

An Act

SENATE BILL 17-232

BY SENATOR(S) Fenberg, Court, Fields, Guzman, Merrifield, Tate;
also REPRESENTATIVE(S) Rosenthal, Gray, Hooton, Lontine, Singer.

CONCERNING CONTINUATION UNDER THE SUNSET LAW OF THE
BINGO-RAFFLE ADVISORY BOARD, AND, IN CONNECTION THEREWITH,
IMPLEMENTING THE RECOMMENDATIONS OF THE 2016 SUNSET
REPORT OF THE DEPARTMENT OF REGULATORY AGENCIES.

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

SECTION 1. In Colorado Revised Statutes, 24-34-104, **amend** (25)(a) introductory portion; **repeal** (12)(a)(IV) and (12)(a)(V); and **add** (25)(a)(XV) and (25)(a)(XVI) as follows:

24-34-104. General assembly review of regulatory agencies and functions for repeal, continuation, or reestablishment - legislative declaration - repeal. (12) (a) The following agencies, functions, or both, will repeal on July 1, 2017:

(IV) ~~The licensing of bingo and other games of chance through the secretary of state in accordance with article 9 of title 12, C.R.S.;~~

(V) ~~The Colorado bingo-raffle advisory board created in section~~

~~12-9-201, C.R.S.;~~

(25) (a) The following agencies, functions, or both, ~~will~~ ARE SCHEDULED FOR repeal on September 1, 2024:

(XV) THE LICENSING OF BINGO AND OTHER GAMES OF CHANCE THROUGH THE SECRETARY OF STATE IN ACCORDANCE WITH PART 6 OF ARTICLE 21 OF THIS TITLE 24;

(XVI) THE COLORADO BINGO-RAFFLE ADVISORY BOARD CREATED IN SECTION 24-21-630.

SECTION 2. In Colorado Revised Statutes, **add with amended and relocated provisions** part 6 to article 21 of title 24 as follows:

PART 6
BINGO AND RAFFLES LAW

24-21-601. [Formerly 12-9-101] Short title. ~~This article shall be known and may be cited as~~ THE SHORT TITLE OF THIS PART 6 IS the "Bingo and Raffles Law".

24-21-602. [Formerly 12-9-102] Definitions. As used in this ~~article~~ PART 6, unless the context otherwise requires:

(1) "Bingo" means a game of chance played, with or without the aid of an electronic device, for prizes using cards or sheets containing five rows of five squares bearing numbers, except for the center square which is a free space. Traditional bingo also requires that the letters "B I N G O" appear in order over each column. The holder of a card or sheet matches the numbers on such card or sheet to numbers randomly drawn. The game is won when a previously designated arrangement of numbers on such card or sheet is covered.

~~(1-1)~~ (2) "Bingo aid computer system" means a computer system that interfaces with and controls the use of electronic devices used as aids in the game of bingo.

~~(1-2)~~ (3) "Bingo-raffle licensee" means any qualified organization to which a bingo-raffle license has been issued by the licensing authority.

~~(1.3)~~ (4) "Bingo-raffle manufacturer" means a person, other than a bingo-raffle licensee, who makes, assembles, produces, or otherwise prepares pull tabs, bingo cards or sheets, electronic devices used as aids in the game of bingo, or other equipment or parts thereof for games of chance. ~~as defined in subsection (7) of this section.~~ "Bingo-raffle manufacturer" does not include a person who prints raffle tickets, other than pull tabs, for and at the request of a bingo-raffle licensee.

~~(1.4)~~ (5) "Bingo-raffle supplier" means a person, other than a bingo-raffle licensee, who sells, distributes, or otherwise furnishes pull tabs, bingo cards or sheets, electronic devices used as aids in the game of bingo, or other games of chance equipment. ~~as defined in subsection (5) of this section.~~ "Bingo-raffle supplier" does not include a person who prints raffle tickets, other than pull tabs, for and at the request of a bingo-raffle licensee.

~~(1.5)~~ (6) "Board" means the Colorado bingo-raffle advisory board created in section ~~12-9-201~~ 24-21-630.

~~(1.6)~~ (7) "Card" means either a disposable and nonreusable paper bingo card identified by color, serial number, and card number, or a reusable bingo card intended for repeated use, including but not limited to a hard card or shutter card. "Card" does not include an electronic representation or electronic image of a bingo card.

~~(1.7)~~ (8) "Charitable gaming" means bingo, pull tab games, and raffles. ~~as defined in subsections (1), (18.1), and (19.3) of this section.~~

~~(1.8)~~ (9) "Charitable organization" means any organization, not for pecuniary profit, that is operated for the relief of poverty, distress, or other condition of public concern within this state and that has been so engaged for five years prior to making application for a license under this article PART 6.

~~(2)~~ (10) "Chartered branch or lodge or chapter of a national or state organization" means any such branch or lodge or chapter that is a civic or service organization, not for pecuniary profit, and authorized by its written constitution, charter, articles of incorporation, or bylaws to engage in a fraternal, civic, or service purpose within this state and that has been so engaged for five years prior to making application for a license under this

article PART 6.

~~(2.3)~~ (11) "Commercial bingo facility" means premises rented by a bingo-raffle licensee for the purpose of conducting games of chance.

~~(2.5)~~ (12) "Commercial landlord" means any person renting or offering to rent a commercial bingo facility to any bingo-raffle licensee.

~~(2.7)~~ (13) "Deal" means each separate package or series of packages of pull tabs with the same name, form number, serial number, and color code.

~~(3)~~ (14) "Dues-paying membership" means those members of an organization who pay regular monthly, annual, or other periodic dues or who are excused from paying such dues by the bylaws, articles of incorporation, or charter of the organization and those who contribute voluntarily to the corporation or organization to which they belong for the support of such corporation or organization.

~~(4)~~ (15) "Educational organization" means any organization within this state, not organized for pecuniary profit, whose primary purpose is educational in nature and designed to develop the capabilities of individuals by instruction and that has been in existence for five years prior to making application for a license under this ~~article~~ PART 6.

~~(5)~~ (16) "Equipment" means: With respect to bingo or lotto, the receptacle and numbered objects drawn from it, the master board upon which such objects are placed as drawn, the cards or sheets bearing numbers or other designations to be covered and the objects used to cover them, the board or signs, however operated, used to announce or display the numbers or designations as they are drawn, public address system, and all other articles essential to the operation, conduct, and playing of bingo or lotto; or, with respect to raffles, implements, devices, and machines designed, intended, or used for the conduct of raffles and the identification of the winning number or unit and the ticket or other evidence or right to participate in raffles. "Equipment" includes electronic devices used as aids in the game of bingo.

~~(5.5)~~ (17) "Exempt organization" means an organization: ~~that complies with each of the following criteria:~~

(a) That is exempt from taxation under section 501 (c)(3) of the federal "Internal Revenue Code of 1954", as amended; ~~through December 31, 1984;~~

(b) Of the type commonly known as a community chest, which organizes and carries out intensive, limited-time, and community-wide fund drive campaigns by volunteer workers soliciting charitable contributions from a broad base of citizens and businesses in the community with the objective of providing financial support to other organizations that are exempt from taxation under section 501 (c)(3) of the federal "Internal Revenue Code of 1954", as amended, ~~through December 31, 1984;~~ and that provides charitable, educational, civic, health, or human services within the same community and that has the further objective of minimizing the necessity for multiple, overlapping, and competing fund drives by such recipient organizations to enable them to deliver such services;

(c) That assists in acquiring noncash prizes donated by participating private businesses or government agencies as an ancillary means of creating interest in a charitable fund-raising drive held by such business or agency;

(d) That collects voluntary contributions and distributes more than eighty percent of such contributions to other organizations that are exempt from taxation under section 501 (c)(3) of the federal "Internal Revenue Code of 1954", as amended, ~~through December 31, 1984;~~ and that provide charitable, educational, civic, health, or human services;

(e) On behalf of whose fund-raising drives drawings are held by participating private businesses or government agencies, which drawings are open only to the employees of such businesses or agencies and are not open to the general public;

(f) Whose fund-raising drives are jointly planned and managed by the participating private businesses and government agencies; and

(g) Whose fund-raising drives include only the awarding of noncash prizes by the participating private businesses or government agencies.

(6)(18) "Fraternal organization" means any organization within this state, including college and high school fraternities, not for pecuniary profit, that is a branch, lodge, or chapter of a national or state organization

and exists for the common business, brotherhood, or other interests of its members and that has so existed for five years prior to making application for a license under this ~~article~~ PART 6. "Fraternal organization" also includes a graduate or alumni division or branch of a college fraternity, which division or branch holds a charter issued by the state of Colorado and that meets all other criteria set forth in this subsection ~~(6)~~ (18). As used in this subsection ~~(6)~~ (18), "fraternity" includes a sorority.

~~(7)~~ (19) "Game of chance" means that specific kind of game of chance commonly known as bingo or lotto in which prizes are awarded on the basis of designated numbers or symbols on a card conforming to numbers or symbols selected at random and that specific kind of game of chance commonly known as raffles that is conducted by drawing for prizes or the allotment of prizes by chance, by the selling of shares or tickets or rights to participate in such a game.

~~(8)~~ (20) "Gross receipts" means receipts from the sale of shares, tickets, or rights in any manner connected with participation in a game of chance or the right to participate therein, including any admission fee or charge, the sale of equipment or supplies, the sale or lease of electronic devices used as aids in the game of bingo, and all other miscellaneous receipts.

~~(9)~~ (21) "Labor organization" means any organization, not for pecuniary profit, within this state that exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work and that has existed for such purpose and has been so engaged for five years prior to making application for a license under this ~~article~~ PART 6.

~~(9.5)~~ (22) "Landlord licensee" means the holder of a current, valid commercial landlord license.

~~(10)~~ (23) "Lawful purposes" means the lawful purposes of organizations permitted to conduct games of chance, as provided in section 2 of article XVIII of the state constitution.

~~(11)~~ (24) "Lawful use" means the devotion of the entire net proceeds of a game of chance exclusively to lawful purposes.

~~(11.5)~~ (25) "License" means any license or certification issued by the licensing authority pursuant to this ~~article~~ PART 6, including, without limitation, the certification of a games manager pursuant to section ~~12-9-105.1~~ 24-21-610.

~~(12)~~ (26) "Licensed agent" means an individual who holds a current, valid agent's license for a bingo-raffle manufacturer or supplier.

~~(12.5)~~ (27) "Licensee" means the holder of any license or certification issued by the licensing authority pursuant to this ~~article~~ PART 6. "Licensee" includes the former holder of such license or certification for purposes of investigation of activities that took place during the period in which such license or certification was effective.

~~(13)~~ (28) "Licensing authority" means the secretary of state or his or her duly authorized deputy.

~~(13.3)~~ (29) "Manufacturer's agent" means an individual who represents a manufacturer in any of its activities in connection with the presales, driver sales, or distribution with excess stock of pull tabs, bingo cards or sheets, electronic devices used as aids in the game of bingo, or other games of chance equipment; except employees of commercial delivery services.

~~(13.5)~~ (30) "Manufacturer licensee" means the holder of a current, valid Colorado manufacturer license.

~~(14)~~ (31) "Member" means an individual who has qualified for membership in a qualified organization pursuant to its bylaws, articles of incorporation, charter, rules, or other written statement.

~~(15)~~ (32) "Net proceeds" means the receipts less such expenses, charges, fees, and deductions as are specifically authorized under this ~~article~~ PART 6.

~~(16)~~ (33) "Occasion" means a single gathering or session at which a series of successive bingo games is played.

~~(17)~~ (34) "Person" means a natural person, firm, association, corporation, or other legal entity.

~~(18)~~ (35) "Premises" means any room, hall, enclosure, or outdoor area used for the purpose of playing a game of chance.

~~(18.1)~~ (36) "Pull tab game" means a type of game of chance commonly known as a pickle, break-open, jar raffle, last sale ticket, or seal card for which tickets are preprinted with markings distinguishing winners and nonwinners, each ticket so made that its markings and winning or nonwinning status cannot be known or revealed until the ticket is broken or torn apart.

~~(19)~~ (37) (a) "Qualified organization" means any bona fide chartered branch, lodge, or chapter of a national or state organization or any bona fide religious, charitable, labor, fraternal, educational, voluntary firefighters', or veterans' organization operating without profit to its members that has been in existence continuously for a period of five years immediately prior to the making of an application for a license under this article PART 6 and that has had, during the entire five-year period, a dues-paying membership engaged in carrying out the objects of said corporation or organization.

(b) "Qualified organization" includes, without limitation:

(I) A political party; and

(II) The Colorado state fair authority.

~~(19.3)~~ (38) "Raffle" means a game in which a participant buys a ticket for a chance at a prize with the winner determined by a random method as determined by rules of the licensing authority, or a pull tab ticket as described in subsection ~~(18.1)~~ (36) of this section. The term "raffle" does not include any activity that is authorized or regulated by the state lottery division pursuant to part 2 of article 35 of THIS title 24 C.R.S., or the "Limited Gaming Act of 1991", article 47.1 of ~~this title~~ TITLE 12.

~~(20)~~ (39) "Religious organization" means any organization, church, body of communicants, or group, not for pecuniary profit, gathered in common membership for mutual support and edification in piety, worship, and religious observances or a society, not for pecuniary profit, of individuals united for religious purposes at a definite place, that WHICH organization, church, body of communicants, group, or society has been so

gathered or united for five years prior to making application for a license under this article PART 6.

~~(20.1)~~ (40) "Sheet" means a leaf of paper upon which is printed one or more disposable bingo cards.

~~(20.3)~~ (41) "Supplier's agent" means an individual who represents a bingo-raffle supplier in the course of the bingo-raffle supplier's presales, driver sales, or distribution with excess bingo-supplier stock, electronic devices used as aids in the game of bingo, or chance equipment on hand; except THAT THE TERM DOES NOT INCLUDE employees of commercial delivery services.

~~(20.5)~~ (42) "Supplier licensee" means the holder of a current, valid Colorado supplier license.

~~(21)~~ (43) "Veterans' organization" means any organization within this state or any branch, lodge, or chapter of a national or state organization within this state, not for pecuniary profit, the membership of which consists of individuals who were members of the armed services or forces of the United States, that has been in existence for five years prior to making application for a license under this article PART 6.

~~(22)~~ (44) "Voluntary firefighters' organization" means any organization within this state, not for pecuniary profit, established by the state or any of its political subdivisions that has been in existence for five years prior to making application for a license under this article PART 6.

24-21-603. [Formerly 12-9-102.3] Fraud and deception prohibited. (1) ~~No~~ A bingo-raffle licensee, landlord licensee, ~~bingo-raffle~~ supplier ~~bingo-raffle~~ LICENSEE, manufacturer LICENSEE, or any member or agent thereof engaged in any charitable gaming activity shall NOT, directly or indirectly:

- (a) Employ any device, scheme, or artifice to defraud or deceive;
 - (b) Intentionally make any untrue or misleading statement of fact;
- or
- (c) Engage in any act, practice, or course of conduct constituting

fraud or deceit.

24-21-604. [Formerly 12-9-102.5] Legislative declaration - consideration for tickets - conditions - rules. (1) The general assembly hereby finds and declares that prize promotions involving the conduct of free product giveaways through the use of free chances for purposes of commercial advertisement, the creation of goodwill, the promotion of new products or services, or the collection of names should not be subject to regulation under this article PART 6. The giveaways described in this subsection (1) are exempt from regulation under this article PART 6 when all of the conditions set forth in this section are satisfied.

(2) No award of prizes by chance for a purpose set forth in subsection (1) of this section is a lottery or game of chance, nor is any share, ticket, or right to participate in an award of prizes deemed to have been sold or charged for, notwithstanding that the award is made to persons who have paid a fee entitling them to general admission to the grounds or premises on which the award is made, if each share or ticket by means of which the award is made is given away free of charge and without any obligation on the part of the person receiving it.

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

~~(4) (3) (a) (I) A licensee may conduct a prize promotion on the licensed premises, whether the premises are rented or owned by the licensee. A licensee shall clearly disclose, in the rental agreement or otherwise, the promotion and its cost, if any, to the licensee, pursuant to rules adopted by the licensing authority.~~

~~(II) A landlord licensee shall not require a bingo-raffle licensee to participate in or conduct a promotion under this section, nor may a games manager for any occasion assist in any promotion conducted during an occasion by a landlord licensee. Prizes offered as part of a promotion are not prizes subject to limitation under section ~~12-9-107~~ 24-21-617 (5).~~

(b) Before conducting a promotion under this section, the licensee shall provide evidence of ownership, free and clear, of the prizes to be offered unless all of the prizes are available for viewing on the premises on the day they are to be awarded. The licensee offering any promotional prize

shall disclose, at the beginning of the promotion, full and complete information identifying the prizes to be awarded and the method by which the prizes may be won. ~~This disclosure need not be made separately or personally to each participant, but may be made by conspicuously posting or displaying, at the premises where the promotion is being conducted; either the available prizes themselves or a list and complete description of the prizes and the method by which they may be won.~~

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

(d) The licensing authority may establish by rule the maximum amount or value of a cash prize or a prize of a product or service that may be awarded; except that such maximum amount must be at least one thousand dollars.

(4) A BINGO-RAFFLE LICENSEE MAY, DIRECTLY OR THROUGH A THIRD PARTY, PRESELL TICKETS TO A CHARITABLE GAMING EVENT.

24-21-605. [Formerly 12-9-103] Licensing and enforcement authority - powers - rules - duties - license suspension or revocation proceedings - definitions. (1) The secretary of state is hereby designated as the "licensing authority" of this ~~article~~ PART 6. As licensing authority, the secretary of state's powers and duties are as follows:

(a) (I) To grant or refuse to grant bingo-raffle licenses under this ~~article~~ PART 6 and to grant or refuse to grant licenses to landlords, manufacturers, manufacturers' agents, suppliers, and suppliers' agents. If any such license application has not been approved or disapproved within forty-five days after the licensing authority has received all information that constitutes a complete application, the license shall be deemed to be approved. The licensing authority shall notify the applicant upon receipt of all information that the licensing authority deems a complete application. Such notification shall be the start of the forty-five-day period in which the licensing authority shall affirmatively act upon the application. The licensing authority's failure to act upon an application within forty-five days after receipt shall not preclude the licensing authority from later filing

a complaint challenging the application on the ground that it is in conflict with the Colorado constitution or this ~~article~~ PART 6. All such licenses and applications for such licenses shall be made available for inspection by the public. In addition, the licensing authority has the power and the responsibility, after investigation and hearing before an administrative law judge, to suspend or revoke any license issued by the licensing authority, in accordance with any order of such administrative law judge. When a license is ordered suspended or revoked, the licensee shall surrender the license to the licensing authority on or before the effective date of the suspension or revocation. No license is valid beyond the effective date of the suspension or revocation, whether surrendered or not. Any bingo-raffle license may be temporarily suspended for a period not to exceed ten days pending any prosecution, investigation, or public hearing.

(II) In lieu of seeking a suspension or revocation of any license issued by the licensing authority, the licensing authority may impose a reasonable fine for any violation of this ~~article~~ PART 6 or any rule adopted pursuant to this ~~article~~ PART 6, not to exceed one hundred dollars per citation. The imposition of any such fine may be appealed to an administrative law judge.

(III) An applicant may request administrative review of a refusal by the licensing authority to grant or renew a license in accordance with subsection ~~(2)~~ (3) of this section. To be entitled to administrative review, the applicant must request the review in writing within sixty days after the date of the licensing authority's refusal.

(IV) If a licensee or bingo-raffle affiliate fails within forty-five days after a written request by the licensing authority to voluntarily produce records at the office of the licensing authority, or if a licensee fails to file a report within the time required by this ~~article~~ PART 6, or if such report is not properly verified or is not fully, accurately, and truthfully completed on its face, the licensing authority may refuse to renew the licensee's license until the licensee has corrected such failure or deficiency. If the licensing authority refuses to renew a license pursuant to this ~~subparagraph (IV)~~ SUBSECTION (1)(a)(IV), the licensee shall not engage in activity authorized by such license until such license is renewed.

(b) To supervise the administration and enforcement of this ~~article~~ PART 6 and, in consultation with the board, to adopt, amend, and repeal

rules governing the holding, operating, and conducting of games of chance, the purchase of equipment, the establishment of a schedule of reasonable fines, not to exceed one hundred dollars per citation, for violation by licensees of this ~~article~~ PART 6 or of rules adopted pursuant to this ~~article~~ PART 6, to the end that games of chance shall be held, operated, and conducted only by licensees for the purposes and in conformity with the state constitution and the provisions of this ~~article~~ PART 6;

(c) To provide forms for and supervise the filing of any reports made by mail, computer, electronic mail, or any other electronic device by any licensee. As soon as possible after July 1, 2006, the licensing authority shall ensure that delivery of a document subject to this ~~article~~ PART 6 by an applicant or a licensee may be accomplished electronically without the necessity for presentation of a physical original document, report, or image, if all required information is included and is readily retrievable from the data transmitted. The licensing authority may, by rule, require certain organizations to file reports and other documents electronically. All electronically filed documents shall be stored by the licensing authority in an electronic or other medium and shall be retrievable by the licensing authority in an understandable and readable form. Notwithstanding any other provision of law requiring the signature of, or execution by, a person on a document, no such signature shall be required when the document is submitted electronically. Causing a document to be delivered to the licensing authority by an applicant or a licensee shall constitute the affirmation or acknowledgment of the individual causing the delivery, under penalty of perjury, that the document is the individual's act and deed or the act and deed of the organization or entity on whose behalf the document was delivered and that the facts stated in the document are true.

(d) Upon application by any licensee, to issue a letter ruling granting approval for any new concept, method, technology, practice, or procedure that may be applied to, or used in the conduct of, games of chance that are not in conflict with the constitution or this ~~article~~ PART 6. Application for such approval shall be submitted in a form prescribed by the licensing authority. If an application is not acted upon within forty-five days after receipt by the licensing authority, the licensee may implement such concept, method, technology, practice, or procedure so long as it is not in conflict with the constitution or this ~~article~~ PART 6; except that the licensing authority's failure to act upon an application within forty-five days after receipt shall not preclude the licensing authority from later filing

a complaint challenging such concept, method, technology, practice, or procedure on the ground that it is in conflict with the constitution or this article PART 6. An adverse ruling on such application may be appealed to an administrative law judge.

(e) To keep records of all actions and transactions relating to licensing and enforcement activity;

(f) To prepare and transmit annually, in the form and manner prescribed by the heads of the principal departments pursuant to the provisions of section 24-1-136, C.R.S., a report accounting to the governor for the efficient discharge of all responsibilities assigned by law or directive to the authority, and to issue publications of the authority intended for circulation in quantity outside the executive branch in accordance with the provisions of section 24-1-136; C.R.S.

(g) To license devices for reading pull tabs as provided in section ~~12-9-107.2~~ 24-21-619; except that the licensing authority shall not impose or collect any fee for the issuance of such a license.

~~(1-5)~~ (2) For the purpose of any investigation or examination of records, the licensing authority or any officer designated by the licensing authority may require, at the office of the licensing authority, the production of any books, papers, correspondence, memoranda, agreements, or other documents or records that the licensing authority deems relevant or material to the inquiry. In case of refusal to obey a request for the production of documents issued to any licensee or an affiliate of a licensee, the district court of the city and county of Denver, upon application by the licensing authority, may issue an order requiring that person to appear before the licensing authority or the officer designated by the licensing authority to produce documents or to give evidence touching upon the matter under investigation or in question. Failure to obey the order of the court may be punished by the court as a contempt of court.

~~(2)~~ (3) The licensing authority may revoke, suspend, annul, limit, modify, or refuse to grant or renew a license in accordance with section 24-4-104. C.R.S. Hearings that are held to administratively review the licensing authority's decision to refuse to grant or renew a license or to determine whether a licensee's license should be revoked, suspended, annulled, limited, or modified shall be conducted by an administrative law

judge appointed pursuant to part 10 of article 30 of THIS title 24 ~~C.R.S.~~ and shall be held in the manner and pursuant to the rules and procedures described in sections 24-4-104, 24-4-105, and 24-4-106. ~~C.R.S.~~ An administrative law judge shall hold and conclude hearings in accordance with the rules, with reasonable dispatch and without unnecessary delay, and shall issue a decision within ten days after the hearing.

~~(3)~~ (4) (a) Upon a finding by an administrative law judge of a violation of this ~~article~~ PART 6, the rules adopted pursuant to this ~~article~~ PART 6, or any other provision of law, such as would warrant the revocation, suspension, annulment, limitation, or modification of a license, in addition to any other penalties that may be imposed, the licensing authority may declare the violator ineligible to conduct a game of bingo and to apply for a license pursuant to this ~~article~~ PART 6 for a period not exceeding ~~five years~~ ONE YEAR after the date of ~~such~~ THE declaration or a shorter period designated by the licensing authority pursuant to this subsection ~~(3)~~ (4). The licensing authority shall designate a shorter period of license ineligibility only in the absence of aggravating factors associated with the violation for which the revocation was imposed. Aggravating factors ~~shall~~ include willfulness, intent, a previous intentional violation of this ~~article~~ PART 6, and violations involving theft or fraud. ~~Such~~ THE declaration of ineligibility may be extended to include, in addition to the violator, any of its subsidiary organizations, its parent organization, or otherwise, affiliated with the violator when, in the opinion of the licensing authority, the circumstances of the violation warrant such action.

(b) The decision of the administrative law judge in any controversy concerning licensing, the imposition of a fine, or the approval of any proposed new concept, method, technology, practice, or procedure ~~shall be~~ IS final and subject to review by the court of appeals, pursuant to the ~~provisions of~~ section 24-4-106 (11). ~~C.R.S.~~

~~(4) (Deleted by amendment, L. 2006, p. 986, § 3, effective May 25, 2006.)~~

(5) Upon an administrative or judicial finding of a violation of this ~~article~~ PART 6, the rules adopted pursuant to this ~~article~~ PART 6, or any other provision of law, such as would warrant the suspension or revocation of a license, the licensing authority, in addition to any other penalties that may be imposed, may issue an order excluding the violator or any owner,

officer, director, or games manager of the violator from the licensed premises during the conduct of games of chance.

~~(6)(a) The secretary of state shall confer with the executive director of the department of revenue or his or her designee concerning:~~

~~(I) The desirability and practicability of transferring the responsibility for enforcement, licensing, or both under this article from the secretary of state to the department of revenue;~~

~~(II) The constitutional and statutory changes that would be necessary to effectuate such transfer; and~~

~~(III) The recommendations of the secretary of state and the executive director of the department of revenue for any other or additional constitutional or statutory changes to improve the regulation of bingo and raffles in Colorado.~~

~~(b) On or before December 31, 2008, the secretary of state and the executive director of the department of revenue shall jointly prepare and transmit a report of their findings and recommendations to the house and senate committees on finance and the house and senate committees on state, veterans, and military affairs, or their successor committees.~~

24-21-606. [Formerly 12-9-103.5] Fees - department of state cash fund. (1) All fees collected by the licensing authority pursuant to this article PART 6 shall be transmitted to the state treasurer, who shall credit the same THEM to the department of state cash fund created in section 24-21-104 (3)(b), C.R.S. also referred to in this section as the "fund". The moneys MONEY in the fund shall be IS subject to annual appropriation by the general assembly for the purposes of financing the licensing and enforcement activities of the secretary of state as specified in this article PART 6.

~~(2) (Deleted by amendment, L. 2002, p. 1648, § 5, effective August 7, 2002.)~~

~~(3) (2) (a) Fees authorized by this article PART 6 shall be established by the licensing authority, in consultation with the board, in amounts sufficient to ensure that the total revenue generated by the collection of~~

such fees approximates the direct and indirect costs incurred by the licensing authority in carrying out its duties under this article PART 6. The amounts of all fees shall be reviewed annually. The licensing authority shall furnish to the board both an annual and a quarterly accounting of all fee and fine revenues received and expenditures made pursuant to this article PART 6, together with a list of all fees in effect.

(b) The cost of implementing the electronic application and report filing system required by section ~~12-9-103~~ 24-21-605 (1)(c), including the cost of promulgating any new or amended rules for use of the system, shall be recovered through a temporary fee increase or surcharge assessed on licensees during the first five years of operation of the system. The licensing authority shall establish the temporary fee or surcharge on a sliding or graduated scale, based on the quarterly gross receipts of each licensee that is required to file quarterly reports or pay fees under section ~~12-9-107.5(5)~~ 24-21-621 (4) or section ~~12-9-108~~ 24-21-622 (6)(b), and in an amount sufficient to recover all of such costs within the five-year period.

~~(4)~~ (3) All fines assessed pursuant to this article PART 6 shall be paid to the state treasurer who shall credit the same to the general fund of the state.

24-21-607. [Formerly 12-9-104] Bingo-raffle license - fee. (1) A bona fide chartered branch, lodge, or chapter of a national or state organization or any bona fide religious, charitable, labor, fraternal, educational, voluntary firefighters', or veterans' organization or any association, successor, or combination of association and successor of any ~~of the said~~ THESE organizations that operates without profit to its members, ~~and that~~ has been in existence continuously for a period of five years immediately prior to the making of application for a bingo-raffle license under this article PART 6, and has had during the entire five-year period dues-paying members engaged in carrying out the objects of ~~said~~ THE corporation or organization is eligible for a bingo-raffle license to be issued by the licensing authority under this article PART 6. If a license is revoked, the bingo-raffle licensee and holder thereof is not eligible to apply for another license under subsection (2) of this section ~~until after the expiration of the period of five years~~ FOR NO MORE THAN ONE YEAR after the date of ~~such~~ THE revocation.

(2) The bingo-raffle licenses provided by this article PART 6 shall

be issued by the licensing authority to applicants qualified under this article PART 6 upon payment of a fee established in accordance with section ~~12-9-103.5 (3)~~ 24-21-606 (2). Licenses shall expire at the end of the calendar year in which they were issued by the licensing authority and may be renewed by the licensing authority upon the filing of an application for renewal thereof provided by the licensing authority and the payment of the fee established for such THE renewal. No license granted under this article PART 6 or any renewal thereof shall be IS transferable. The fees required to be paid for a new or renewal license shall be deposited in the bingo-raffle DEPARTMENT OF STATE cash fund CREATED IN SECTION 24-21-104 (3)(b).

24-21-608. [Formerly 12-9-104.5] Landlord licensees - stipulations. (1) ~~No~~ A person ~~except~~ OTHER THAN a landlord licensee shall NOT rent or offer to rent to any bingo-raffle licensee any premises to be used to conduct games of chance. A lease of the premises for a bingo occasion shall MUST be for a period of at least five consecutive hours unless the landlord licensee and bingo-raffle licensee agree to a shorter or longer period. The amount of rent to be charged, and the method used to calculate such rent, shall be established by agreement between the parties.

(2) No landlord licensee or any employee of a landlord licensee shall require, induce, or coerce a bingo-raffle licensee to enter into any contract, agreement, or lease contrary to the provisions of this article PART 6.

(3) No landlord licensee or any employee of a landlord licensee shall require, induce, or coerce a bingo-raffle licensee to purchase supplies or equipment, or to purchase or lease electronic devices used as aids in the game of bingo, from a particular supplier, distributor, or manufacturer as a condition of conducting games of chance at a commercial bingo facility.

(4) Rent charged to a bingo-raffle licensee by a landlord licensee for the use of a commercial bingo facility shall cover all expenses and items reasonably necessary for the use of the commercial bingo facility for a bingo occasion including, but not limited to, insurance and maintenance for such facility, adequate and secure storage space, restrooms, janitorial services, and utilities.

(5) No activity or business other than licensed games of chance may be conducted in a commercial bingo facility within space leased to a

bingo-raffle licensee during the time allocated to the bingo-raffle licensee with the exception of the sale of food, beverages, bingo-related merchandise and supplies, the operation of an automated cash service device, and such other activities and businesses as the bingo-raffle licensee may agree to. A landlord licensee may conduct other businesses and activities in space not included in the bingo-raffle licensee's rental agreement and in which games of chance are not held.

(6) ~~No~~ A landlord licensee or any employee or agent of a landlord licensee shall NOT be a party responsible for or assisting with the conduct, management, or operation of any game of chance within Colorado; except that a landlord licensee that is also a bingo-raffle licensee may conduct such activities as its bingo-raffle license allows exclusively on its own behalf.

(7) Notwithstanding subsection (6) of this section, a landlord, supplier, or manufacturer licensee may instruct and train a bingo-raffle licensee in the repair, operation, and maintenance of bingo-raffle equipment, subject to specific criteria established by rule.

(8) Every landlord licensee shall file with the licensing authority all leases, agreements, and other documents required in order for a bingo-raffle licensee to lease its commercial bingo facility.

24-21-609. [Formerly 12-9-105] Application for bingo-raffle license. (1) Each applicant for a bingo-raffle license to be issued under the ~~provisions of~~ this section shall file with the licensing authority a written application in the form prescribed by the licensing authority, duly executed and verified, and in which shall be stated:

(a) The name and address of the applicant;

(b) Sufficient facts relating to its incorporation and organization to enable the licensing authority to determine whether or not it is a bona fide chartered branch, lodge, or chapter of a national or state organization or a bona fide religious, charitable, labor, fraternal, educational, voluntary firefighters', or veterans' organization that operates without profit to its members, has been in existence continuously for a period of five years immediately prior to the making of said application for such license, and has had during the entire five-year period dues-paying members engaged

in carrying out the objectives of said applicant;

(c) The names and addresses of its officers;

(d) The specific kind of games of chance intended to be held, operated, and conducted by the applicant;

(e) (I) The place where such games of chance are intended to be held, operated, and conducted by the applicant under the license applied for; or

(II) In the case of the application of an exempt organization, the place or places where drawings are intended to be held, operated, and conducted by the organization under the license applied for;

(f) A statement that no commission, salary, compensation, reward, or recompense will be paid to any person for holding, operating, or conducting such games of chance or for assisting therein except as otherwise provided in this article PART 6;

(g) Such other information deemed advisable by the licensing authority to ~~insure~~ ENSURE that the applicant falls within the restrictions set forth by the state constitution.

(2) (a) In each application there shall be designated active members of the applicant organization under whom the games of chance described in the application are to be held, operated, and conducted, and to the application shall be appended a statement executed by the applicant and by the members so designated that they will be responsible for the holding, operation, and conduct of such games of chance in accordance with the terms of the license and ~~the provisions of this article~~ PART 6.

(b) Each designated games manager ~~shall~~ MUST have been an active member of the applicant for at least the six months immediately preceding his or her designation and shall be certified by the licensing authority pursuant to section ~~12-9-105.1~~ 24-21-610 before assuming games management duties.

(3) In the event any premises are to be leased or rented in connection with the holding, operating, or conducting of any game of

chance under this ~~article~~ PART 6, a written statement shall accompany the application signed and verified by the applicant, which shall MUST state the address of the leased or rented premises and the amount of rent that will be paid for said premises and which shall MUST certify that the premises are to be rented from a landlord licensee.

24-21-610. [Formerly 12-9-105.1] Games managers - certification. (1) The licensing authority shall issue a games manager certification to any qualified applicant who has demonstrated sufficient knowledge of this ~~article~~ PART 6, as determined by the licensing authority, and who has paid the fee established in accordance with section ~~12-9-103.5~~ ~~(3)~~ 24-21-606 (2). A games manager certification shall be valid for a time period to be determined by the licensing authority by rule, and may be denied, suspended, or revoked for any violation of this ~~article~~ PART 6 or any rule or order of the licensing authority promulgated or issued pursuant to this ~~article~~ PART 6.

~~(1.5)~~ (2) A person shall IS not be eligible for certification or TO act as a games manager in the conduct of a game of chance pursuant to this ~~article~~ PART 6 unless the person is eighteen years of age or older.

~~(2)~~ (3) A person shall IS not be eligible for certification or TO act as a games manager in the conduct of any game of chance pursuant to this ~~article~~ PART 6 if such THE person has been convicted of any MISDEMEANOR INVOLVING GAMBLING OR ANY felony. or any offense involving gambling.

~~(3)~~ (4) Unless authorized by the licensing authority in accordance with the rules of the licensing authority, a person shall not be designated or serve as a games manager for more than three bingo-raffle licensees simultaneously. The licensing authority may promulgate rules establishing the circumstances under which a person may be designated and serve as games manager for more than three bingo-raffle licensees.

24-21-611. [Formerly 12-9-105.3] Application for landlord license - fee. (1) Each applicant for a landlord license shall file with the licensing authority a written application, duly executed and verified, in the form presented by the licensing authority, which application shall include, but not be limited to, the following information:

(a) The name and address of the landlord and, if such commercial

landlord is a corporation, partnership, association, or other business entity, the names and addresses of all partners, associates, and persons holding an ownership interest of ten percent or more;

(b) The name and address of the landlord's resident agent if the commercial landlord does not reside in Colorado and the location in Colorado where its records will be available to the licensing authority;

(c) The location of the premises for which the applicant is seeking such license;

(d) A statement by the landlord or the chief executive officer of the landlord that the landlord is familiar with the provisions of this article PART 6 as to commercial bingo facilities and landlords thereof and accepts responsibility for compliance with such provisions;

~~(e) Repeated.~~

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

(2) Each application shall designate an individual who shall act as agent for the landlord and who shall receive all communications concerning the license.

(3) ~~There shall be attached to~~ Each application MUST INCLUDE an affidavit signed by the applicant stating that WHETHER the landlord has not been convicted of any felony, THEFT BY DECEPTION, or any gambling-related offense as defined in article 10 of title 18 C.R.S. WITHIN THE PREVIOUS TEN YEARS. If the landlord is a corporation, limited liability company, or partnership, such THE affidavit shall MUST make such THE verification as to each officer and director of such THE corporation, each member and manager of such THE limited liability company, or each partner and associate of such THE partnership. A PERSON THAT HAS BEEN CONVICTED OF ANY FELONY, THEFT BY DECEPTION, OR GAMBLING-RELATED OFFENSE AS DEFINED IN ARTICLE 10 OF TITLE 18 WITHIN THE PREVIOUS TEN YEARS IS INELIGIBLE FOR A LICENSE ISSUED PURSUANT TO THIS SECTION. A PERSON THAT HAS BEEN CONVICTED OF ANY FELONY, THEFT BY DECEPTION,

OR GAMBLING-RELATED OFFENSE AS DEFINED IN ARTICLE 10 OF TITLE 18 WITHIN MORE THAN THE PREVIOUS TEN YEARS SHALL DISCLOSE THE INFORMATION RELATED TO THE CONVICTION REQUIRED BY THE LICENSING AUTHORITY.

(4) A landlord license ~~shall expire~~ EXPIRES at the end of the calendar year in which it was issued. Each license issued shall be conspicuously displayed at the premises for which the license has been issued. No landlord license is transferable. The annual fee for each landlord license shall be established in accordance with section ~~12-9-103.5 (3)~~ 24-21-606 (2).

24-21-612. [Formerly 12-9-105.5] Application for manufacturer license. (1) Each application for a manufacturer license ~~shall~~ MUST include, but not be limited to, the following information:

(a) The name and address of the applicant;

(b) The name and address of the manufacturer and, if the manufacturer is a corporation, the name and address of each officer, director, and shareholder holding an ownership interest of ten percent or more;

(c) A description of the equipment manufactured in connection with games of chance activities in Colorado;

(d) The name and address of the resident agent of the manufacturer if the applicant does not reside in Colorado and the location in Colorado where the records of the manufacturer will be available to the licensing authority;

(e) The names and addresses of the Colorado suppliers and agents of the manufacturer; and

(f) A statement by the manufacturer or the chief executive officer of the manufacturer that such manufacturer is familiar with the provisions of this article PART 6 as to bingo-raffle manufacturers and accepts responsibility for compliance with such provisions.

(2) ~~To~~ Each application for a manufacturer license ~~shall be attached~~

MUST INCLUDE a statement ~~that~~ REGARDING WHETHER the applicant; or its owners; or its officers or directors if a corporation; or its members, managers, partners, or associates if another business entity, has ~~not~~ been convicted of any felony, THEFT BY DECEPTION, or ~~any~~ GAMBLING-RELATED offense involving ~~gambling~~ as defined in article 10 of title 18. ~~C.R.S.~~ A PERSON THAT HAS BEEN CONVICTED OF ANY FELONY, THEFT BY DECEPTION, OR GAMBLING-RELATED OFFENSE AS DEFINED IN ARTICLE 10 OF TITLE 18 WITHIN THE PREVIOUS TEN YEARS IS INELIGIBLE FOR A LICENSE ISSUED PURSUANT TO THIS SECTION. A PERSON THAT HAS BEEN CONVICTED OF ANY FELONY, THEFT BY DECEPTION, OR GAMBLING-RELATED OFFENSE AS DEFINED IN ARTICLE 10 OF TITLE 18 WITHIN MORE THAN THE PREVIOUS TEN YEARS SHALL DISCLOSE THE INFORMATION RELATED TO THE CONVICTION REQUIRED BY THE LICENSING AUTHORITY.

(3) Any bingo-raffle manufacturer, ~~as defined in section 12-9-102 (1-3)~~; upon filing a true, complete, written, verified application in the form presented by the licensing authority, together with the fee for the license, is eligible for a manufacturer license. A manufacturer license shall be renewed annually, on or before March 31 of each year in which such licensee engages in or anticipates engaging in a licensed activity. A manufacturer license is nontransferable. The annual fee for each license shall be established in accordance with section ~~12-9-103.5 (3)~~ 24-21-606 (2).

24-21-613. [Formerly 12-9-105.7] Application for supplier license. (1) Each application for a supplier license ~~shall~~ MUST include, but not be limited to, the following information:

- (a) The name and address of the applicant;
- (b) The name and address of the supplier and, if the supplier is a corporation, the name and address of each officer, director, and shareholder holding an ownership interest of ten percent or more;
- (c) A description of the equipment and supplies sold or distributed in connection with games of chance activities in Colorado;
- (d) The name and address of the resident agent of the supplier if the applicant does not reside in Colorado and the location in Colorado where the records of the supplier will be available to the licensing authority;

(e) The names and addresses of the Colorado MANUFACTURERS AND COLORADO agents of the supplier; and

(f) A statement by the supplier or the chief executive officer of the supplier that such supplier is familiar with the provisions of this article PART 6 as to bingo-raffle suppliers and accepts responsibility for compliance with such provisions.

(2) ~~To~~ Each application for a supplier license ~~shall be attached~~ MUST INCLUDE a statement that REGARDING WHETHER the applicant; or its owners; or its officers or directors if a corporation; or its members, managers, partners, or associates if another business entity, has not been convicted of any felony, THEFT BY DECEPTION, or any offense involving gambling as defined in article 10 of title 18. ~~C.R.S.~~ A PERSON THAT HAS BEEN CONVICTED OF ANY FELONY, THEFT BY DECEPTION, OR GAMBLING-RELATED OFFENSE AS DEFINED IN ARTICLE 10 OF TITLE 18 WITHIN THE PREVIOUS TEN YEARS IS INELIGIBLE FOR A LICENSE ISSUED PURSUANT TO THIS SECTION. A PERSON THAT HAS BEEN CONVICTED OF ANY FELONY, THEFT BY DECEPTION, OR GAMBLING-RELATED OFFENSE AS DEFINED IN ARTICLE 10 OF TITLE 18 WITHIN MORE THAN THE PREVIOUS TEN YEARS SHALL DISCLOSE THE INFORMATION RELATED TO THE CONVICTION REQUIRED BY THE LICENSING AUTHORITY.

(3) Any bingo-raffle supplier, ~~as defined in section 12-9-102(1.4),~~ upon filing a true, complete, written, verified application in the form presented by the licensing authority, together with the fee for the license, is eligible for a supplier license. A supplier license shall be renewed annually, on or before March 31 of each year in which such licensee engages in or anticipates engaging in a licensed activity. A supplier license is nontransferable. The annual fee for each license shall be established in accordance with section ~~12-9-103.5(3)~~ 24-21-606 (2).

24-21-614. [Formerly 12-9-105.9] Application for manufacturer's agent license or supplier's agent license. (1) Each application for a manufacturer's agent license or supplier's agent license shall MUST include, but not be limited to, the following information:

(a) The name and address of the applicant;

(b) The name and address of the supplier or manufacturer

represented by the applicant;

(c) A statement by the applicant that he or she has read, understands, and will comply with ~~the provisions of this article~~ PART 6 as to manufacturer's and supplier's agents and the conditions of the agent's license;

(d) A statement by the chief executive officer of the manufacturer or supplier represented by the agent, which statement acknowledges consent to representation by the applicant; and

(e) The location in Colorado where the agent's records of sales and distributions of bingo and raffle equipment and supplies will be available to the licensing authority.

(2) ~~To~~ Each agent's application ~~shall be attached~~ MUST INCLUDE a statement ~~that~~ REGARDING WHETHER the applicant has ~~not~~ been convicted of any felony, THEFT BY DECEPTION, or any offense involving gambling as defined in article 10 of title 18. ~~C.R.S.~~ A PERSON THAT HAS BEEN CONVICTED OF ANY FELONY, THEFT BY DECEPTION, OR GAMBLING-RELATED OFFENSE AS DEFINED IN ARTICLE 10 OF TITLE 18 WITHIN THE PREVIOUS TEN YEARS IS INELIGIBLE FOR A LICENSE ISSUED PURSUANT TO THIS SECTION. A PERSON THAT HAS BEEN CONVICTED OF ANY FELONY, THEFT BY DECEPTION, OR GAMBLING-RELATED OFFENSE AS DEFINED IN ARTICLE 10 OF TITLE 18 WITHIN MORE THAN THE PREVIOUS TEN YEARS SHALL DISCLOSE THE INFORMATION RELATED TO THE CONVICTION REQUIRED BY THE LICENSING AUTHORITY.

(3) Any supplier's agent or manufacturer's agent, ~~as defined in section 12-9-102 (13.3) and (20.3)~~, upon filing a complete, written, verified application in the form presented by the licensing authority, together with the fee for the license, is eligible for a manufacturer's or supplier's agent license. A manufacturer's or supplier's agent license shall be renewed annually, on or before March 31 of each year in which such licensee engages in or anticipates engaging in a licensed activity. Neither a manufacturer's agent license nor a supplier's agent license is transferable. The annual fee for each license shall be established in accordance with ~~section 12-9-103.5 (3)~~ 24-21-606 (2).

24-21-615. [Formerly 12-9-106] Persons permitted to conduct

games of chance - form of bingo-raffle licenses - display. (1) A person, firm, or organization within this state shall not conduct a game of chance without a bingo-raffle license issued by the licensing authority. Only an active member of the organization to which the bingo-raffle license is issued may hold, operate, or conduct games of chance under a license issued under this article PART 6, and a person shall not assist in the holding, operating, or conducting of any games of chance under a bingo-raffle license except an active member or a member of an organization or association that is an auxiliary to the licensee, a member of an organization or association of which the licensee is an auxiliary, or a member of an organization or association that is affiliated with the licensee by being, with it, auxiliary to another organization or association. A licensee shall incur or pay only bona fide expenses in a reasonable amount for goods, wares, and merchandise furnished or services rendered that are reasonably necessary for the holding, operating, or conducting of a game of chance.

(2) Each bingo-raffle license must contain a statement of the name and address of the licensee and the place where bingo or lotto games or the drawing of the raffles is to be held. If the bingo-raffle licensee moves from the games or drawing location listed on its license, the bingo-raffle licensee must notify the licensing authority in writing prior to commencing bingo or conducting a raffle drawing at the new location. The licensing authority may issue a letter of authorization to move the location of the bingo or lotto games or the drawing of the raffles. The letter of authorization must remain with the original license and must be available for inspection at the place where games or drawings are to be held. A license issued for an exempt organization must include the place or places where drawings are to be held. EXCEPT AS SPECIFIED IN SUBSECTION (4) OF THIS SECTION, each bingo-raffle license issued for the conduct of any games of chance must be conspicuously displayed at the place where the game is to be conducted or the drawings held at all times during the conduct thereof. An exempt organization may comply with this section by providing written notice of a license to all employees of a participating private business or government agency holding a fund-raising drive that includes a drawing on behalf of the organization. The notice must state that the license is available for public inspection during reasonable business hours and must specify where the license is maintained for inspection.

(3) A licensee shall conspicuously display, at the place where a game is being conducted, its license issued for the conduct of games of

chance at all times during the conduct of the game and for at least thirty minutes after the last game has been concluded.

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

24-21-616. [Formerly 12-9-106.5] Form of landlord license - display - fee. (1) Each landlord license ~~shall~~ **MUST** contain a statement of the name and address of the licensee and the location of the premises. Each license issued shall be conspicuously displayed at the premises for which the license has been issued.

(2) A landlord license shall be issued to qualified applicants by the licensing authority upon payment of a fee and completion and approval of the landlord license application pursuant to section ~~12-9-105.3~~. ~~Such~~ **24-21-611**. ~~THE license shall expire~~ **EXPIRES** at the end of the calendar year in which it was issued by the licensing authority and may be renewed upon the filing and approval of an application for renewal provided by the licensing authority and the payment of a fee. No landlord license is transferable. The fees required to be paid for new and renewed licenses shall be established in accordance with section ~~12-9-103.5~~ ~~(3)~~ **24-21-606** (2).

24-21-617. [Formerly 12-9-107] General conduct games of chance - premises - equipment - expenses - rules. (1) A licensee shall not hold, operate, or conduct a game of bingo or lotto more often than as specified by the licensing authority by rule, after consultation with the board.

(2) A person or licensee shall not permit any person under eighteen years of age to purchase the opportunity to participate in any game of chance or purchase pull tab games.

(3) A person or licensee shall not permit any person under fourteen years of age to assist in the conduct of bingo or pull tabs.

(4) A licensee shall not offer or give an alcoholic beverage as a prize in a game of chance.

(5) The licensing authority shall establish by rule the method of play and amount of prizes that may be awarded; except that the maximum prize that may be awarded must be at least five hundred dollars.

(6) Food offered in the course of a volunteer duty shift and consumed on the premises where the game of chance is being conducted is not remuneration if the retail value of the food offered does not exceed the maximum amount per volunteer set by rule.

(7) (a) The officers of a bingo-raffle licensee shall designate one or more bona fide, active members of the licensee as its games managers to be in charge of and primarily responsible for the conduct of the games of bingo or lotto on each occasion. The games managers shall supervise all activities on the occasion for which they are in charge and are responsible for making all required reports. The games managers, governing board of the licensee, and the individual acting in the role of a treasurer on behalf of the licensee must be familiar with all applicable provisions of state law, the rules of the licensing authority, and the license. The governing board of the licensee is ultimately responsible for the maintenance of books and records and the filing of the reports pursuant to this section. At least one games manager shall be present on the premises continuously during the games and for a period sufficient to ensure that all books and records for the occasion have been closed and that all supplies and equipment have been secured.

(b) An exempt organization may designate more than one of its bona fide, active members in order to comply with this subsection (7).

(8) The officers of a bingo-raffle licensee shall designate an officer to be in full charge of and primarily responsible for the proper utilization of the entire net proceeds of any game in accordance with the state law.

(9) The premises where any game of chance is being held, operated, or conducted, or is intended to be held, operated, or conducted, or where it is intended that any equipment be used, must be kept open to inspection at all times by the licensing authority, its agents and employees, and peace officers of any political subdivision of the state.

(10) (a) In conducting a bingo or pull tab game, a bingo-raffle licensee may operate equipment if the bingo-raffle licensee:

(I) Leases the equipment from a manufacturer licensee or supplier licensee on premises that are owned, leased, or rented by the licensee, used as the licensee's principal place of business, and controlled so that admittance to the premises is limited to the licensee's members and bona fide guests;

(II) Owns the equipment; or

(III) Leases equipment that is owned or leased by a landlord licensee.

(b) Nothing in this subsection (10) prohibits a bingo-raffle licensee from leasing electronic devices used as aids in the game of bingo.

(11) A licensee shall not possess, use, sell, offer for sale, or put into play any bingo or pull tab game, ticket, card, or sheet unless it conforms to the definitions and requirements of this ~~article~~ PART 6 and was purchased by the licensee from a licensed bingo-raffle manufacturer or supplier or licensed agent thereof. A licensee shall not possess, use, sell, offer for sale, or put into play any electronic device used as an aid in the game of bingo unless it conforms to the requirements of this ~~article~~ PART 6 and was purchased or leased by the licensee from a licensed bingo-raffle manufacturer or supplier or licensed agent thereof.

(12) In order to possess, use, sell, offer for sale, or put into play any bingo or pull tab game, ticket, card, or sheet, a licensee must have at the location of the game an invoice from its licensed supplier showing at least the name, description, color code, if any, and serial number of the pull tab, card, or sheet.

(13) The licensing authority shall establish, by rule, safeguards to protect the bingo-raffle licensee's players against defaults in charitable gaming debts owed or to become payable by the bingo-raffle licensee.

(14) The net proceeds derived from the holding of games of chance must be devoted, within one year, to the lawful purposes of the organization permitted to conduct the game of chance. Any organization

desiring to hold the net proceeds of games of chance for a period longer than one year must apply to the licensing authority for special permission and, upon good cause shown, the licensing authority may grant the request.

(15) The licensing authority may require a licensee that does not report, during any one-year licensing period, positive net proceeds to show cause before the licensing authority why its right to conduct games of chance should not be suspended or revoked. The licensing authority may establish by rule the conditions for suspending, revoking, or refusing to renew a license to conduct charitable gaming for failure to report positive net proceeds.

24-21-618. [Formerly 12-9-107.1] Conduct of bingo games.

(1) In the playing of bingo, only persons who are physically present on the premises where the game is actually conducted may participate as players in the game.

(2) (a) A person shall not act as a caller or assistant to the caller in the conduct of any game of bingo unless the person has been a member in good standing of the bingo-affle licensee conducting the game or one of its licensed auxiliaries for at least three months immediately prior to the date of the game, is of good moral character, and never has been convicted of a MISDEMEANOR INVOLVING GAMBLING OR ANY felony. ~~or a crime involving gambling.~~

(b) An owner, co-owner, or lessee of premises or, if a corporation is the owner of the premises, any officer, director, or stockholder owning more than ten percent of the outstanding stock must not be a person responsible for or assisting in the holding, operating, or conducting of any game of bingo.

(3) (a) The equipment used in the playing of bingo and the method of play must be such that each card has an equal opportunity to win. The objects or balls to be drawn must be essentially the same as to size, shape, weight, balance, and all other characteristics that may influence their selection. All objects or balls must be present in the receptacle before each game begins. All numbers announced must be plainly and clearly audible to all the players present. Where more than one room is used for any one game, the receptacle and the caller must be present in the room where the greatest number of players are present, and all numbers announced must be

plainly audible to the players in the aforesaid room and also audible to the players in the other rooms.

(b) The receptacle and the caller must be visible to all the players at all times except where more than one room is used for any one game, in which case ~~paragraph (a) of this subsection (3)~~ SUBSECTION (3)(a) OF THIS SECTION applies.

(c) The particular arrangement of numbers required to be covered in order to win the game and the amount of the prize must be clearly and audibly described and announced to the players immediately before each game begins.

(d) An operator shall not reserve or allow to be reserved any bingo cards for use by players except braille cards or other cards for use by legally blind players. A person who is legally blind may use his or her personal braille cards when a licensed organization does not provide such cards. A licensed organization may inspect and reject any personal braille card. A person who is legally blind or an individual with a disability may use a braille card or hard card in place of a purchased disposable paper bingo card.

(e) Any player may call for a verification of all numbers drawn at the time a winner is determined and for a verification of the objects or balls remaining in the receptacle and not yet drawn. The verification shall be made in the immediate presence of the member designated to be in charge of the occasion, but if that member is also the caller, then in the immediate presence of any officer of the licensee.

(4) When any merchandise prize is awarded in a game of bingo, its value is its current retail price. A merchandise prize is not redeemable or convertible into cash directly or indirectly.

(5) (a) Notwithstanding the limitations stated in section ~~12-9-107~~ 24-21-617 (5), during a bingo occasion a bingo-raffle licensee may also start a single game of progressive bingo, in an amount established by rule by the licensing authority, in which the game is won when a previously designated arrangement of numbers or spaces on the card or sheet is covered within a previously designated number of objects or balls drawn. If the game is not won within the drawing of the previously designated

number of objects or balls, the game must be replayed either during each subsequent occasion the licensee conducts at the same location or during each subsequent occasion that falls on the same day of the week at the same location, using the previously designated arrangement of numbers or spaces.

(b) A bingo-raffle licensee may award a consolation prize for a game of progressive bingo. The bingo-raffle licensee determines the amount of the consolation prize. Notice of the amount must be conspicuously displayed before the beginning of the bingo-raffle occasion, and the amount is included as part of the aggregate amount of all prizes offered or given in games played on a single occasion, as set forth in ~~paragraph (a) of this subsection (5)~~ SUBSECTION (5)(a) OF THIS SECTION. If a consolation prize is offered and the progressive prize is not won, the game continues until the previously designated arrangement of numbers or spaces on the card or sheet is covered, regardless of the number of balls drawn, in order to determine the winner of the consolation prize. If a consolation prize is not offered, the progressive game ends when the last of the previously designated number of balls is drawn and must be replayed in accordance with ~~paragraph (a) of this subsection (5)~~ SUBSECTION (5)(a) OF THIS SECTION. If a consolation prize is offered and the progressive prize is won, the licensee may opt to award the consolation prize during that occasion. If the consolation prize is awarded, the licensee must include the total amount of the consolation prize in the total amount of any subsequent games offered in the session, not to exceed the maximum allowed for the occasion.

(c) A bingo-raffle licensee may fund a secondary jackpot from ten percent of the gross proceeds collected from the sale of progressive cards or sheets at the occasion where the game is offered. Notwithstanding the limitation stated in ~~paragraph (a) of this subsection (5)~~ SUBSECTION (5)(a) OF THIS SECTION, the amount in the secondary jackpot may be used to start a single game of progressive bingo after a previous progressive jackpot is won.

(d) The licensing authority may establish by rule the maximum jackpot that may be awarded in a progressive bingo game; except that the maximum jackpot must be at least fifteen thousand dollars.

(e) The licensing authority may establish by rule the maximum

number of progressive bingo games, not less than one, that may be conducted during an occasion. In order to ensure that all prizes offered are timely awarded, the licensing authority may limit by rule the number of occasions in which a progressive bingo game may be conducted before a prize must be awarded; except that the maximum number of occasions must be at least thirty.

(6) (a) Equipment, prizes, and supplies for games of bingo must not be purchased or sold at prices in excess of the usual price thereof. A licensee shall not sell or offer for sale any game of chance, or supplies for a game of chance, that is not authorized by this article PART 6 or by rules adopted by the licensing authority pursuant to this article PART 6.

(b) Cards and sheets that are designed or intended for use with electronic devices used as aids in the game of bingo shall not be purchased or sold at prices in excess of the usual price of cards and sheets that are not designed or intended for use with electronic devices used as aids in the game of bingo. Charges imposed by any manufacturer, supplier, agent thereof, or bingo-raffle licensee for cards and sheets that are designed or intended for use with electronic devices used as aids in the game of bingo shall be stated and imposed separately from any charges imposed by the manufacturer, supplier, agent thereof, or bingo-raffle licensee for the purchase, lease, or use of electronic devices used as aids in the game of bingo. Manufacturers, suppliers, and their agents shall not include costs attributable to the manufacture or distribution of electronic devices used as aids in the game of bingo in charges imposed for the purchase or lease of equipment, including cards and sheets.

(7) (a) If a card or sheet is played with the aid of an electronic device, a winning bingo may be determined and verified either by reference to the card or sheet or by reference to the electronic device. Nothing in this article PART 6 authorizes the playing of bingo solely by means of an electronic device.

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

(c) The licensing authority may establish by rule the maximum number of bingo cards that a bingo player who plays using the aid of an

electronic device is permitted to use with the aid of such a device per game; except that the maximum number must be at least ~~thirty-six~~ FIFTY-FOUR.

(d) A bingo-raffle licensee is not required to use or offer the use of electronic devices used as aids in the game of bingo during a bingo session.

(8) (a) With the application for a letter ruling pursuant to section ~~12-9-103~~ 24-21-605 (1)(d) for the approval of a new type of electronic device used in the aid of bingo, the manufacturer of the device must provide the following to the licensing authority:

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

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

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

(B) The electronic device compares the numbers entered to the numbers contained on bingo cards previously stored in the electronic database of the electronic device;

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

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

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

(c) When a complaint regarding an electronic device used in the aid of bingo that is in use in the state of Colorado has been filed with the licensing authority, the manufacturer of the device shall provide to the

licensing authority a sample of the device and bingo aid computer system to assist the investigation by the licensing authority. The licensing authority shall return the electronic device and bingo aid computer system no later than forty-five days after receiving them unless they are needed longer to complete the investigation.

(d) Any electronic device used in the aid of bingo, bingo aid computer system, or user's manual for such a device that is in the custody of the licensing authority pursuant to this section is not a public record.

(9) A bingo aid computer system used by a bingo-raffle licensee for bingo sessions must meet the following standards:

(a) The system must contain a record of all transactions occurring during a bingo-raffle session. The record must be retained in memory until the transactions have been totaled, printed, and cleared by the bingo-raffle licensee, regardless of whether the power supply has been interrupted.

(b) The system must be able to compute and total all transactions processed by the system during a bingo-raffle session and to print all information required by the licensing authority, in the form prescribed by the licensing authority.

(c) The system must maintain and control the time, date of sale, and transaction number, keeping the information secure enough that only a manufacturer's qualified personnel can change or reset the information. The manufacturer's qualified personnel shall retain a detailed record for each service call that involves a change of the time, date of sale, or transaction number.

(10) If an electronic device used as an aid in the game of bingo complies with ~~sub-subparagraphs (A) to (D) of subparagraph (H) of paragraph (a) of subsection (8)~~ SUBSECTIONS (8)(a)(II)(A) TO (8)(a)(II)(D) of this section, and if the bingo aid computer system for the electronic device substantially complies with the requirements of subsection (9) of this section, the licensing authority shall approve the electronic device and computer system for use by a letter ruling pursuant to section ~~12-9-103~~ 24-21-605 (1)(d).

24-21-619. [Formerly 12-9-107.2] Conduct of pull tabs - license

revocation - rules - definitions. (1) A licensee shall not sell, offer for sale, or put into play any pull tab ticket except at the location of and during its licensed bingo occasions or upon premises that are:

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

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

(2) A bingo-raffle licensee may offer a prize to the purchaser of a last sale ticket in a pull tab game, deal, or series without regard to its winning or nonwinning status as revealed if broken or torn apart.

(3) A bingo-raffle licensee may offer an event pull tab series. For the purposes of this subsection (3):

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

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

(4)(a) A bingo-raffle licensee may offer a progressive pull tab game in which a prize may be carried over and increased from one deal to another until a prize is awarded. The game may include a subsequent pull tab deal bearing a different serial number from that offered in a previous deal. A licensee shall not offer or give a prize greater, in amount or value, than five thousand dollars in any progressive pull tab game. The licensing authority may limit by rule the types of progressive pull tab games allowed to be sold by supplier licensees.

(b) When a deal of progressive pull tabs is received in two or more packages, boxes, or other containers, all of the progressive pull tabs from the respective packages, boxes, or other containers must be placed out for play at the same time.

(5) (a) A licensee shall not possess, use, sell, offer for sale, or put into play any computerized or electromechanical facsimile of a pull tab game.

(b) A licensee shall not possess, use, sell, offer for sale, or put into play any device that reveals the winning or nonwinning status of a pull tab ticket unless the device has been tested, approved, and licensed pursuant to subsection (6) of this section and not subsequently altered or tampered with.

(c) Any of the following persons that are found to have violated ~~paragraph (b) of this subsection (5)~~ SUBSECTION (5)(a) OF THIS SECTION are subject to immediate and permanent revocation of all licenses issued under this article PART 6:

(I) The manufacturer of the device;

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

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

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

(6) (a) The licensing authority shall test, inspect, and license every mechanical, electronic, or electromechanical device that reveals the winning or nonwinning status of a pull tab ticket before the device is used in charitable gaming. The licensing authority shall employ an independent contractor to conduct the tests and inspections, the cost of which shall be borne by the manufacturer or supplier seeking approval of the device. The licensing authority shall not issue a license for a device until the device is secured in a manner prescribed by the licensing authority and the contractor receives payment in full for the cost of all tests and inspections.

(b) Every person shipping or importing into Colorado a device subject to ~~paragraph (a) of this subsection (6)~~ SUBSECTION (6)(a) OF THIS SECTION shall provide the licensing authority with a copy of the shipping invoice at the time of shipment. The invoice must contain, at a minimum, the destination of the shipment and the serial number and description of

each device being transported.

(c) Every person receiving a device subject to ~~paragraph (a) of this subsection (6)~~ SUBSECTION (6)(a) OF THIS SECTION shall, upon receipt of the device, provide the licensing authority with the serial number and description of each device received and information describing the location of each device. The requirements of this ~~paragraph (c)~~ SUBSECTION (6)(c) apply regardless of whether the device is received from a licensed supplier or from any other source.

(d) A device licensed pursuant to this subsection (6) is licensed for and may only be used in one specific licensed location identified by the licensing authority. Any movement of the device from the licensed location for use at another licensed location shall be reported to AND MUST BE APPROVED BY the licensing authority in advance.

(e) The licensing authority may adopt rules and prescribe all necessary forms in furtherance of this subsection (6).

(f) Notwithstanding any other provision of this ~~article~~ PART 6, the licensing authority shall not license:

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

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

(g) The prohibition contained in ~~paragraph (f) of this subsection (6)~~ SUBSECTION (6)(f) OF THIS SECTION does not prohibit the licensing of:

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

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

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

(B) The device cannot be used in a manner that would qualify it as

a slot machine pursuant to section 9 (4)(c) of article XVIII of the Colorado constitution.

24-21-620. [Formerly 12-9-107.3] Conduct of raffles - rules.

(1) The licensing authority shall not require an exempt organization to use raffle tickets in any particular form or displaying any particular information that would cause undue expense to the exempt organization and therefore interfere with the charitable fund-raising drive of the organization.

(2) (a) A bingo-raffle licensee may offer a progressive raffle in which a jackpot may be carried over and increased from one drawing to another until the jackpot is awarded. If the jackpot is not awarded at a drawing, the bingo-raffle licensee shall conduct a new drawing at the same location at a time and date determined by the bingo-raffle licensee.

(b) A bingo-raffle licensee may award a consolation prize for a progressive raffle. ~~in which the jackpot is not won.~~ The bingo-raffle licensee may designate the consolation prize as either a specified amount or a specified percentage of the gross proceeds collected from the sale of raffle tickets for a particular drawing. The bingo-raffle licensee may determine the amount of the jackpot based on the gross proceeds collected from the sale of raffle tickets for a particular drawing plus the value of the jackpot carried over from previous drawings in which the jackpot was not awarded. IF A CONSOLATION PRIZE IS OFFERED AND THE PROGRESSIVE PRIZE IS WON, THE LICENSEE MAY OPT TO AWARD THE CONSOLATION PRIZE FOR THAT PARTICULAR DRAWING.

(c) If the bingo-raffle licensee offers a consolation prize, the bingo-raffle licensee shall, before the drawing:

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

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

(d) The licensing authority may establish by rule the maximum jackpot that a bingo-raffle licensee may award for a progressive raffle; except that, notwithstanding section ~~12-9-107~~ 24-21-617(5), the maximum

jackpot must be at least fifteen thousand dollars. The maximum jackpot does not include the aggregate amount of consolation prizes awarded.

(e) The licensing authority may establish by rule the maximum number of progressive raffles that a bingo-raffle licensee may conduct simultaneously. To ensure that all prizes offered are timely awarded, the licensing authority may limit by rule the number of drawings that a bingo-raffle licensee may conduct before a jackpot must be awarded; except that the maximum number of drawings must be at least thirty.

(f) (I) The licensing authority may establish by rule the permitted methods of conducting a progressive raffle.

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

24-21-621. [Formerly 12-9-107.5] Persons permitted to manufacture and distribute games of chance equipment - reporting requirements. (1) ~~No~~ A person other than a manufacturer licensee or licensed agent shall NOT act as a bingo-raffle manufacturer within Colorado. The manufacture of electronic devices used as aids in the game of bingo, and the printing of raffle tickets other than pull tabs, as designed and requested by a licensee, does not constitute the manufacture of games of chance equipment; except that such electronic devices ~~shall be~~ ARE subject to the reporting requirements of subsections ~~(5) and (6)~~ (4) AND (5) of this section, and the fees established by the licensing authority in accordance with section ~~12-9-103.5 (3)~~ 24-21-606 (2) and subsection ~~(5)~~ (4) of this section.

~~(2) (Deleted by amendment, L. 99, p. 1425, § 1, effective June 5, 1999.)~~

~~(3)~~ (2) ~~No~~ AN individual shall NOT act for or represent a landlord, manufacturer, or supplier licensee with respect to an activity covered by such license unless such individual is the licensee's owner, officer, director, partner, member, or ten percent or more shareholder of record with the licensing authority, or is the manufacturer's or supplier's licensed agent. ~~No~~ A manufacturer or supplier licensee shall NOT allow any person not

authorized by this subsection ~~(3)~~ (2) to represent it or serve as its agent with regard to any Colorado transaction.

~~(4)~~ (3) Except to the extent otherwise provided in section ~~12-9-106~~ 24-21-615 (1), a manufacturer or supplier licensee or licensed agent shall not buy, receive, sell, lease, furnish, or distribute any pull tabs, bingo cards or sheets, electronic devices used as aids in the game of bingo, or other games of chance equipment from or to any person within Colorado other than manufacturer or supplier licensees or agents and bingo-raffle licensees; except that:

(a) A landlord licensee, supplier, or manufacturer or its agent may sell, DONATE, or distribute cards, sheets, equipment, or electronic devices used as aids in the game of bingo for the playing of bingo not for resale to nursing homes and other entities that distribute the cards, sheets, or electronic devices and allow playing of the game free of charge, without consideration given or received by any person for the privilege of playing; and

(b) A bingo-raffle licensee may sell OR DONATE its used equipment to another bingo-raffle licensee.

~~(5)~~ (4) Every manufacturer and supplier licensee shall file, upon forms prescribed by the licensing authority, quarterly reports on its licensed activities within Colorado. ~~Such~~ THE reports shall MUST be accompanied by quarterly fees established by the licensing authority in accordance with section ~~12-9-103.5~~ ~~(3)~~ 24-21-606 (2) and deposited in the bingo-raffle DEPARTMENT OF STATE cash fund ~~Such~~ CREATED IN SECTION 24-21-104 (3)(b). THE reports shall be filed with the licensing authority no later than April 30, July 31, October 31, and January 31 of each year licensed, and each report shall MUST cover the preceding calendar quarter. Reports shall MUST enumerate by quantity, purchaser or lessee, and price the pull tabs, bingo cards or sheets, electronic devices used as aids in the game of bingo, and other games of chance equipment manufactured, conveyed, or distributed within Colorado or for use or distribution in Colorado and shall MUST include the licensee's total sales, including amounts realized from leases, of equipment as defined in section ~~12-9-102~~ ~~(5)~~ and electronic devices used as aids in the game of bingo and the names and addresses of all Colorado suppliers or agents of the licensee and shall be signed and verified by the owner or the chief executive officer of the licensee. These

quarterly reports ~~shall~~ ARE not be public records as defined in section 24-72-202. C.R.S.

~~(6)~~ (5) Every manufacturer or supplier licensee, and every licensed agent for such licensee, shall keep and maintain complete and accurate records, in accord with generally accepted accounting principles, of all licensed activities. The records shall include invoices for all games of chance equipment or electronic devices used as aids in the game of bingo conveyed or distributed within Colorado, or for use or distribution in Colorado, which invoices are specific as to the nature, description, quantity, and serial numbers of the pull tabs, bingo cards or sheets, electronic devices used as aids in the game of bingo, and other equipment so conveyed or distributed. The records shall also show all receipts and expenditures made in connection with licensed activities, including, but not limited to, records of sales by dates, purchasers, and items sold or leased, monthly bank account reconciliations, disbursement records, and credit memos for any returned items. These records shall be maintained for a period of at least three years.

~~(7)~~ (6) No A manufacturer or supplier licensee or licensed agent shall MUST NOT be a person responsible for or assisting in the conduct, management, or operation of any game of chance within Colorado.

24-21-622. [Formerly 12-9-108] Bingo-raffle licensee's statement of receipts - expenses - fee - definitions. (1) (a) On or before April 30, July 31, October 31, and January 31 of each year, every bingo-raffle licensee shall file with the licensing authority upon forms prescribed by the licensing authority a duly verified statement covering the preceding calendar quarter showing the amount of the gross receipts derived during said periods from games of chance, the expenses incurred or paid, and a brief description of the classification of such expenses, the net proceeds derived from games of chance, and the uses to which such net proceeds have been or are to be applied. ~~It is the duty of~~ Each licensee to SHALL maintain and keep such books and records as may be necessary to substantiate the particulars of each such report.

(b) Exempt organizations ~~shall~~ ARE not be subject to the requirements of this subsection (1), except to the extent that they shall file with the licensing authority statements showing the amount of the gross proceeds from their fund-raising drives and identifying all organizations

receiving portions of such proceeds and the amounts received by each such organization.

(2) (a) If a bingo-raffle licensee fails to file reports within the time required or if reports are not properly verified or not fully, accurately, and truthfully completed, any existing license may be suspended until such time as the default has been corrected.

(b) Exempt organizations ~~shall be~~ ARE subject to the requirements of this subsection (2) only to the extent that such requirements apply to ~~paragraph (b) of subsection (1)~~ SUBSECTION (1)(b) of this section.

(3) (a) All ~~moneys~~ MONEY collected or received from the sale of admission, extra regular cards, special game cards, sale of supplies, and all other receipts from the games of bingo, raffles, and pull tab games shall be deposited in a special checking or savings account, or both, of the licensee, which must contain only ~~these moneys~~ THIS MONEY. If the licensee conducts progressive games of chance, the licensee may maintain one additional checking or savings account, which must contain only money received from the sale of progressive games. The licensee may withdraw money from these accounts only by consecutively numbered checks or withdrawal slips or by electronic transactions referenced by transaction number or date. A check or withdrawal slip must not be drawn to "cash" or a fictitious payee. The licensee shall maintain all of its books and records in accordance with generally accepted accounting principles.

(b) Exempt organizations ~~shall~~ ARE not ~~be~~ subject to the ~~requirements of~~ this subsection (3).

(4) No part of the net proceeds, after they have been given over to another organization, shall be used by the donee organization to pay any person for services rendered or materials purchased in connection with the conducting of bingo by the donor organization.

(5) No item of expense shall be incurred or paid in connection with holding, operating, or conducting a game of chance pursuant to a bingo-raffle license except bona fide expenses of a reasonable amount. Such expenses include those incurred in connection with all games of chance, for the following purposes:

(a) Advertising and marketing;

(b) Legal fees related to any action brought by the licensing authority against the bingo-raffle licensee in connection with games of chance;

(c) The purchase of goods, wares, and merchandise furnished to the licensee for the purpose of operating games of chance pursuant to this article PART 6;

(d) The purchase or lease of electronic devices used as aids in the game of bingo;

(e) Payment for services rendered that are reasonably necessary for repairs of equipment and operating or conducting games of chance;

(f) Rent, if the premises are rented, or for janitorial services if not rented;

(g) Accountant's fees; and

(h) License fees.

(6) (a) For the purposes enumerated in subsection (5) of this section, the following terms shall have the following meanings:

(I) "Goods, wares, and merchandise" means prizes, equipment, as defined in section 12-9-102(5); and articles of a minor nature.

(II) "Services rendered" means:

(A) The repair of equipment;

(B) Compensation to bookkeepers or accountants for services in preparing financial reports for a reasonable amount as determined by the licensing authority by rule. No A landlord, manufacturer, or supplier licensee, or employee of a landlord, manufacturer, or supplier licensee, shall NOT act as a bookkeeper or accountant for a bingo-raffle licensee, nor shall a landlord, manufacturer, or supplier licensee offer or provide accounting or bookkeeping services in connection with the preparation of

financial reports on bingo-raffle activities, except for the transfer or encoding of data necessitated by the sale, upgrade, or maintenance of accounting software sold or leased to a bingo-raffle licensee by a landlord, manufacturer, or supplier licensee. A landlord licensee that is also a bingo-raffle licensee may act as a bookkeeper or accountant on such licensee's own behalf.

(C) The rental of premises;

(D) A reasonable amount for janitorial service as determined by the licensing authority in rules for each occasion; and

(E) A reasonable amount for security expense based on established need as determined by the licensing authority in rules for each occasion.

(b) There shall be paid to the licensing authority an administrative fee, established in accordance with section ~~12-9-103.5(3)~~ 24-21-606 (2), upon the gross receipts of any game of chance held, operated, or conducted under ~~the provisions of this article~~ PART 6; except that an exempt organization shall not be charged more than twenty dollars per year. All administrative fees collected by the licensing authority under this ~~article~~ PART 6 shall be deposited in the department of state cash fund created in section 24-21-104 (3)(b). ~~C.R.S.~~

(7) Each licensee, at the time each financial report is submitted to the licensing authority, shall pay to the order of the licensing authority the amount of administration expense provided in subsection (6) of this section.

24-21-623. [Formerly 12-9-109] Examination of books and records - rules. The licensing authority and its agents have power to examine or cause to be examined the books and records of any licensee to which any license is issued pursuant to this ~~article~~ PART 6 insofar as they may relate to any transactions connected with activities under the license. The licensing authority may require by rule that licensees that have failed to keep proper books and records, or to maintain their books and records in accordance with generally accepted accounting principles, adopt certain internal financial controls and attend training to ensure the integrity of the reporting of games of chance activities pursuant to this ~~article~~ PART 6.

24-21-624. [Formerly 12-9-110] Forfeiture of license - ineligibility to apply for license. Any A person who makes any A false statement in any AN application for any such A license or in any statement annexed thereto, fails to keep sufficient books and records to substantiate the quarterly reports required under section ~~12-9-108~~ 24-21-622, falsifies any books or records insofar as they relate to any transaction connected with the holding, operating, and conducting of any A game of chance under any such THE license, or violates any of the provisions of this article PART 6 or of any term of such THE license, if convicted, in addition to suffering any other penalties that may be imposed, shall forfeit any license issued to it under this article PART 6 and ~~shall be~~ IS ineligible to apply for a license under this article PART 6 for at least NO MORE THAN one year thereafter.

24-21-625. [Formerly 12-9-111] Volunteer services - legislative declaration - immunity. (1) The Colorado constitution recognizes that the conduct of charitable gaming activities is directly related to the need of nonprofit organizations to fulfill their lawful purposes. Notwithstanding this recognition, however, the willingness of bingo-raffle volunteers to offer their services has been increasingly deterred by a perception that they put personal assets at risk should a tort action be filed seeking damages arising from their volunteer activities.

(2) All bingo-raffle volunteers ~~shall be~~ ARE immune from civil actions and liabilities pursuant to section 13-21-115.5, ~~C.R.S.~~, which provides that volunteers ~~shall~~ ARE not be personally liable for their acts or omissions if they are acting in good faith and within the scope of their official function and duty for a charitable organization, with respect to such organization's conduct of games of chance. Bingo-raffle volunteers ~~shall~~ ARE not be liable under this section if the harm is not caused by willful and wanton misconduct, gross negligence, reckless misconduct, or a conscious, flagrant indifference to the rights or safety of the individual harmed.

24-21-626. [Formerly 12-9-112] Unfair trade practices. (1) The provisions of the "Unfair Practices Act", article 2 of title 6, ~~C.R.S.~~, and the "Colorado Antitrust Act of 1992", article 4 of title 6, ~~C.R.S.~~, are specifically applicable to charitable gaming activities conducted by any licensee. Within thirty days after receiving a complaint alleging a violation of either of said acts, the licensing authority shall transmit such complaint to the attorney general.

(2) THE LICENSING AUTHORITY SHALL REVOKE THE LICENSE OF a licensee that violates any provision of article 2 of title 6 ~~C.R.S.~~, or article 4 of title 6 ~~C.R.S.~~, ~~shall have its license revoked by the licensing authority~~ for a period of one year ~~from~~ AFTER the date of the finding of ~~such~~ THE violation. Upon the expiration of such period, the licensee may apply for the issuance of a new license.

24-21-627. [Formerly 12-9-112.5] Common members - bingo-raffle licensees - definition. (1) For the purposes of this section, "bingo-raffle licensee affiliate" means the following:

(a) ~~Any~~ A person that directly or indirectly through one or more intermediaries controls, is controlled by, or is under common control with, a bingo-raffle licensee specified; or

(b) ~~Any~~ A person that has an officer, director, member, manager, partner, games manager, salaried employee, or IMMEDIATE FAMILY member ~~of their immediate families~~ in common with a bingo-raffle licensee.

(2) Proceeds from a bingo or raffle game that are transferred from a bingo-raffle licensee to a bingo-raffle licensee's affiliate shall not be used to pay the salary, remuneration, or expenses of any officer, director, member, manager, partner, games manager, or employee of such affiliate. ~~THE DONEE ENTITY OR ORGANIZATION SHALL DEPOSIT~~ all such transferred proceeds ~~shall be deposited by the donee entity or organization~~ in a segregated account that contains only such donations, and ~~such~~ THE transferred proceeds shall not be commingled with other funds of the donee entity or organization. The licensing authority and its agents may examine or cause to be examined the books and records of any donee entity or organization insofar as they may relate to account or to any transactions connected with bingo or raffle proceeds.

24-21-628. [Formerly 12-9-113] Enforcement. It is the duty of all sheriffs and police officers to enforce ~~the provisions of this article~~ PART 6, to receive complaints, to initiate investigations, and to arrest and complain against any person violating ~~any provisions of this article~~ PART 6. It is the duty of the district attorney of the respective districts of this state to prosecute all violations of this article PART 6 in the manner and form as is now provided by law for the prosecutions of crimes and misdemeanors, and it is a violation of this article PART 6 for any such person knowingly to fail

to perform his OR HER duty under this section.

24-21-629. [Formerly 12-9-114] Penalties for violation. Every licensee and every officer, agent, or employee of the licensee and every other person or corporation who willfully violates or who procures, aids, or abets in the willful violation of this ~~article~~ PART 6 commits a class 2 misdemeanor and shall be punished as provided in section 18-1.3-501; ~~C.R.S.~~; except that, if the underlying factual basis of the violation constitutes a crime as defined by any other provision of law, then ~~such~~ THE person may be charged, prosecuted, and punished in accordance with such other provision of law.

24-21-630. [Formerly 12-9-201] Colorado bingo-raffle advisory board - creation. (1) There is hereby created, within the department of state, the Colorado bingo-raffle advisory board.

(2) The board ~~shall consist~~ CONSISTS of nine members, all of whom ~~shall~~ MUST be citizens of the United States who have been residents of the state for at least the past five years. ~~No~~ A member ~~shall~~ MUST NOT have been convicted of a felony or gambling-related offense, notwithstanding the ~~provisions of~~ section 24-5-101. ~~C.R.S.~~ No more than five of the nine members ~~shall~~ MAY be members of the same political party. At the first meeting of each fiscal year, A MAJORITY OF THE MEMBERS MUST CHOOSE a chair and vice-chair of the board ~~shall be chosen~~ from the membership. ~~by a majority of the members.~~ Membership and operation of the board ~~shall~~ MUST additionally meet the following requirements:

(a) (I) Three members of the board ~~shall~~ MUST be bona fide members of a bingo-raffle licensee that is classified as a religious organization, a charitable organization, a labor organization, an educational organization, or a voluntary firefighter's organization; except that no more than one member shall be appointed from any one such classification;

(II) One member of the board ~~shall~~ MUST be a bona fide member of a bingo-raffle licensee that is a veterans' organization;

(III) One member of the board ~~shall~~ MUST be a bona fide member of a bingo-raffle licensee that is a fraternal organization;

(IV) One member of the board ~~shall~~ MUST be a supplier licensee;

(V) Two members of the board shall MUST be landlord licensees; and

(VI) One member of the board shall MUST be a registered elector of the state who is not employed by or an officer or director of a licensee, does not have a financial interest in any license, and does not have an active part in the conduct or management of games of chance by any bingo-raffle licensee.

(b) (I) Of the five members of the board who are categorized as bona fide members of a bingo-raffle licensee, two shall be appointed by the president of the senate, two shall be appointed by the speaker of the house of representatives, and one shall be appointed jointly by the president and the speaker.

(II) Of the two members of the board who are categorized as landlord licensees, one shall be appointed by the president of the senate and one shall be appointed by the speaker of the house of representatives.

(III) The president of the senate shall appoint the member of the board who is a supplier licensee. The speaker of the house shall appoint the member of the board who is a registered elector.

(c) ~~Initial members shall be appointed to the board as follows: Two members to serve until July 1, 2000, two members to serve until July 1, 2001, two members to serve until July 1, 2002, and three members to serve until July 1, 2003. All subsequent appointments shall be~~ ARE for terms of four years. No member of the board shall be IS eligible to serve more than two consecutive terms.

(d) Any vacancy on the board shall be filled for the unexpired term in the same manner as the original appointment. The member appointed to fill such vacancy shall be from the same category described in paragraph (a) of this subsection (2) SUBSECTION (2)(a) OF THIS SECTION as the member vacating the position.

(e) ~~Any~~ A member of the board having a direct personal or private interest in any matter before the board shall disclose such fact on the board's record. A member may disqualify himself or herself for any cause deemed by him or her to be sufficient.

(f) The APPOINTING OFFICER SHALL TERMINATE THE term of any member of the board who misses more than two consecutive regular board meetings without good cause, or who no longer meets the requirements for membership imposed by this section. ~~shall be terminated by the appointing officer. Such~~ THE member's successor shall be appointed in the manner provided for appointments under this section.

(g) Board members ~~shall~~ ARE ENTITLED TO receive as compensation for their services fifty dollars for each day spent in the conduct of board business, not to exceed five hundred dollars per member per year, and ~~shall~~ ARE ENTITLED TO be reimbursed for necessary travel and other reasonable expenses incurred in the performance of their official duties.

(h) Prior to commencing his or her term of service, each person nominated to serve on the board shall file with the secretary of state a financial disclosure statement in the form required and prescribed by the ~~secretary of state~~ LICENSING AUTHORITY and as commonly used for other Colorado boards and commissions. Such statement shall be renewed as of each January 1 during the member's term of office.

(i) The board shall hold at least ~~six~~ TWO meetings each year and such additional meetings as the members may deem necessary. In addition, special meetings may be called by the chair, any three board members, or the ~~secretary of state~~ LICENSING AUTHORITY if written notification of ~~such~~ THE meeting is delivered to each member at least seventy-two hours ~~prior to such~~ BEFORE THE meeting. Notwithstanding ~~the provisions of~~ section 24-6-402, C.R.S., in emergency situations in which a majority of the board certifies that exigencies of time require that the board meet without delay, the requirements of public notice and of seventy-two hours' actual advance written notice to members may be dispensed with, and board members as well as the public shall receive such notice as is reasonable under the circumstances.

(j) A majority of the board ~~shall constitute~~ CONSTITUTES a quorum, and the concurrence of a majority of the members present ~~shall be~~ IS required for any final determination by the board.

(k) The board shall keep a complete and accurate record of all its meetings.

24-21-631. [Formerly 12-9-202] Board - duties. (1) In addition to any other duties set forth in this part 2 6, the board shall: ~~have the following duties:~~

(a) ~~To~~ Conduct a continuous study of charitable gaming throughout the state for the purpose of ascertaining any defects in this ~~article~~ PART 6 or in the rules promulgated pursuant to this ~~article~~ PART 6; AND

(b) ~~To~~ Formulate and recommend changes to this ~~article~~ PART 6 to the general assembly.

~~(c) Repeated:~~

(2) The board shall offer advice to the licensing authority upon subjects ~~which shall~~ THAT include, but are not limited to, the following:

(a) The types of charitable gaming activities to be conducted, the rules for those activities, and the number of occasions per year upon which a licensee may hold, operate, or conduct a game of bingo or lotto;

(b) The requirements, qualifications, and grounds for the issuance of all types of permanent and temporary licenses required for the conduct of charitable gaming;

(c) The requirements, qualifications, and grounds for the revocation, suspension, and summary suspension of all licenses required for the conduct of charitable gaming;

(d) Activities that constitute fraud, cheating, or illegal activities;

(e) The granting of licenses with special conditions or for limited periods, or both;

(f) The establishment of a schedule of reasonable fines to be assessed in lieu of license revocation or suspension for violations of this ~~article~~ PART 6 or any rule adopted pursuant to this ~~article~~ PART 6;

(g) The amount of fees for licenses issued by the licensing authority and for the performance of administrative services pursuant to this ~~article~~ PART 6;

(h) The establishment of criteria under which a person may serve as a games manager;

(i) The content and conduct of classes or training seminars to benefit bingo-raffle charitable licensees, officers, and volunteers to better account for funds collected from games of chance;

(j) Standardized rules, procedures, and policies to clarify and simplify the auditing of licensees' records;

(k) The types of charitable gaming activities to be conducted in the future, based upon a continuing review of the available state of the art of equipment in Colorado and elsewhere, and the policies and procedures approved and implemented by other states for the conduct of their charitable gaming activities; and

(l) The conditions for a licensee's plan for disposal of any equipment and the distribution of any remaining net proceeds upon termination of a bingo-raffle license for the licensee's failure to timely or sufficiently renew such license.

24-21-632. [Formerly 12-9-301] Repeal - review of functions. This article PART 6 is repealed, effective July 1, 2017. Prior to such SEPTEMBER 1, 2024. BEFORE THE repeal, the licensing functions of the ~~secretary of state~~ LICENSING AUTHORITY and the functions of the Colorado bingo-raffle advisory board in the department of state ~~shall be reviewed as provided for in~~ ARE SCHEDULED FOR REVIEW IN ACCORDANCE WITH section 24-34-104. ~~C.R.S.~~

SECTION 3. Repeal of relocated provisions in this act. In Colorado Revised Statutes, repeal article 9 of title 12.

SECTION 4. In Colorado Revised Statutes, 12-47-901, amend (5) introductory portion and (5)(n)(I) as follows:

12-47-901. Unlawful acts - exceptions - definitions. (5) It is unlawful for any person licensed to sell at retail pursuant to this article ARTICLE 47 or article 46 of this title TITLE 12:

(n) (I) To authorize or permit any gambling, or the use of any

gambling machine or device, except as provided by the "Bingo and Raffles Law", ~~article 9 of this title. The provisions of this paragraph (n) shall~~ PART 6 OF ARTICLE 21 OF TITLE 24. THIS SUBSECTION (5)(n) DOES not apply to those activities, equipment, and devices authorized and legally operated pursuant to articles 47.1 and 60 of this ~~title~~ TITLE 12.

SECTION 5. In Colorado Revised Statutes, amend 24-35-217 as follows:

24-35-217. Other laws inapplicable. Any other state or local law in conflict with this part 2 ~~shall be~~ IS inapplicable, but this section ~~shall~~ DOES not be construed to supersede or affect the provisions of ~~article 9 of title 12, C.R.S.~~ PART 6 OF ARTICLE 21 OF THIS TITLE 24.

SECTION 6. Applicability. This act applies to conduct occurring on or after the effective date of this act.

SECTION 7. Safety clause. The general assembly hereby finds,

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



Kevin J. Grantham
PRESIDENT OF
THE SENATE



Crisanta Duran
SPEAKER OF THE HOUSE
OF REPRESENTATIVES



Effie Ameen
SECRETARY OF
THE SENATE

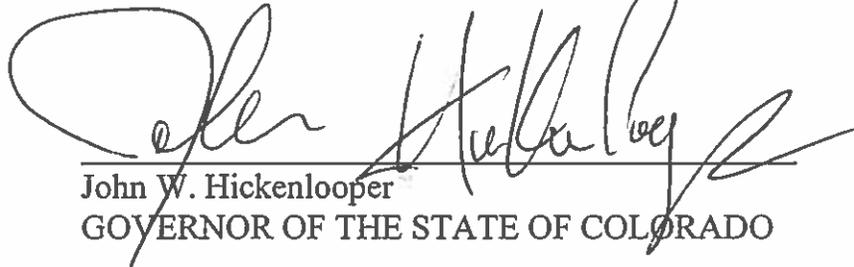


Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

APPROVED

5:02 PM

5/23/17



John W. Hickenlooper
GOVERNOR OF THE STATE OF COLORADO