A BILL FOR AN ACT

CONCERNING CLARIFICATION OF THE LAWS GOVERNING SIMULATED GAMBLING ACTIVITY.

Bill Summary

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

Section 1 of the bill amends the definitions of key terms such as "electronic gaming machine", "gambling", "prize", and "simulated gambling device" as used in the criminal statutes governing simulated gambling devices. Section 2 specifies that unlawful offering of a simulated gambling device occurs if a person receives payment indirectly or in a nonmonetary form for use of a simulated gambling device, and
that the time of payment (i.e., before or after use of the device) is irrelevant.

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

SECTION 1. In Colorado Revised Statutes, 18-10.5-102, amend the introductory portion, (5), and (6); and add (3.5) as follows:

18-10.5-102. Definitions. As used in this article, unless the context otherwise requires:

(3.5) "GAMBLING", WHETHER USED ALONE OR AS PART OF THE PHRASE "SIMULATED GAMBLING" OR "SIMULATED GAMBLING DEVICE", HAS THE MEANING SET FORTH IN SECTION 18-10-102 (2); EXCEPT THAT, FOR PURPOSES OF THIS ARTICLE 10.5, THE EXCEPTION SET FORTH IN SECTION 18-10-102 (2)(a) DOES NOT APPLY.

(5) (a) "Prize" means a gift, award, gratuity, good, service, credit, or anything else of value, INCLUDING A THING OF VALUE FOR A "GAIN" AS DEFINED IN SECTION 18-10-102 (1), that may be transferred to a person an entrant, whether or not possession of the prize is actually transferred or placed on an account or other record as evidence of the intent to transfer the prize.

(b) "Prize" does not include:

(I) Free or additional play; or

(II) Any intangible or virtual award that cannot be converted into money, goods, or services; OR

(III) A PAPER OR ELECTRONIC COUPON, WHETHER ISSUED TO A PLAYER AS A SINGLE TICKET OR TOKEN OR AS MULTIPLE TICKETS OR TOKENS, THAT IS WON IN RETURN FOR A SINGLE PLAY OF A DEVICE; HAS A VALUE THAT DOES NOT EXCEED THE EQUIVALENT OF TWENTY-FIVE DOLLARS; CANNOT BE EXCHANGED OR RETURNED FOR MONEY, MONETARY
CREDITS, OR ANY FINANCIAL CONSIDERATION; AND CANNOT BE USED TO ACQUIRE OR EXCHANGED FOR ANY PRODUCT THAT IS, CONTAINS, OR CAN BE USED AS A CONSTITUENT PART OF OR ACCESSORY FOR:

(A) ALCOHOL BEVERAGES;
(B) TOBACCO, TOBACCO PRODUCTS, MARIJUANA, OR SMOKING; OR
(C) FIREARMS OR AMMUNITION.

(6) (a) "Simulated gambling device" means a mechanically or electronically operated machine, network, system, program, or device that is used by an entrant and that displays simulated gambling displays on a screen or other mechanism at a business location, including a private club, that is owned, leased, or otherwise possessed, in whole or in part, by a person conducting the game or by that person's partners, affiliates, subsidiaries, agents, or contractors; EXCEPT THAT the term DOES NOT INCLUDE BONA FIDE AMUSEMENT DEVICES, AS AUTHORIZED IN SECTION 12-47-103 (30), THAT PAY NOTHING OF VALUE, CANNOT BE ADJUSTED TO PAY ANYTHING OF VALUE, AND ARE NOT USED FOR GAMBLING.

"SIMULATED GAMBLING DEVICE" includes:

(a) (I) A video poker game or any other kind of video card game;
(b) (II) A video bingo game;
(e) (III) A video craps game;
(d) (IV) A video keno game;
(e) (V) A video lotto game;
(f) (VI) A video roulette game;
(g) (VII) A pot-of-gold;
(h) (VIII) An eight-liner;
(k) (IX) A slot machine, WHERE RESULTS ARE DETERMINED BY REASON OF THE SKILL OF THE PLAYER OR THE APPLICATION OF THE
ELEMENT OF CHANCE, OR BOTH, AS PROVIDED BY SECTION 9 (4)(c) OF ARTICLE XVIII OF THE COLORADO CONSTITUTION; and

(‡) (X) A device that functions as, or simulates the play of, a slot machine, WHERE RESULTS ARE DETERMINED BY REASON OF THE SKILL OF THE PLAYER OR THE APPLICATION OF THE ELEMENT OF CHANCE, OR BOTH, AS PROVIDED BY SECTION 9 (4)(c) OF ARTICLE XVIII OF THE COLORADO CONSTITUTION.

(b) "SIMULATED GAMBLING DEVICE" DOES NOT INCLUDE ANY PARI-MUTUEL TOTALISATOR EQUIPMENT THAT IS USED FOR PARI-MUTUEL WAGERING ON LIVE OR SIMULCAST RACING EVENTS AND THAT HAS BEEN APPROVED BY THE DIRECTOR OF THE DIVISION OF RACING EVENTS FOR ENTITIES AUTHORIZED AND LICENSED UNDER ARTICLE 60 OF TITLE 12.

SECTION 2. In Colorado Revised Statutes, 18-10.5-103, amend (1)(a) as follows:

18-10.5-103. Prohibition - penalties - exemptions. (1) A person commits unlawful offering of a simulated gambling device if the person offers, facilitates, contracts for, or otherwise makes available to or for members of the public or members of an organization or club any simulated gambling device where:

(a) The PERSON RECEIVES, DIRECTLY OR INDIRECTLY, A payment or transfer of consideration is required or permitted for an Entrant’s use of the SIMULATED GAMBLING device, for admission to premises on which the SIMULATED GAMBLING device is located, or for the purchase of any product or service associated with access to or use of the SIMULATED GAMBLING device, REGARDLESS OF WHETHER CONSIDERATION IN CONNECTION WITH SUCH USE, ADMISSION, OR PURCHASE IS MONETARY OR NONMONETARY AND REGARDLESS OF
WHETHER IT IS PAID OR TRANSFERRED BEFORE THE SIMULATED GAMBLING
DEVICE IS USED BY AN ENTRANT; and

SECTION 3. Applicability. This act applies to conduct occurring on or after the effective date of this act.

SECTION 4. 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.