackpot (“Progressive”) B~~B~~ingo G~~G~~ame” means a bingo game of the specific type authorized by section 24-21-602(1)(b), C.R.S., in which a prize amount is carried over to the subsequent game in the progression if no bingo is achieved within a specified number of balls drawn and called. Progressive bingo games cannot be played with ~~bingo-strip~~ BINGO cards.

*[Not shown: current Rule 1.17 renumbered to Rule 1.15. This includes current Rules 1.17.1 and 1.17.2 being renumbered to Rules 1.15.1 and 1.15.2.]*

*Amendments to current Rule 1.18 concerning grammatical changes and renumbering to Rule 1.16:*

- ~~4.18~~1.16 “Renewal AApplication” means an application for bingo-raffle license renewal filed by a currently licensed, qualified organization.

*Amendments to current Rule 1.19 concerning grammatical changes and renumbering to Rule 1.17:*

- ~~4.19~~1.17 “Seal PPull tab” means a pull tab game that offers one or more prizes by means of a flare or a jackpot card that is part of a pull tab deal. The flare or jackpot card includes a section bearing a tab or tabs that must be torn or broken apart to reveal a winning combination or combinations.

*New Rule 1.18 concerning the definition of strip bingo card used in these rules:*

- 1.18 “STRIP BINGO CARD” MEANS A PAPER STRIP OF UP TO FIVE CONNECTED PAPER BINGO CARDS WITH EACH CARD MATCHING THE REQUIREMENTS IN SECTION 24-21-602(40.5), C.R.S.

*[Not shown: current Rule 1.20 renumbered to Rule 1.19.]*

*Amendments to current Rule 1.21 concerning simplifying language and renumbering to Rule 1.20:*

- ~~4.21~~1.20 “Ticket” means a slip of paper or any other object that is discrete from every other object sold, which ~~evidences~~ SHOWS that the person to whom it is issued, or the current holder, is entitled to some right or privilege as indicated by the licensee.

*Amendments to Rule 2 are as follows:*

*Amendments to Rule 2.1 concerning grammatical changes and repealing unnecessary language:*

2.1.1 Initial AApplication

- (a) An applicant seeking a bingo-raffle license must submit a complete application, using the form prescribed by the Secretary of State, in addition to the following:

*[Not shown: no changes to subsections (1) through (3).]*

- (4) Proof that the organization has functioned for ~~the~~ AT LEAST five years immediately preceding the application date and that the organization has had members throughout this period. Proof of existence consists of:

- (i) Articles of Incorporation dated more than five years from the date of application, stating that the organization has members; and

*[Not shown: no changes to sub-subsections (ii) and (iii).]*

(iv) — ~~Repealed.~~

*[Not shown: no changes to sections (b) and (c).]*

*Amendments to Rule 2.1.2 concerning grammatical changes:*

2.1.2 ~~Renewal A~~Application. To renew a bingo-raffle license, a licensee must submit a complete renewal application, using the form prescribed by the Secretary of State, in addition to the following:

- (a) The items listed in Rule 2.1.1(a)(1)-(3); and

*[Not shown: no changes to section (b).]*

*Amendments to Rule 2.3 concerning a grammatical change:*

2.3 Games managers-

*Amendments to Rule 2.3.2 concerning a grammatical change:*

2.3.2 The designated games manager must be continuously present during and for at least 30 minutes after a raffle drawing, a bingo occasion, or a bingo occasion-related pull tab game.

*Amendments to Rule 2.4.1 concerning grammatical changes. In section (a), requiring the inclusion of the Secretary of State's email address on notices provided to player, at their request. In section (c), concerning a grammatical change:*

2.4.1 Constitution, ~~s~~Statutes and ~~R~~Rules. Each licensee must keep a current copy of the bingo-raffle constitutional provisions, ~~statutes~~ THE BINGO AND RAFFLES LAW, and rules at the location and during the time that an activity is held. The licensee must show the law and rules to any person on demand.

- (a) Before the start of the first bingo game, the licensee must inform the players in attendance, by posting or announcement, that the players may obtain copies of the Bingo and Raffles Law and rules from the Secretary of State's office. The notice must include the Secretary of State's address ~~and~~, phone number, AND EMAIL ADDRESS.

*[Not shown: no changes to section (b).]*

- (c) The licensee must post any material as MAY BE required by the Secretary of State from time to time.

*Amendments to Rule 2.4.3 concerning a grammatical change:*

2.4.3 Occasion ~~R~~Rules. Each licensee must post a sign, in a conspicuous location and in at least 12-point font, that includes the following information:

*Amendments to Rule 2.4.4 concerning the requirement to have a notice be in at least 12-point and posted in a conspicuous location and grammatical changes:*

2.4.4 Prize information-

- (a) At the beginning of each occasion, the licensee must ~~conspicuously~~ post the number and amount of cash prizes and how the prizes may be won, including the cost to players. THE LICENSEE MUST USE AT LEAST 12-POINT FONT AND POST THE INFORMATION IN A CONSPICUOUS LOCATION.

*[Not shown: no changes to sections (b) and (c).]*

*Amendments to Rule 2.4.5 concerning the requirement to have a notice be in at least 12-point and posted in a conspicuous location and grammatical changes:*

- 2.4.5 Notice of Cancellation of THE BINGO OCCASION. A licensee may only cancel a previously scheduled occasion by posting a notice of cancellation at the location of the scheduled game at least one hour ~~prior to~~BEFORE the scheduled beginning of the occasion. THE LICENSEE MUST USE AT LEAST 12-POINT FONT AND POST THE NOTICE IN A CONSPICUOUS LOCATION.

*Amendments to Rule 2.5 concerning a statutory reference update:*

- 2.5 A licensee may presell tickets in accordance with section 24-21-604(4)~~617~~(16), C.R.S., as follows:

*Amendments to Rule 2.5.2 concerning the repeal of Rule 1.2 and the new definition of Rule 1.18 and necessary reformatting:*

- 2.5.2 A licensee may not presell or authorize reserving a:

- (a) ~~“Bingo strip card,” as defined in Rule 1.2;~~  
(A)(b) “Card,” as defined in section 24-21-602(7), C.R.S.;  
(B)(c) “Pull tab,” as used in section 24-21-602(36), C.R.S.; ~~or~~  
(C) “STRIP BINGO CARD,” AS DEFINED IN RULE 1.18; OR  
(d) Specific seat.

*Amendments to Rule 3 are as follows:*

*Amendments to Rule 3.1 concerning grammatical changes:*

- 3.1 GENERAL CConduct of BINGO GGames in General

*Amendments to Rule 3.1.2 concerning grammatical changes and simplifying language:*

- 3.1.2 Authorized equipment and cards. A licensee must keep authorized equipment and cards, including all bingo-related items, in good repair and sound working condition. The Secretary of State may order, in writing, THE IMMEDIATE REPAIR OR REPLACEMENT OF any equipment, cards, or related items ~~immediately repaired or replaced~~ if they are found to be defective.

*[Not shown: no changes to section (a).]*

- (b) Balls used during bingo games must be in the master board before each occasion, and at least one player must verify that all balls are present immediately ~~prior to~~BEFORE the first game of the occasion. Licensees that use

electronic random number generators must ensure that all numbers on the lighted board can be illuminated.

*[Not shown: no changes to sections (c) and (d).]*

*Amendments to Rule 3.1.5(b) concerning grammatical changes:*

3.1.5 Closing a bingo game. Each bingo game must close in accordance with the following procedure:

*[Not shown: no changes to section (a).]*

- (b) The caller may not call the next ball removed from the machine or otherwise selected, until the signaled bingo is verified or invalidated. If a bingo has been signaled and a worker acknowledges the player but the caller was unaware and continues to call the next ball, the effect of the preceding ball is suspended pending THE verification or invalidation of the last bingo. If the signaled bingo is verified, the caller must return the ball to the machine unless the verified bingo is part of a multi-part or continuing game.

*[Not shown: no changes to sections (c) through (g).]*

*Amendments to Rule 3.1.6 concerning a grammatical change:*

3.1.6 Multiple bingo winners-

*[Not shown: no changes to sections (a) and (b).]*

*Amendments to Rule 3.1.7 concerning grammatical changes and simplifying language:*

3.1.7 Workers-

*[Not shown: no changes to section (a).]*

- (b) A licensee must file with the Secretary of State a revised list of members who will work any bingo-raffle activities if the list submitted with the licensee's application ~~is~~ HAS changed by the addition of DUE TO new members.

*[Not shown: no changes to sections (c) and (d).]*

*Amendments to Rule 3.2, including Rules 3.2.1 through 3.2.15, concerning grammatical changes:*

3.2 Progressive JJackpot BBingo GGAMES. The following requirements apply specifically to progressive-jackpot bingo GAMES.

3.2.1 Required PPostings. In addition to any postings otherwise required by these rules, a licensee that conducts a progressive jackpot BINGO game must also post, a sign in at least 12-point font stating:

*[Not shown: no changes to sections (a) and (b).]*

- (c) The price and description, including color and design, of the cards for the progressive BINGO game;

*[Not shown: no changes (d) through (f).]*



- (g) The amount of the regular game prize if the licensee elects to continue a progressive BINGO game as a regular game when the progressive jackpot is not won; and
  - (h) If the licensee is operating a progressive ~~jackpot~~-bingo game and is withholding 10% of the gross sales of progressive cards as a secondary jackpot, a statement to that effect.
- 3.2.2 Number of ~~P~~Progressive BINGO ~~G~~Games ~~A~~Allowed. A licensee may not conduct more than three progressive bingo games simultaneously, except that a licensee that conducts a members-only bingo occasion may conduct successive games of a progression during a single bingo occasion.
- 3.2.3 Method of ~~P~~Play-
- (a) A licensee may start a single game of progressive bingo, in an amount not to exceed \$500 or the amount of the secondary jackpot from a prior progression, whichever is greater. A progressive BINGO game is won when a previously designated arrangement of numbers or spaces on a card or sheet is covered within a previously designated number of objects or balls drawn.

*[Not shown: no changes to section (b).]*

- (c) On the second and subsequent occasions, the jackpot amount increases by a percentage of the gross proceeds, not greater than 70%, collected from the sale of progressive bingo cards or sheets during that occasion or on the prior occasion. If a licensee is conducting a progressive ~~jackpot~~-bingo game with a secondary jackpot, 10% of the gross proceeds collected from the sale of progressive bingo cards or sheets at that occasion or the prior occasion must be set aside and segregated from the jackpot amount in the bingo-raffle account.
- (d) A progressive jackpot may not exceed \$15,000. Upon reaching \$15,000, the licensee must award the jackpot to the player completing the designated pattern regardless of the number of objects or balls called. If the jackpot reaches \$15,000, the licensee ~~may~~-MUST award the jackpot on that or the following occasion.
- (e) A licensee may impose BY HOUSE RULE a progressive jackpot maximum below the \$15,000 maximum ceiling-~~set by rule~~. Upon reaching the self-imposed maximum, the licensee must award the jackpot to the player completing the designated pattern regardless of the number of objects or balls called. When the maximum is reached, the licensee may choose to stop contributing the set percentage of the proceeds to the jackpot (hard cap) or continue to contribute the same percentage until the jackpot prize is won (soft cap). The licensee must award the jackpot at the occasion during which the maximum was reached or at the following occasion. The licensee must post notice of self-imposed caps in accordance with Rule 3.2.1.

*[Not shown: no changes to Rule 3.2.4.]*

- 3.2.5 Successive bingo occasions. Once a progressive ~~jackpot~~-bingo game begins at a public bingo occasion, it must continue at each successive bingo occasion of the licensee at the same location until a player wins the jackpot. If a progressive is started at a members-only occasion, successive progressive BINGO games for that jackpot must occur at successive members-only occasions.

- 3.2.6 Card type. The licensee must use the same type of progressive BINGO game card throughout all games in a progression.

*[Not shown: no changes to Rules 3.2.7 through 3.2.9.]*

- 3.2.10 Pre-game Announcements. Immediately before drawing the first ball for any progressive BINGO game, the caller must clearly announce the maximum number of balls to be called in which a player must complete the pattern or number arrangement required to win the progressive jackpot prize, the jackpot prize amount, the card description, and the date and time of the next occasion if the jackpot prize is not awarded.
- 3.2.11 No winner of progressive. If no player wins a progressive jackpot in the designated number of balls called, the entire jackpot prize amount, without deduction for consolation prizes, will carry over to the next game in the progression. After the designated number of balls is called, the licensee may either proceed to its next regular bingo game or continue the current game as its next regular game. If the game is continued as a regular game, the licensee must publicly announce the start of the regular bingo game. The pattern or arrangement required to win may not change, and the prize amount is subject to the limitations in these rules.
- 3.2.12 Winner of progressive. The caller, a floor worker, and a player other than the winning player must verify a winning card by the manufacturer's identification number, series number, and balls called.
- 3.2.13 Conditions affecting the award of the final progressive bingo jackpot prize-

*[Not shown: no changes to sections (a) and (b).]*

- 3.2.14 Inability to conduct occasion at regular licensed premises. If a licensee cannot conduct the next game in the progression at the location where the progression started, the licensee must post a notice on the premises where the last game in the progression was conducted announcing the date, time, and location of the next game in the progression. If known at the time, the caller must make this announcement at the conclusion of the progressive jackpot BINGO game before the change in location.
- 3.2.15 Multiple locations. If a licensee regularly conducts bingo occasions at least weekly at each of two licensed commercial bingo facilities, the licensee may offer and continue one progressive jackpot bingo progression at each facility as long as all games in a single progression are conducted at the location where the progression began, except where the provisions of Rules 3.2.13 or 3.2.14 apply.

*Amendments to Rule 3.3, including Rules 3.3.1(i) and 3.3.2, concerning grammatical changes:*

### 3.3 Disputed games-

- 3.3.1 If the licensee discovers verifiable problems with the bingo balls, equipment, or operation of the equipment, the games manager must settle the dispute in the following manner:

*[Not shown: no changes to sections (a) through (h).]*

- (i) Loss of electrical power. If electrical power is lost during an occasion, the games manager must wait a minimum of 30 minutes, but no more than one hour, before terminating an occasion. Reimbursement for games not played or for the rental of electronic bingo aid devices will be as set forth in the occasion rules posted prior to BEFORE the game.

*[Not shown: no changes to section (j).]*

- 3.3.2 Games Manager's Log. The games manager must keep a written log of all disputed games. The entries must include the occasion date, the game played, a short description of the dispute, the names and addresses of players involved in the dispute if the dispute involves a called bingo, and the resolution determined by the games manager.

*Amendments to Rule 3.4 concerning grammatical changes:*

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

*Amendments to Rule 3.4.4 updating a statutory reference:*

- 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 24-21-617(16)604(4), C.R.S., and Rule 2.5), or chances for the next occasion during the previous occasion or during the period between the two occasions.

*Amendments to Rule 4 is as follows:*

*Amendments to Rule 4.1.3 concerning grammatical changes:*

- 4.1.3 Set price. A licensee:
- (a) Must sell all cards, packs, and sheets at a set price;-
  - (b) May offer discounts on the basis of criteria available to all players, such as quantity purchased;-
  - (c) Must set a price for the purchase, lease, or use of an electronic bingo aid device and that price must not change throughout DURING the bingo occasion;-
  - (d) Must charge identical fees for electronic and non-electronic bingo card faces;  
AND-

*[Not shown: no changes section (e).]*

*Amendments to Rule 4.1.4 concerning a change in terminology to be consistent with the definition in new Rule 1.18:*

- 4.1.4 Sales of individual sheets and cards. At all bingo occasions where individual disposable cards, including bingo-strip BINGO cards, or sheets are sold, the following procedures apply:

*Amendments to Rule 4.1.5 concerning simplifying language and grammatical changes:*

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

*[Not shown: no changes to section (a).]*

- (b) Each card or face sold for a progressive BINGO game must contain five rows of five squares with 24 preprinted numbers, or 48 preprinted numbers in the case of double action games, from the range of 1-75, a free center space, and the letters B I N G O printed in order over the five columns.

*[Not shown: no changes (c).]*

- (d) A licensee must sell progressive bingo cards ~~prior to~~BEFORE the drawing of the first number for the game, except that, if the progressive BINGO game is a pre-draw concealed face game, the licensee may sell cards after the first drawing of numbers and before the game resumes.
- (e) A licensee must sell and account for progressive BINGO cards separately from other cards, sheets, or packs sold or used at a bingo occasion. A licensee may, by house rule, make purchase of a pack or door card a prerequisite for purchase of a progressive BINGO card.

*Amendments to Rule 4.2.3 concerning simplifying language:*

- 4.2.3 Manufacturer's identification number. ~~Prior to~~BEFORE starting any game using disposable sheets or packs, the bingo caller must have the manufacturer's identification number and/or card number and the series number of the set of cards sheets or packs offered for sale for that particular occasion. When a player completes a bingo, the worker on the floor checking the bingo must read the manufacturer's identification number and/or card number and the series number of each winning sheet. Payment may not be made unless both numbers were among those offered for sale for that game.

*Amendments to Rule 4.3.1 concerning simplifying language:*

- 4.3.1 All pre-draw concealed face cards must be conspicuously identified ~~prior to~~BEFORE sale or transfer to any player so that the concealed face card may not be played at any occasion other than the one at which the card was sold or transferred.

*Amendments to Rule 5 are as follows:*

*Amendments to Rule 5.1 concerning a grammatical change:*

#### 5.1 Pull Tabs

*Amendments to Rule 5.1.5 concerning grammatical changes:*

- 5.1.5 Defective pull tabs. A licensee may not permit the display, sale, or operation of a defective pull tab.
  - (a) The following are types of defective pull tabs:
    - (1) A pull tab that is marked, defaced, tampered with, or otherwise placed in a condition that may deceive the public;-
    - (2) A series or deal of pull tabs that consists of more than one serial number or ticket name; AND-
    - (3) A pull tab that contains printer or manufacturer mistakes or misstatements that adversely affect the gross receipts and/or profit of the pull tab series or deal.

*[Not shown: no changes to sections (b) and (c).]*

- (d) The licensee must return the defective pull tabs in the licensee's possession, including all returned, redeemed, and unopened tickets, to the manufacturer no earlier than the 30<sup>TH</sup>~~thirtieth~~ day after discovery or the inspection of the defective deal or series by the Secretary of State, whichever comes first.

*Amendments to Rule 5.1.9(a) concerning a grammatical change:*

- 5.1.9 Defacing winning pull tabs. Before the end of the bingo occasion, the licensee must ensure that the winning combination of every winning pull tab ticket is defaced so that the winning ticket combination is identifiable but cannot be altered or used again.
  - (a) A licensee that conducts pull tabs only on its premises, must deface the winning pull tab tickets daily.

*[Not shown: no changes to section (b).]*

*Amendments to Rule 5.1.10 concerning a grammatical change:*

- 5.1.10 Paying pull tab prizes-

*Amendments to Rule 5.2 concerning grammatical changes:*

- 5.2 Seal P~~P~~ull T~~T~~ab O~~O~~perations-

*Amendments to Rule 5.2.5 concerning grammatical changes:*

- 5.2.5 Small deals-

*Amendments to Rules 5.3 and 5.3.1 concerning grammatical changes:*

- 5.3 Last s~~S~~ale P~~P~~ull T~~T~~ab O~~O~~perations-

- 5.3.1 Upon opening a last sale deal of pull tabs for sale, a licensee must display and make available for sale all pull tabs contained in the deal. If the pull tab deal exceeds 5,000 tickets, the licensee is not required to display all pull tabs, but must post a conspicuous notice upon the receptacle indicating whether all unsold tickets in the deal are contained in the receptacle.

*Amendments to Rule 5.3.3 concerning an update to the identification requirement for verifying the winner of the last pull tab prize:*

- 5.3.3 A licensee may sell or pay in full any pull tab deal that offers a prize for the last sale in the deal if the licensee:

*[Not shown: no changes to section (a).]*

- (b) Verifies the identification of the winner of the last sale pull tab prize, regardless of amount, including name, address, and driver's license number or ~~Colorado~~ GOVERNMENT-ISSUED identification CARD number. No last sale prize may be paid without such verified information.

*Amendments to Rule 5.4 concerning grammatical changes:*

- 5.4 Progressive Pull Tab Operations. A licensee may conduct a progressive pull tab game if it complies with all rules and regulations concerning the sale and operation of pull tabs in general and the following specific requirements:

*Amendments to Rule 5.4.4 concerning a grammatical change:*

- 5.4.4 Award of prizes. A licensee must only award prizes in a progressive pull tab game in accordance with the manufacturer's pre-designated prize structure for the game.

*Amendments to Rule 5.4.5 concerning simplifying language and grammatical changes:*

5.4.5 Flare

- (a) Format. The flare or jackpot card for each deal in a progressive pull tab game must show, the amount dedicated to the progressive jackpot prize and the current total of the prize. The jackpot prize amount must be modified on the flare each time a contribution is made to the jackpot from sales of progressive pull tab tickets at the immediately preceding occasion and the sales of progressive pull tab tickets during the current occasion.
- (b) Display. The licensee must display or keep available for viewing the flare or jackpot card for each deal in a progressive pull tab game BEING played or that has been played during the course of a progressive PULL TAB game. The flare must be available for viewing at all times the game is in play until the progressive jackpot prize is won.

*Amendments to Rule 5.4.6 concerning grammatical changes:*

5.4.6 Maximum prize-

*[Not shown: no changes to sections (a) and (b).]*

- (c) All proceeds from the sale of progressive pull tabs after the jackpot amount reaches \$5,000 are considered part of the bingo-raffles licensee's gross proceeds from the progressive PULL TAB game.
- (d) If a jackpot prize reaches \$5,000 without a winner:

*[Not shown: no changes to subsection (1).]*

- (2) If there are no specifications built into the progressive game being conducted, the game must continue in accordance with the manufacturer's specifications until the game is won. The licensee, however, may not make further contributions to the jackpot amount in accordance with Rule 5.4.6(c).

*Amendments to Rule 5.4.7 concerning the repeal of section (b), grammatical changes, and necessary renumbering:*

5.4.7 Conditions affecting the award of the final progressive pull tab jackpot prize

- (a) If the licensee plans, expects, or otherwise foresees the occurrence of an event listed in (1), (2), or (3) below, the licensee must ensure that it can still determine a winner and award the PROGRESSIVE PULL TAB jackpot prize before the

occurrence of the event on the licensee's last authorized bingo occasion at the location where the progression was started:

*[Not shown: no changes to subsections (1) through (3).]*

- (b) ~~If at the final authorized bingo occasion referenced in Rule 5.4.7(a), there is no winner of the jackpot prize on the last deal played, the licensee must continue to draw tickets until a winner is determined.~~
- (B)(e) If an event in Rule 5.4.7(a)(1)–(3) occurs without THE licensee's foreknowledge before the date of the last authorized bingo occasion, the licensee must contact the Secretary of State for approval of a means of determining a winner and awarding any jackpot prize.

*Amendments to Rule 5.4.9 concerning a grammatical change:*

- 5.4.9 Conclusion of game. A progressive pull tab game must end with the award of the cumulative jackpot prize or, if the jackpot prize is unclaimed, upon expiration of a 15-day period after THE determination of the winner. If a jackpot prize is not claimed by the next day or occasion on which the licensee conducts pull tab activities, the licensee may begin a new progressive pull tab game.

*Amendments to Rule 5.4.10 concerning a grammatical change:*

- 5.4.10 Display of winner(s) and notice to winner(s). If a jackpot prize is not claimed upon THE determination of a winner, a licensee shall continue to display all flares and jackpot cards for 15 days after such determination. The display must be in plain view of all players at the licensee's bingo occasions or pull tab operations. The licensee shall also provide the winner with the notice prescribed for all winners.

*Amendments to Rule 5.5 concerning the repeal and reincorporation of current Rules 5.5.1 and 5.5.2 to Rule 5.5 and necessary grammatical changes and renumbering:*

- 5.5 Multiple locations. A licensee that conducts bingo occasions at two or more locations may ALSO conduct pull tab operations at each location, if the bingo-raffle licensee USES A DIFFERENT DEAL OF PULL TABS AT EACH LOCATION AND DOES NOT USE PULL TABS WITH THE SAME NAME, FORM NUMBER, AND SERIAL NUMBER AT MORE THAN ONE LOCATION.:

~~5.5.1 Uses a different deal of pull tabs at each location.~~

~~5.5.2 Does not use pull tabs with the same name, form number and serial number at more than one location.~~

~~5.5.35.5.1~~ Termination of operations at premises. If the licensee terminates operations at one location, the licensee must display and sell all opened pull tab deals from the terminated location with the pull tabs at one of the remaining locations.

~~5.5.45.5.2~~ Records. The licensee must maintain the required records for all deals regardless of where the pull tabs were sold and must make those records available to the Secretary of State upon request at the location where the pull tabs were sold.

*Amendments to Rule 6 are as follows:*

*Amendments to Rule 6.1 concerning a grammatical change:*

6.1 Usage of electronic bingo aid devices-

*Amendments to Rule 6.2.3(b) concerning simplifying language:*

- 6.2 Required reports. A licensee that uses a bingo aid computer system must produce and attach to its daily bingo occasion records the report generated by the bingo aid computer system. The report must show at least the following information:

*[Not shown: no changes to Rules 6.2.1 and 6.2.2.]*

- 6.2.3 A description of each transaction processed, including all voids and refunds, which shows:

*[Not shown: no changes to section (a).]*

- (b) The quantity, description and price of all cards and sheets, including specials, progressives and extras that were sold, refunded or voided ~~in the course of~~ DURING the transaction;

*[Not shown: no changes to sections (c) and (e).]*

*Amendments to Rule 6.3 concerning a grammatical change:*

6.3 Data backup and security-

*Amendments to Rule 6.3.2 concerning grammatical changes:*

6.3.2 Data security

- (a) A licensee must not access or attempt to access a bingo aid computer system's data that does not belong to the licensee.
- (b) A licensee must protect, secure and safeguard its unique system identification from unauthorized disclosure or use. If the licensee discovers or suspects that system security has been breached or compromised, the licensee must:
- (1) Immediately ~~Report~~ Report the breach or compromise to the Secretary of State; and
  - (2) Disable access to the system and either issue new identification and passwords or stop using the system until new identification and methods of access have been provided by the manufacturer, supplier or agent.

*[Not shown: no changes to section (c).]*

*Amendments to Rule 6.4.3 concerning simplifying language:*

- 6.4.3 Passive Play. The passive play of a bingo game ~~by means of~~ USING an electronic bingo aid device is prohibited. Players must physically enter each number called by either manually entering the number or by touching a button or a screen icon.

*Amendments to Rule 8 are as follows:*

*Amendments to Rule 8.1.1 clarifying what members cannot do when selling tickets and concerning grammatical changes and simplifying language:*



#### 8.1.1 Selling Tickets-

- (a) Except as provided in Rule 8.1.1(e), only members of the licensee may sell tickets for entry into a raffle drawing. Members ~~may~~**MUST** not receive remuneration for selling raffle tickets; and ~~may~~**MUST** not sell raffle tickets while they are receiving compensation for performing regular duties for the licensee.
- (b) A licensee must sell tickets for entry in a raffle drawing at a stated price, and each ticket must constitute a separate and equal chance to win.
- (c) A licensee must provide any conditions that may affect the stated price of a raffle ticket to the public ~~prior to~~**BEFORE** the sale of the first raffle ticket. If any of the following apply, then the licensee must provide the information to the ticket purchaser at the time of sale:
  - (1) The date(s) ~~or dates~~ that the price of an individual ticket or group of tickets may increase or decrease;-
  - (2) Any discounted price that is based on the purchase of a minimum number of tickets; AND-
  - (3) The method of determining the number of tickets at a set price, such as in a stretch raffle.

*[Not shown: no changes to section (d).]*

- (e) Licensees may contract with a call fulfillment center to process raffle ticket orders if:
  - (1) The call fulfillment center only receives incoming calls from ticket-purchasers and processes ticket-purchaser information;

*[Not shown: no changes to subsection (2).]*

- (3) The licensee submits a form prescribed by the Secretary of State that contains details of the agreement between the licensee and the call fulfillment center ~~prior to~~**BEFORE** the sale of raffle tickets through the call fulfillment center.

*Amendments to Rule 8.1.3 concerning simplifying language and an internal rule reference update:*

- 8.1.3 Ownership of prizes. The licensee must fully own merchandise offered as a raffle prize except as provided in Rules 8.2, ~~8.3, and 8.4~~. The raffle prize must be free of debt, lien and encumbrance ~~prior to~~**BEFORE** the sale of raffle tickets.

*Amendments to Rule 8.1.6 concerning a grammatical change:*

- 8.1.6 Cancellation. A licensee may not cancel a raffle after the first raffle ticket is sold unless the licensee demonstrates to the Secretary of State that it will provide A notice of cancellation to all ticket purchasers and refund the purchase amount to every purchaser.

*Amendments to Rule 8.1.7 concerning a grammatical change:*

- 8.1.7 Postponing or altering a drawing. A licensee must not alter or postpone a raffle after the first raffle ticket has been sold unless the licensee can demonstrate to the Secretary of

State that purchasers of raffle tickets will not be adversely affected by a substitution of prizes, OR a change of time or location and that the information concerning the raffle specifically states that a purchaser need not be present at the drawing to win.

*Amendments to Rule 8.2 concerning a grammatical change:*

8.2 Motor vehicle, real estate, or real estate under construction as a prize-

*Amendments to Rule 8.2.1 concerning the repeal and replacement of sections (a) through (e) with section (a) and (b) to clarify language pertaining to a licensee raffling a motor vehicle and necessary grammatical changes:*

8.2.1 A licensee may raffle a motor vehicle, if:

- ~~(a) The licensee files proof of ownership of the motor vehicle with the Secretary of State; or~~
- ~~(b) A contract exists between the owner of the motor vehicle and the licensee to transfer title to the motor vehicle to the holder of the winning ticket; and~~
- ~~(c) The licensee must announce prior to the sale of the first raffle ticket and the raffle ticket must contain information as to whether there are any encumbrances on the motor vehicle that the winner of the raffle will be subject to, including federal, state and local income taxes; and~~
- ~~(d) The licensee maintains, during the course of the sale of raffle tickets and continuing through the date of the raffle drawing, a certificate of deposit in the amount of the purchase price of the motor vehicle described in the contract required by Rule 8.2.1(b). If the motor vehicle owner fails to transfer title, the licensee must use the certificate of deposit to purchase an equivalent motor vehicle for delivery to the holder of the winning ticket; and~~
- ~~(e) Prior to the sale of the first raffle ticket, the licensee must submit evidence of the contract and certificate of deposit to the Secretary of State.~~
- (A) THE RAFFLE TICKET CONTAINS INFORMATION AS TO WHETHER THERE ARE ANY ENCUMBRANCES ON THE MOTOR VEHICLE THAT THE WINNER OF THE RAFFLE WILL BE SUBJECT TO, INCLUDING FEDERAL, STATE AND LOCAL INCOME TAXES; AND
- (B) WITH RESPECT TO OWNERSHIP OF THE MOTOR VEHICLE:
  - (1) THE LICENSEE FILES PROOF OF OWNERSHIP OF THE MOTOR VEHICLE WITH THE SECRETARY OF STATE; OR
  - (2) A CONTRACT EXISTS BETWEEN THE OWNER OF THE MOTOR VEHICLE AND THE LICENSEE TO TRANSFER TITLE TO THE MOTOR VEHICLE TO THE HOLDER OF THE WINNING TICKET UNDER THE FOLLOWING CONDITIONS:
    - (i) THE LICENSEE MUST MAINTAIN, DURING THE COURSE OF THE SALE OF RAFFLE TICKETS AND CONTINUING THROUGH THE DATE OF THE RAFFLE DRAWING, A CERTIFICATE OF DEPOSIT IN THE AMOUNT OF THE PURCHASE PRICE OF THE MOTOR VEHICLE DESCRIBED IN THE CONTRACT.

- (II) IF THE MOTOR VEHICLE OWNER FAILS TO TRANSFER TITLE, THE LICENSEE MUST USE THE CERTIFICATE OF DEPOSIT TO PURCHASE AN EQUIVALENT MOTOR VEHICLE FOR DELIVERY TO THE HOLDER OF THE WINNING TICKET; AND
- (III) BEFORE THE SALE OF THE FIRST RAFFLE TICKET, THE LICENSEE MUST SUBMIT EVIDENCE OF THE CONTRACT AND CERTIFICATE OF DEPOSIT TO THE SECRETARY OF STATE.

*Amendments to Rule 8.2.2 concerning the repeal and replacement of sections (a) through (e) with sections (a) and (b) to clarify language pertaining to a licensee raffling real estate and necessary grammatical changes:*

8.2.2 A licensee may raffle real estate, ~~or~~ INCLUDING real estate containing an existing house, if:

- ~~(a) The licensee files proof of ownership (such as a bill of sale); or~~
- ~~(b) A contract exists between the owner of the real estate and the licensee to transfer title to the real estate or the real estate that includes an existing house to the holder of the winning ticket; and~~
- ~~(c) The licensee must announce prior to the sale of the first raffle ticket and the raffle ticket must contain information as to whether there are any encumbrances on the real estate that the winner of the raffle will be subject to, including a mortgage and federal, state and local income taxes; and~~
- ~~(d) The licensee maintains, during the course of the sale of raffle tickets and continuing through the date of the raffle drawing, a certificate of deposit or bond in the amount of the purchase price of the real estate and/or house described in the contract required by Rule 8.2.2(b). If the owner fails to transfer ownership, the licensee must purchase an equivalent real estate and house for delivery to the holder of the winning ticket; and~~
- ~~(e) Prior to the sale of the first raffle ticket, the licensee must submit evidence of the contract and certificate of deposit or bond to the Secretary of State.~~
- (A) THE RAFFLE TICKET CONTAINS INFORMATION AS TO WHETHER THERE ARE ANY ENCUMBRANCES ON THE REAL ESTATE, INCLUDING ANY EXISTING HOUSE, THAT THE WINNER OF THE RAFFLE WILL BE SUBJECT TO, INCLUDING A MORTGAGE AND FEDERAL, STATE AND LOCAL INCOME TAXES; AND
- (B) WITH RESPECT TO OWNERSHIP OF THE REAL ESTATE, INCLUDING ANY EXISTING HOUSE:
  - (1) THE LICENSEE FILES PROOF OF OWNERSHIP (SUCH AS A REAL PROPERTY TRANSFER DECLARATION); OR
  - (2) A CONTRACT EXISTS BETWEEN THE OWNER OF THE REAL ESTATE AND THE LICENSEE TO TRANSFER TITLE TO THE REAL ESTATE, INCLUDING ANY EXISTING HOUSE, TO THE HOLDER OF THE WINNING TICKET UNDER THE FOLLOWING CONDITIONS:
    - (I) THE LICENSEE MAINTAINS, DURING THE COURSE OF THE SALE OF RAFFLE TICKETS AND CONTINUING THROUGH THE DATE OF THE RAFFLE DRAWING, A CERTIFICATE OF DEPOSIT OR BOND IN THE AMOUNT OF

THE PURCHASE PRICE OF THE REAL ESTATE, INCLUDING ANY EXISTING HOUSE, DESCRIBED IN THE CONTRACT.

- (II) IF THE OWNER FAILS TO TRANSFER OWNERSHIP, THE LICENSEE MUST PURCHASE EQUIVALENT REAL ESTATE, INCLUDING A HOUSE, FOR DELIVERY TO THE HOLDER OF THE WINNING TICKET; AND
- (III) BEFORE THE SALE OF THE FIRST RAFFLE TICKET, THE LICENSEE MUST SUBMIT EVIDENCE OF THE CONTRACT AND CERTIFICATE OF DEPOSIT OR BOND TO THE SECRETARY OF STATE.

*Amendments to Rule 8.2.1 concerning the repeal and replacement of sections (a) through (d) with sections (a) and (b) to clarify language pertaining to a licensee raffling real estate that will include a house under construction and necessary grammatical changes:*

8.2.3 A licensee may raffle REAL ESTATE THAT WILL INCLUDE a house under construction, if:

- ~~(a) A contract exists between the owner of the real estate and the licensee to transfer title to the real estate and existing house to the holder of the winning ticket; and~~
- ~~(b) The licensee must announce prior to the sale of the first raffle ticket and the raffle ticket must contain information as to whether there are any encumbrances on the real estate that the winner of the raffle will be subject to, including a mortgage and federal, state and local income taxes; and~~
- ~~(c) The licensee maintains, during the course of the sale of raffle tickets and continuing through the date of the raffle drawing, a certificate of deposit or bond in the amount of the purchase price of the real estate and house described in the contract required by Rule 8.2.3(a). If the owner fails to transfer ownership, the licensee must purchase an equivalent house for delivery to the holder of the winning ticket; and~~
- ~~(d) Prior to the sale of the first raffle ticket, the licensee must submit evidence of the contract and certificate of deposit or bond to the Secretary of State.~~
- (A) THE RAFFLE TICKET CONTAINS INFORMATION AS TO WHETHER THERE ARE ANY ENCUMBRANCES ON THE REAL ESTATE THAT THE WINNER OF THE RAFFLE WILL BE SUBJECT TO, INCLUDING A MORTGAGE AND FEDERAL, STATE AND LOCAL INCOME TAXES; AND
- (B) WITH RESPECT TO OWNERSHIP:
  - (1) A CONTRACT EXISTS BETWEEN THE OWNER OF THE REAL ESTATE AND THE LICENSEE TO TRANSFER TITLE TO THE REAL ESTATE AND THE HOUSE UNDER CONSTRUCTION TO THE HOLDER OF THE WINNING TICKET;
  - (2) THE LICENSEE MAINTAINS, DURING THE COURSE OF THE SALE OF RAFFLE TICKETS AND CONTINUING THROUGH THE DATE OF THE RAFFLE DRAWING, A CERTIFICATE OF DEPOSIT OR BOND IN THE AMOUNT OF THE PURCHASE PRICE OF THE REAL ESTATE AND THE HOUSE DESCRIBED IN THE CONTRACT;
  - (3) IF THE OWNER FAILS TO TRANSFER OWNERSHIP, THE LICENSEE MUST PURCHASE EQUIVALENT REAL ESTATE, INCLUDING AN EQUIVALENT HOUSE, FOR DELIVERY TO THE HOLDER OF THE WINNING TICKET; AND

- (4) BEFORE THE SALE OF THE FIRST RAFFLE TICKET, THE LICENSEE MUST SUBMIT EVIDENCE OF THE CONTRACT AND CERTIFICATE OF DEPOSIT OR BOND TO THE SECRETARY OF STATE.

*Amendments to Rule 8.3.1 concerning grammatical changes:*

- 8.3.1 Key raffles. Licensees may conduct a key raffle where the purchaser receives a key that may open the particular prize being raffled, such as an automobile, if:
- (a) The licensee conducts a raffle where the keys are sold only to participants at an event sponsored by the licensee;~~and~~
  - (b) The purchaser selects the key from a receptacle containing all of the keys being sold;~~and~~
  - (c) The licensee provides a separate paper ticket to the purchaser that contains a stub with the name, address and telephone number of the purchaser and each stub sold is placed in a separate receptacle containing all stubs sold. The receptacle must be designed so that each stub has an equal chance of being drawn~~;~~ AND
  - (d) In the event that not all keys are sold, and none of the keys that are sold will open the prize, the licensee ~~will~~ determines the winner by drawing a ticket stub from the receptacle containing all stubs sold.

*Amendments to Rule 8.3.2 concerning a grammatical change:*

- 8.3.2 Card raffles. A licensee may conduct a card raffle where the purchaser receives a card containing numbers, symbols, colors or a combination thereof, where one-half of the card is torn off and placed in the receptacle from which the winning card will be drawn~~;~~ if:

*Amendments to Rule 8.3.3 concerning restructuring parts of Rule 8.3.3. to sections (a) through (c) and a necessary grammatical change:*

- 8.3.3 Bucket raffles~~:-~~
- (A) A licensee may conduct bucket raffles using theater style tickets only if the total retail value of the prizes offered for a specific receptacle in which raffle tickets are placed does not exceed \$1,000.
  - (B) If the total retail value of the prizes offered for a specific receptacle in which raffle tickets are placed exceeds \$1,000, the licensee must print a ticket conforming to Rule 8.1.4.
  - (C) The licensee must either display merchandise prizes or display descriptions of merchandise prizes offered for each receptacle.

*Amendments to Rule 8.3.4 concerning simplifying language:*

- 8.3.4 Sporting event raffles. A licensee may conduct raffles where the winner is determined ~~BASED on the basis of~~ scores from sporting events if and only if the licensee can demonstrate to the Secretary of State that each ticket sold has an equal chance to win with every other ticket sold.

*Amendments to Rule 8.3.5 concerning grammatical changes:*

8.3.5 Wheel raffles. A licensee may conduct a wheel raffle, where the winning ticket is determined by spinning a wheel until a pointer lands in one of the discrete segments marked on the wheel.

- (a) The number of raffle tickets must be less than or equal to the number of discrete numbers or symbols on the wheel, and each ticket sold MUST matches only one of the numbers or symbols on the wheel.

*[Not shown: no changes to sections (b) and (c).]*

*Amendments to Rule 8.4 concerning a grammatical change:*

8.4 Progressive Raffles. In addition to all other applicable raffle requirements, a licensee that conducts a progressive raffle must comply with the following:

*Amendments to Rule 8.4.1 concerning clarifying language and grammatical changes:*

8.4.1 Progressive raffle games are restricted to members-only progressive drawings and playing card progressive raffles as follows:

*[Not shown: no changes to section (a).]*

- (b) Playing card progressive raffles

- (1) A licensee may conduct a playing card progressive raffle game by selecting a THE WINNING CARD CALLED THE "Jackpot Prize Card" from either:

*[Not shown: no changes to sub-subsections (i) and (ii).]*

- (2) If using a prepackaged game:

*[Not shown: no changes to subsection (i).]*

- (ii) The licensee must post the Jackpot Prize Card for the raffle with the board's serial number at the location of the progressive raffle game. The licensee must post Jackpot Prize Card so that it is BOTH out of the reach of all players' REACH but also fully visible to all players.

*[Not shown: no changes to sub-subsection (ii).]*

*[Not shown: no changes to subsections (3) and (4).]*

*Amendments to Rule 8.4.4 concerning grammatical changes:*

8.4.4 Progressive Raffles T-Ticket sSales-

*Amendments to Rule 8.4.5 concerning grammatical and formatting changes and necessary renumbering. Additionally, updating language to renumbered subsection (b) to require licensees to retain any proceeds from raffle tickets sold after the progressive prize reaches the maximum prize limit:*

8.4.5 Progressive J-Jackpot P-Prizes-

- (a) A progressive raffle jackpot prize must not exceed \$15,000. When the jackpot prize reaches \$15,000, the licensee must award it in the following manner:
  - (1) In a members-only drawing, the licensee must continue to draw member names until a member who purchased a ticket is drawn. The licensee must award the progressive RAFFLE prize to that member.

*[Not shown: no changes to subsection (2).]*

- ~~(3)~~(B) The licensee ~~may~~MUST retain any proceeds from raffle tickets sold after the progressive prize reaches the \$15,000 prize limit.
- ~~(4)~~(C) A licensee may impose a progressive raffle jackpot maximum below the \$15,000 maximum set by THESE rules. Upon reaching the self-imposed maximum, the licensee must award the jackpot according to procedures listed in Rule 8.4.5(a). The licensee must post notice of self-imposed maximums in accordance with Rule 8.4.6.
- ~~(b)~~(D) A licensee may seed a single progressive raffle with an amount not to exceed \$500.

*Amendments to Rule 8.4.6 concerning the requirement to have the posting in a conspicuous location and grammatical changes:*

- 8.4.6 Required PPostings. In addition to any postings otherwise required by these rules, a licensee that conducts a progressive raffle must also post a sign in at least 12-point font AND IN A CONSPICUOUS LOCATION stating:

*[Not shown: no changes to sections (a) through (e).]*

*Amendments to Rule 8.4.7 concerning a grammatical change:*

- 8.4.7 Conditions affecting the award of the final progressive raffle jackpot prize-

*Amendments to Rule 9 are as follows:*

*Amendments to Rule 9.1.1 concerning prizes for occasion and single game prizes:*

- 9.1 Occasion AND SINGLE GAME prizes. AS LONG AS THE TOTAL VALUE OF PRIZES OFFERED DURING A BINGO OCCASION, INCLUDING ANY OCCASION IN WHICH BOTH STRIP BINGO GAMES AND TRADITIONAL BINGO GAMES ARE PLAYED, DOES NOT EXCEED THE STATUTORY MAXIMUM OF \$15,000 IN SECTION 24-21-618(11)(D), C.R.S., A LICENSE MAY AWARD:
  - 9.1.1 ~~Maximum occasion prizes. The total value of prizes offered during a bingo occasion may not exceed \$2,000 unless the bingo occasion includes bingo strip card, in which case the total value of prizes offered during a bingo occasion may not exceed \$4,000. ANY AMOUNT AS A PRIZE FOR ANY SINGLE GAME OF TRADITIONAL BINGO; AND~~
  - 9.1.2 ~~Maximum game prize. As long as the total value of prize offered during a bingo occasion does Licensees may award any amount as a prize for any single game of bingo so long as the total value of prizes offered at the bingo occasion does not exceed \$2,000. Per section 24-21-602(5.5), C.R.S., licensees may award up to \$2,000 for any single game of bingo strip card so long as the total value of prizes offered at the bingo occasion does not exceed \$4,000. A MAXIMUM OF \$1,000 FOR ANY SINGLE GAME OF STRIP BINGO PER SECTION 24-21-618(11)(B), C.R.S.~~

*Amendments to Rule 10 are as follows:*

*Amendments to Rule 10.1.2 concerning grammatical changes to be consistent with the definition in new Rule 1.18:*

10.1.2 Each licensee must record the following receipts:

- (a) Gross receipts collected for all cards, including ~~bingo~~-strip BINGO cards, packs and sheets sold for each occasion;-
- (b) Gross receipts collected for all pull tabs sold for each occasion and in bars and clubrooms; AND-
- (c) Gross receipts collected for all raffle tickets sold.

*Amendments to Rule 10.1.3 concerning simplifying language and updating a statutory reference:*

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 24-21-622(3)(a) and (b), C.R.S.
- (b) All receipts from the sale of progressive games must be deposited in the LICENSEE'S bingo-raffle account by ~~means of~~ using separate deposit slips. Deposit slips for progressive bingo and progressive pull tab games must indicate the serial numbers of the progressive bingo cards sold and the serial numbers of the progressive pull tabs sold. Deposit slips for progressive raffles must contain the words "Progressive Raffle." All deposits must be made no later than the close of the business day after the occasion at which the progressive took place.
- (c) Unless the licensee starts a progressive jackpot bingo game with a secondary jackpot amount, the licensee must continuously hold an amount equal to at least the accrued progressive jackpot prize in the licensee's bingo-raffle checking or savings account for the entire duration of the progression. No part of this amount may be expended, transferred, or otherwise removed from the account ~~prior~~ ~~to~~BEFORE the payment of the progressive jackpot to a winner.
- (d) If the licensee has started a progressive jackpot bingo game with a secondary jackpot amount, the licensee must continuously hold an amount equal to at least the accrued primary and secondary jackpots in the licensee's bingo-raffle checking or savings account for the entire duration of the progression. No part of this amount may be expended, transferred, or otherwise removed from the account ~~prior to~~BEFORE the payment of the progressive jackpot to a winner.

*[Not shown: no changes sections (e) and (f).]*

*Amendments to Rule 10.2.1 concerning simplifying language:*

10.2.1 Accrual method. The licensee must use the accrual accounting method and must report all INCURRED bingo-raffle related expenses ~~incurred~~ on the licensee's quarterly financial statement. The licensee must report these expenses regardless of whether the expense is paid when incurred or at a later date. The licensee must not report a payment that was reported in a previous quarter as an expense to be paid.



*Amendments to Rule 10.2.2 concerning a grammatical change:*

10.2.2 Segregated bank accounts-

*Amendments to Rule 10.2.3 concerning grammatical changes:*

10.2.3 Accounting for prizes and payouts. The licensee must maintain prize and payout records on forms prescribed or approved by the Secretary of State covering each occasion, bar and club room sales, and each raffle. The licensee must retain the records for a period of two years following the calendar year in which bingo, pull tabs or raffles were conducted. The records must disclose the following information:

- (a) The amount of the prizes paid to winners in cash or in merchandise for each bingo game at each occasion;-
- (b) The amount of the prizes paid to all pull tab winners at each occasion and bar and club room;-
- (c) The amount of prizes paid to raffle winners for each raffle conducted; AND-
- (d) The cost of all merchandise given as prizes in any bingo game, pull tab game, or raffle.

*Amendments to Rule 10.2.4 concerning consistency with forms provided by the Secretary of State:*

10.2.4 Records. The licensee must maintain administrative records on forms prescribed or approved by the Secretary of State covering each occasion, bar and club room sales, and each raffle. The licensee must retain the records for a period of two years following the calendar year in which bingo, pull tabs or raffles were conducted. The records must disclose the following information:

- (a) The name, ~~address~~ and signature (AS MAY BE REQUIRED BY THE SECRETARY OF STATE'S FORM) OF each games manager for the licensee at each bingo occasion, bar and club room or raffle; AND-
- (b) The full name of each member working the occasion.

*Amendments to Rule 10.2.5 concerning simplifying language:*

10.2.5 Availability of records. The licensee must have available on its premises all required daily records for the current quarter and the ~~quarter~~ immediately preceding QUARTER on forms prescribed or approved by the Secretary of State. A licensee must be able to print records maintained on a computer upon request of the Secretary of State or authorized representative.

*Amendments to Rule 10.2.7 concerning simplifying language:*

10.2.7 Submission of bank statements to the Secretary of State. Any licensee that ~~turns~~ ~~is~~ SURRENDERS its license, has had its license suspended or revoked, or, for whatever reason, ceases to conduct charitable gaming activities after it has opened a segregated bingo-raffle checking or savings account, or both, must send a copy of the bank statement for each account to the Secretary of State within 30 days after the licensee ceased operations.

*Amendments to Rule 10.3, including Rules 10.3.1 through 10.3.6, concerning grammatical changes and updating the allowable expenses limitations:*

10.3 Allowable expenses limitations

10.3.1 Bookkeeper. A licensee must not pay more than \$200~~400~~ per occasion for bookkeeper or accountant services. The licensee must notify the Secretary of State in writing, signed by an officer of the licensee, if ~~it~~THE LICENSEE remunerates its games manager for performing bookkeeping or accounting services.

10.3.2 Security-

- (a) A bingo-raffle licensee must not pay more than \$400~~400~~ per occasion for security unless:
  - (1) Security is provided by one or more off-duty law enforcement officers; or
  - (2) The occasion requires additional security, for example, a large number of people or large amount of money will be present on the premises.
- (b) If a bingo-raffle licensee uses off-duty law enforcement officers, the licensee must notify the Secretary of State and list the names and badge numbers of those officers who perform security duties ~~prior to~~BEFORE paying more than \$400~~400~~ per occasion.
- (c) If a bingo-raffle licensee uses security other than off-duty law enforcement officers, and payment will exceed \$400~~400~~ for a single occasion, the licensee must notify the Secretary of State and provide a reason for the increase before making the payment.

10.3.3 Janitorial. A licensee must not pay more than \$200~~400~~ per occasion for janitorial services. The licensee may only pay for janitorial services in facilities owned by the licensee or in its sole control, or which it uses rent-free.

*[Not shown: no change to Rule 10.3.4.]*

10.3.5 Call F~~ulfillment~~ C~~enter~~. A licensee may pay a reasonable amount to contract a call fulfillment center for call reception and data entry only. All activities of the call fulfillment center must comply with Rule 8.1.1(e).

10.3.6 Legal s~~ervices~~. A licensee may only pay for legal services directly related to an administrative action brought by the Secretary of State or the Colorado Department of Law or for legal advice relating to the interpretation of the Bingo and Raffles Law or these rules.

*Amendments to Rule 11 are as follows:*

*Amendments to Rule 11.1.2 concerning a grammatical change:*

11.1.2 Lease fees-

*Amendments to Rules 11.2.1 and 11.2.2 concerning grammatical changes:*

11.2.1 Termination by bingo-raffle licensee. A licensee may terminate a rental agreement upon at least two weeks' notice to the landlord licensee or upon the voluntary cessation of

bingo-raffle operations by the licensee or suspension or revocation of the licensee's license by the Secretary of State.

- 11.2.2 Termination by landlord licensee. A landlord licensee may terminate a rental agreement between the landlord licensee and any bingo-raffle license by giving at least two weeks' notice to the licensee or upon failure of the licensee to make payment for at least three bingo occasions.

*Amendments to Rule 12 are as follows:*

*Amendments to Rules 12.2.1 through 12.2.3, concerning simplifying language:*

- 12.2.1 Copy to Secretary of State. A landlord licensee must submit an executed copy of the rental agreement between the landlord licensee and each licensee to the Secretary of State ~~prior to~~ BEFORE the conduct of any games of chance on the licensed premises.
- 12.2.2 Equipment lease. If a landlord licensee provides equipment on the licensed premises and the licensee has agreed to the use of the equipment, the landlord licensee must submit an executed copy of the equipment agreement between the landlord licensee and each licensee to the Secretary of State ~~prior to~~ BEFORE the conduct of any games of chance in or on the licensed premises.
- 12.2.3 Substitutions. A landlord licensee may negotiate with a licensee to have the licensee operate a bingo-raffle occasion that was not provided in the original rental agreement between the landlord licensee and the licensee. The landlord licensee must submit an executed copy of the rental agreement to the Secretary of State within five ~~working~~ BUSINESS days of the date of the substituted occasion.

*Amendments to Rule 12.3 concerning a grammatical change:*

- 12.3 Promotions. A Llandlord licensee may award a prize of merchandise, services, or cash in a promotion that does not exceed \$10,000. A landlord licensee must not require participation by any licensee, and the landlord licensee must not require payment in excess of \$1,000 from any licensee that agrees to participate in the promotion.

*Amendments to Rule 12.4.4 concerning a grammatical change:*

- 12.4.4 Operating a bingo computer aid system other than instructing a licensee on its use and maintenance; AND

*Amendments to Rule 12.5 concerning a grammatical change:*

- 12.5 Prohibited AActivities

*Amendments to Rule 13 are as follows:*

*Amendments to Rule 13.1.4 concerning a grammatical change:*

- 13.1.4 Software MManufacturers. Companies that produce bingo, pull tab, or raffle software must hold a manufacturer's license and comply with all statutes and rules pertaining to bingo-raffle manufacturers in Colorado.

*Amendments to Rules 13.2.1 and 13.2.2 concerning grammatical and order changes and simplifying language:*

- 13.2.1 Licensed purchasers. A licensed ~~supplier or manufacturer~~ OR SUPPLIER may sell supplies and equipment only to licensed licensees.
- 13.2.2 Financial terms. A licensed ~~supplier or manufacturer~~ OR SUPPLIER may sell supplies and equipment to licensed bingo-raffle licensees for cash or on terms agreed to between the licensed ~~supplier or manufacturer~~ OR SUPPLIER and the licensee, but ~~such terms~~ THE DURATION OF THE AGREEMENT may not exceed 60 days.

*Amendments to Rule 13.3 concerning grammatical and order changes:*

- 13.3 Delinquent accounts. If a licensee's account with a ~~supplier or manufacturer~~ OR SUPPLIER is more than 60 days past due, then:
- 13.3.1 The ~~supplier or manufacturer~~ OR SUPPLIER must report to the Secretary of State by the tenth day of each month the name of the licensee whose account is in arrears.
- 13.3.2 The Secretary of State will notify all licensed MANUFACTURERS, suppliers, suppliers' agents, and ~~manufacturers~~ and the licensee that, until further notice from the Secretary of State, all sales of bingo supplies and equipment to the delinquent licensee must be on a cash-only basis.
- 13.3.3 No MANUFACTURER, supplier, OR supplier's agent, ~~or manufacturer~~ may extend credit to the delinquent licensee until the Secretary of State approves, in writing, credit sales to the licensee.

*Amendments to Rule 13.4 concerning grammatical and order changes:*

- 13.4 Discontinued pull tabs. A licensed ~~supplier or manufacturer~~ OR SUPPLIER that sells progressive pull tab games to any licensee may discontinue distribution or production of specific progressive pull tab games if:
- 13.4.1 The ~~licensed supplier or manufacturer~~ OR SUPPLIER provides at least 60 days written notice to the Secretary of State and to all licensees that have purchased the pull tab game from the ~~supplier or manufacturer~~ OR SUPPLIER within the previous 12 months. The notice must state that the ~~supplier or manufacturer~~ OR SUPPLIER intends to discontinue the distribution or manufacture of the progressive pull tab game on a specified future date that is at least 60 days after notice is received by the Secretary of State; and
- 13.4.2 The ~~supplier or manufacturer~~ OR SUPPLIER maintains a sufficient inventory of pull tab deals for that progressive pull tab game to ensure that all licensees that have purchased the game within the previous 12 months can close the game by awarding a jackpot.

*Amendments to Rule 14 are as follows:*

*Amendments to Rule 14.1.1(h)(1) updating a statutory reference:*

- 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 24-21-605(1)(d), C.R.S., by submitting a written request to the Secretary of State. The request must include:

*[Not shown: no changes to sections (a) through (g).]*

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

- (1) The system meets all the requirements set forth in section 24-21-618(9)(a) through (c), C.R.S.; and

*[Not shown: no changes to subsection (2).]*

*Amendments to Rule 14.2 concerning a grammatical change:*

- 14.2 Agreements with bingo-raffle licensees. Any contract or agreement between a manufacturer, supplier, or agent and a bingo-raffle licensee concerning the rental, lease or use of any bingo aid device or bingo aid computer system are subject to the following:

*Amendments to Rule 14.2.3 concerning a grammatical change:*

14.2.3 Termination. The contract may be terminated if:

- (a) The licensee ceases bingo-raffle operations;
- (b) The Secretary of State suspends or revokes the license of the licensee; OR
- (c) The licensee gives the other party to the contract or agreement written notice at least 30 days in advance of the licensee's intention to terminate the contract.

*Amendments to Rule 14.3 concerning a grammatical change:*

14.3 Secretary of State powers-

*[Not shown: no change to Rule 14.3.1.]*

*Amendments to Rule 14.3.2 concerning a grammatical change:*

14.3.2 Access and audit-

*[Not shown: no changes to section (a).]*

- (b) Independent testing-

*[Not shown: no changes to subsections (1) and (2).]*

*[Not shown: no changes to section (c).]*

*Amendments to Rule 14.4 concerning simplifying language:*

- 14.4 Random number generators. Any manufacturer or supplier that intends to sell or lease bingo equipment that generates numbers electronically must submit the following to the Secretary of State ~~prior to~~ BEFORE the sale or lease of such equipment to licensees:

*Amendments to Rule 15 are as follows:*

*Amendments to Rule 15.1 concerning grammatical change and removing outdated statutory language:*

- 15.1 General. The schedule of fines provided in this rule applies to any violation of the Bingo and Raffles Law or Rules for which the Secretary of State elects to impose an administrative fine ~~in lieu of seeking a license suspension or revocation.~~

*Amendments to Rule 15.2, including amendments to Rules 15.2.1 and 15.2.2, concerning grammatical changes and increasing the Class 1 violation fine:*

15.2 Class 1 ~~V~~violations. A Class 1 violation is a willful act that is specifically prohibited by statute or rule and does, may, or is intended to result directly in the profit or enrichment of the violator or any person associated with the violator.

15.2.1 The fine for a Class 1 violation is \$1754~~00~~.

15.2.2 Class 1 violations include, but are not limited to:

*[Not shown: no changes to sections (a) through (e).]*

- (f) Possessing, using, selling, offering for sale or putting into play any computerized or electro-mechanical facsimile of a pull tab game, any pull tab game not purchased from a licensed supplier and accompanied by a complete supplier's invoice; any pull tab game that is marked, altered, tampered with, commingled or known to be defective; any pull tab game in any unlicensed premises, other than the licensee's own premises; or any pull tab game that does not conform to the definitions and requirements of the Bingo and Raffles Law;-
- (g) Permitting any person under the age of eighteen to purchase the opportunity to participate in a game of chance;-
- (h) Allowing any person other than a licensee's owner, officer, director, member, shareholder of more than 10% of the licensee's ownership interests, or licensed agent to represent a supplier, manufacturer or landlord licensee with regard to any Colorado transaction;-
- (i) Buying, selling, receiving, furnishing, or distributing games of chance equipment to any person in Colorado other than a licensee, a supplier licensee and its licensed agents, or a manufacturer licensee;-
- (j) Filing any falsified and/or materially misleading renewal application or quarterly financial statement;-
- (k) Authorizing, permitting, or receiving any remuneration or inurement for participating in the management or operation of a licensed game of chance; AND-

*[Not shown: no changes to section (l).]*

*Amendments to Rule 15.3, including amendments to Rules 15.3.1 and 15.3.2, concerning grammatical changes and increasing the Class 2 violation fine:*

15.3 Class 2 ~~V~~violations. A Class 2 violation is a willful act that is specifically prohibited by statute or rule and is not intended to and does not directly result in the profit or enrichment of the violator.

15.3.1 The fine for a Class 2 violation is \$1257~~5~~.

15.3.2 Class 2 violations include:

- (a) Using bingo or pull tab equipment that is not owned or leased by a landlord licensee or owned or leased by a licensee;-

- (b) Paying other than reasonable, bona fide, lawful expenses in connection with the conduct of licensed games of chance, purchasing games of chance prizes or equipment at prices exceeding reasonable and usual amounts, or other use of games of chance proceeds for other than the lawful purposes of the licensee;-
- (c) Converting into or redeeming for cash any bingo merchandise prizes;-
- (d) Offering or giving any alcoholic beverage as a prize in a licensed game of chance;-
- (e) Giving, receiving, authorizing, or permitting the assistance in the conduct of games of chance of any person disqualified or prohibited by statute or rule from rendering such assistance;-
- (f) Offering or giving any bingo door prizes or jackpot prizes exceeding the statutory maximum amounts set for prizes;-
- (g) Reserving or setting aside bingo cards or pull tabs for use by players, except as authorized in section 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;-
- (h) Drawing a check on a bingo-raffle account payable to "cash" or to a fictitious payee;-
- (i) Authorizing or allowing the play of bingo by a person not present on the premises where the game is conducted, or the play of any game of chance on credit, or without collecting the consideration required in full and in advance; AND-

*[Not shown: no changes to section (j).]*

*Amendments to Rule 15.4, including amendments to Rules 15.4.1 and 15.4.2, concerning grammatical changes and increasing the Class 3 violation fines:*

15.4 Class 3 violations. A Class 3 violation is one that occurs when a licensee omits, fails or neglects to comply with a requirement set forth in the statutes or rules, but that does not involve the affirmative performance of an act specifically prohibited by statute or rule. Class 3 violations are deemed negligent rather than willful, unless a specific violation is repeated within a two-year period or the facts of the violation show that the violator knowingly and deliberately failed or refused to comply with a requirement or standard set by statute or rule.

15.4.1 The fine for a Class 3 violation is ~~\$5020~~ unless the violation is repeated or knowing and deliberate, in which case the fine is ~~\$7550~~.

15.4.2 Class 3 violations include, but are not limited to:

- (a) Neglecting to display a license or other document at a time and place where display is required;-
- (b) Failing to file with the Secretary of State any quarterly report, administrative fee, or rental or other document at the time required for the filing, or omitting required information on such a filing;-
- (c) Failing to keep or furnish required records in connection with any licensed activity;-

- (d) Omitting any required procedure in the conduct of bingo-raffle activities;-
- (e) Failing to designate an officer responsible for the use of games of chance proceeds;-
- (f) Neglecting to have a certified games manager present continuously during the conduct of any raffle or bingo occasion and for thirty minutes after the last game in an occasion;-
- (g) Failing to have games of chance premises or equipment open or available for inspection by the Secretary of State or police officers;-
- (h) Failing to deposit or maintain all games of chance receipts in a special segregated checking or savings account of the licensee, or to withdraw any funds expended from such account by means of consecutively numbered checks or withdrawal slips signed by an officer or officers of the licensee and showing the payee and a description of reason for the payment for which the check or withdrawal slip is made, or by electronic funds transfer;-
- (i) Failing to submit the required administrative fee, or a portion thereof, at the time of filing a required quarterly financial report;-
- (j) Neglecting to give required notice of the termination of a rental agreement or the cancellation of a bingo occasion; AND-

*[Not shown: no changes to section (k).]*

*Amendments to Rule 15.5 concerning a grammatical change:*

15.5 Citations-

*Amendments to Rule 15.6 concerning a grammatical change:*

15.6 Hearings, payment of fines, and collections-

*Amendments to Rule 15.6.2 concerning a grammatical change:*

15.6.2 Payment of fines-