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HOUSE BILL 24-1326

BY REPRESENTATIVE(S) Ricks and Brown, Epps, Bacon, Catlin, Duran, Lindsay, Ortiz, English, Hamrick, Mabrey;
also SENATOR(S) Smallwood and Zenzinger, Priola.

CONCERNING CONTINUATION UNDER THE SUNSET LAW OF THE LICENSING OF CERTAIN GAMES OF CHANCE INCLUDING BINGO, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

SECTION 1. In Colorado Revised Statutes, 24-21-602, **amend** (1)(a) and (6); **repeal** (5.5); and **add** (40.5) as follows:

24-21-602. Definitions. As used in this part 6, unless the context otherwise requires:

(1) "Bingo" means:

(a) A STRIP bingo ~~strip card~~ game; or

~~(5.5) "Bingo strip card game" means a type of bingo that is played with a strip of up to five connected paper bingo cards, with each card~~

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

~~containing a concealed grid of preprinted numbers ranging from one to seventy-five. The winner is the first player to match the numbers drawn on one or more bingo balls to the prearranged pattern of numbers on a card. The maximum prize for an individual card may not exceed one thousand dollars.~~

(6) "Board" means the Colorado ~~bingo-raffle advisory~~ CHARITABLE GAMING board created in section 24-21-630.

(40.5) "STRIP BINGO GAME" MEANS A TYPE OF BINGO THAT IS PLAYED WITH A PAPER STRIP CARD OF UP TO FIVE CONNECTED PAPER BINGO FACES, WITH EACH BINGO FACE CONTAINING A CONCEALED GROUPING OF PREPRINTED SYMBOLS, FREE SPACES, AND NUMBERS RANGING FROM ONE TO SEVENTY-FIVE.

SECTION 2. In Colorado Revised Statutes, 24-21-604, **repeal** (4) as follows:

24-21-604. Legislative declaration - consideration for tickets - conditions - rules. (4) ~~A bingo-raffle licensee may, directly or through a third party, presell tickets to a charitable gaming event.~~

SECTION 3. In Colorado Revised Statutes, 24-21-605, **amend** (1)(a)(II) and (1)(b) as follows:

24-21-605. 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 part 6. As licensing authority, the secretary of state's powers and duties are as follows:

(a) (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 part 6 or any rule adopted pursuant to this part 6, not to exceed ~~one hundred~~ TWO HUNDRED FIFTY dollars per citation. The imposition of any such fine may be appealed to an administrative law judge.

(b) To supervise the administration and enforcement of this 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~~ TWO HUNDRED FIFTY dollars per citation, for violation by licensees of this part 6 or of rules adopted pursuant to this 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 part 6;

SECTION 4. In Colorado Revised Statutes, 24-21-609, **amend** (2)(b) as follows:

24-21-609. Application for bingo-raffle license. (2) (b) Each designated games manager must have been an active member of the applicant for at least the six months immediately preceding ~~his or her~~ THE MEMBER'S designation AS A GAMES MANAGER and shall be certified by the licensing authority pursuant to section 24-21-610 before assuming games management duties.

SECTION 5. In Colorado Revised Statutes, 24-21-614, **amend** (1)(c) as follows:

24-21-614. 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 must include, but not be limited to, the following information:

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

SECTION 6. In Colorado Revised Statutes, 24-21-617, **amend** (1); and **add** (16) as follows:

24-21-617. 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.~~

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

SECTION 7. In Colorado Revised Statutes, 24-21-618, **amend** (3)(d); and **add** (11) as follows:

24-21-618. Conduct of bingo games. (3) (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.

(11) IN THE CONDUCT OF ANY STRIP BINGO GAME OR ANY OCCASION THAT INCLUDES A STRIP BINGO GAME:

(a) A BINGO-RAFFLE LICENSEE MAY USE ANY STYLE OF STRIP BINGO GAME AUTHORIZED BY THIS PART 6 OR BY THE RULES ADOPTED PURSUANT TO THIS PART 6;

(b) THE MAXIMUM PRIZE FOR A STRIP BINGO GAME MUST NOT EXCEED ONE THOUSAND DOLLARS;

(c) BOTH STRIP BINGO GAMES AND TRADITIONAL BINGO GAMES MAY BE PLAYED DURING THE SAME OCCASION; AND

(d) THE TOTAL AMOUNT OF PRIZES AWARDED FOR ALL BINGO GAMES AT A SINGLE OCCASION MUST NOT EXCEED FIFTEEN THOUSAND DOLLARS.

SECTION 8. In Colorado Revised Statutes, 24-21-622, **amend** (3)(a) as follows:

24-21-622. Bingo-raffle licensee's statement of receipts - expenses - fee - definitions. (3) (a) All money collected or received from the sale of admission, extra regular cards, bingo strip cards, special game cards, sale of supplies, and all other receipts from the games of TRADITIONAL AND STRIP bingo GAMES, raffles, and pull tab games shall be deposited in a special checking or savings account, or both, of the licensee, which must contain only 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.

SECTION 9. In Colorado Revised Statutes, 24-21-630, **amend** (1), (2) introductory portion, (2)(a)(I), (2)(a)(V), (2)(a)(VI), (2)(b), (2)(d), (2)(e), (2)(f), (2)(g), (2)(h), and (2)(i); **repeal** (2)(a)(II) and (2)(a)(III); and **add** (2)(a)(VII), (2)(l), (2)(m), and (2)(n) as follows:

24-21-630. Colorado charitable gaming board - creation.

(1) There is ~~hereby~~ created, within the department of state, the Colorado ~~bingo-raffle advisory~~ CHARITABLE GAMING board.

(2) The board consists of ~~nine~~ SEVEN members, all of whom must be citizens of the United States who have been residents of the state for at least the past ~~five~~ TWO years. A member must not have been convicted of a felony or gambling-related offense, notwithstanding section 24-5-101. No more than ~~five~~ THREE of the ~~nine~~ SEVEN members may be members of the same political party; EXCEPT THAT THE POLITICAL PARTY AFFILIATION OF THE SECRETARY OF STATE'S DESIGNEE SHALL NOT BE CONSIDERED FOR PURPOSES OF DETERMINING COMPLIANCE WITH THIS REQUIREMENT. THE SECRETARY OF STATE'S DESIGNEE SHALL CONVENE THE BOARD'S FIRST MEETING AS SOON AS PRACTICABLE BUT NOT LATER THAN SIXTY DAYS AFTER A MAJORITY OF THE SEVEN BOARD MEMBERS ARE APPOINTED IN ACCORDANCE WITH THIS SECTION. At the first meeting of each fiscal year, a majority of the members must choose a chair and vice-chair of the board from the membership. Membership and operation of the board must additionally meet the following requirements:

(a) (I) Three members of the board 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, A VETERANS' ORGANIZATION, A FRATERNAL 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 must be a bona fide member of a~~

~~bingo-raffle licensee that is a veterans' organization;~~

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

~~(V) Two members~~ ONE MEMBER of the board must be A landlord licensee LICENSEE; and

(VI) One member of the board 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; AND

(VII) ONE MEMBER OF THE BOARD MUST BE THE SECRETARY OF STATE'S DESIGNEE.

~~(b) (I) Of the five~~ THE GOVERNOR SHALL APPOINT THE THREE 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~~ THE GOVERNOR SHALL APPOINT THE MEMBER 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~~ IS A SUPPLIER LICENSEE AND THE MEMBER OF THE BOARD WHO IS A LANDLORD LICENSEE.

~~(III) The president of the senate shall appoint the member of the board who is a supplier licensee. The speaker of the house~~ THE SECRETARY OF STATE shall appoint the member of the board who is a registered elector AND THE MEMBER OF THE BOARD WHO IS THE SECRETARY OF STATE'S DESIGNEE.

(d) Any vacancy on the board shall MUST be filled for the unexpired term in the same manner as the original appointment; EXCEPT THAT, IN THE EVENT OF AN EXTENDED VACANCY OF MORE THAN THREE MEETINGS OR THE FAILURE OF THE GOVERNOR TO APPOINT A NEW MEMBER WITHIN THREE MONTHS OF THE VACANCY, THE SECRETARY OF STATE MAY APPOINT A

REPLACEMENT MEMBER. The member appointed to fill such vacancy shall be from the same category described in subsection (2)(a) of this section as the member vacating the position.

(e) A member of the board having a direct personal or private interest in any matter before the board ~~shall~~ MUST disclose such fact on the board's record. ~~A member~~ MEMBERS may disqualify ~~himself or herself~~ THEMSELVES for any cause deemed by ~~him or her~~ THEM 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. The member's successor ~~shall~~ MUST be appointed in the manner provided for appointments under this section.

(g) Board members are entitled to receive as compensation for their services ~~fifty~~ SEVENTY-FIVE dollars for each day spent in the conduct of board business, not to exceed five hundred dollars per member per year, and 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~~ A term of service, each person nominated to serve on the board, OTHER THAN THE SECRETARY OF STATE'S DESIGNEE, ~~shall~~ MUST file with the secretary of state a financial disclosure statement in the form required and prescribed by the licensing authority and as commonly used for other Colorado boards and commissions. Such statement ~~shall~~ MUST be renewed as of each January 1 during the member's term of office.

(i) The board shall hold at least ~~two~~ SIX 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 licensing authority if written notification of the meeting is delivered to each member at least seventy-two hours before the meeting. Notwithstanding section 24-6-402, 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~~ MUST receive such notice as is reasonable under the circumstances.

(l) A MAJORITY OF THE BOARD CONSTITUTES A QUORUM, BUT THE CONCURRENCE OF A MAJORITY OF ALL MEMBERS IS REQUIRED FOR ANY FINAL ACTION OR DETERMINATION BY THE BOARD.

(m) THE MEMBERS OF THE BOARD MAY INVITE ADDITIONAL INDIVIDUALS AND REPRESENTATIVES OF ENTITIES TO ATTEND WORKING GROUP MEETINGS AND PARTICIPATE IN SUCH MEETINGS AS NONVOTING MEMBERS OF THE BOARD.

(n) THE SECRETARY OF STATE MAY EMPLOY STAFF TO ASSIST THE BOARD IN CARRYING OUT ITS DUTIES AND TO ENSURE THAT THE BOARD MAINTAINS ITS REGULAR MEETING SCHEDULE SET FORTH IN SUBSECTION (2)(i) OF THIS SECTION.

SECTION 10. In Colorado Revised Statutes, **repeal and reenact, with amendments,** 24-21-631 as follows:

24-21-631. Board - duties. (1) IN ADDITION TO ANY OTHER DUTIES SET FORTH IN THIS PART 6, THE BOARD SHALL:

(a) CONDUCT A CONTINUOUS STUDY OF CHARITABLE GAMING THROUGHOUT THE STATE FOR THE PURPOSE OF IMPROVING CHARITABLE GAMING AND ASCERTAINING ANY DEFECTS IN THIS PART 6 OR IN THE RULES PROMULGATED PURSUANT TO THIS PART 6; AND

(b) COMMENCING ON AND AFTER JANUARY 1, 2025, AT THE DISCRETION OF THE BOARD, SUBMIT A REPORT TO THE GENERAL ASSEMBLY CONTAINING RECOMMENDATIONS FOR CHANGES TO THIS PART 6, WHICH REPORT SHALL BE SUBMITTED ON OR BEFORE OCTOBER 31, 2025, AND ON OR BEFORE OCTOBER 31 OF EACH YEAR THEREAFTER.

(2) THE LICENSING AUTHORITY IS ENCOURAGED TO COLLABORATE WITH THE BOARD ON PROPOSALS DEVELOPED BY THE BOARD CONCERNING SUBJECTS INCLUDING BUT NOT LIMITED TO:

(a) THE TYPES OF CHARITABLE GAMING ACTIVITIES TO BE CONDUCTED, THE EXISTING RULES AND POTENTIAL NEW 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 TYPES OF CHARITABLE GAMING ACTIVITIES TO BE CONDUCTED IN THE FUTURE BASED UPON A CONTINUING REVIEW OF THE AVAILABLE STATE-OF-THE-ART EQUIPMENT IN COLORADO AND OTHER STATES AND THE POLICIES AND PROCEDURES APPROVED AND IMPLEMENTED BY OTHER STATES FOR THE CONDUCT OF CHARITABLE GAMING ACTIVITIES, PROVIDED THAT NO NEW TYPE OF CHARITABLE GAMING ACTIVITY IS RECOMMENDED BY THE BOARD FOR APPROVAL FOR LICENSING OR PLAY, OR APPROVED BY THE LICENSING AUTHORITY FOR LICENSING OR PLAY, THAT DOES NOT COMPORT WITH THE LIMITATIONS OF SECTION 2 (3) OF ARTICLE XVIII OF THE STATE CONSTITUTION CONCERNING THE CONDUCT ONLY OF THE SPECIFIC GAME OF CHANCE COMMONLY KNOWN AS BINGO OR LOTTO OR THE SPECIFIC GAME OF CHANCE COMMONLY KNOWN AS RAFFLES; AND

(c) AN ANNUAL REVIEW OF AT LEAST TEN PERCENT OF ALL CHARITABLE GAMING RULES AND A COMPLETE REVIEW OF ALL CHARITABLE GAMING RULES EVERY FIVE YEARS.

(3) THE BOARD SHALL OFFER ADVICE TO THE LICENSING AUTHORITY UPON SUBJECTS INCLUDING BUT NOT LIMITED TO:

(a) THE REQUIREMENTS, QUALIFICATIONS, AND GROUNDS FOR THE ISSUANCE OF ALL TYPES OF PERMANENT AND TEMPORARY LICENSES REQUIRED FOR THE CONDUCT OF CHARITABLE GAMING;

(b) THE REQUIREMENTS, QUALIFICATIONS, AND GROUNDS FOR THE REVOCATION, SUSPENSION, AND SUMMARY SUSPENSION OF ALL LICENSES REQUIRED FOR THE CONDUCT OF CHARITABLE GAMING;

(c) ACTIVITIES THAT CONSTITUTE FRAUD, CHEATING, OR ILLEGAL ACTIVITIES;

(d) THE GRANTING OF LICENSES WITH SPECIAL CONDITIONS OR FOR LIMITED PERIODS, OR BOTH;

(e) THE ESTABLISHMENT OF A SCHEDULE OF REASONABLE FINES TO BE ASSESSED FOR VIOLATIONS OF THIS PART 6 OR ANY RULE ADOPTED PURSUANT TO THIS PART 6;

(f) THE AMOUNT OF FEES FOR LICENSES ISSUED BY THE LICENSING AUTHORITY AND FOR THE PERFORMANCE OF ADMINISTRATIVE SERVICES

PURSUANT TO THIS PART 6;

(g) THE ESTABLISHMENT OF CRITERIA UNDER WHICH A PERSON MAY SERVE AS A GAMES MANAGER;

(h) 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;

(i) STANDARDIZED RULES, PROCEDURES, AND POLICIES TO CLARIFY AND SIMPLIFY THE AUDITING OF LICENSEES' RECORDS; AND

(j) 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.

SECTION 11. In Colorado Revised Statutes, **amend** 24-21-632 as follows:

24-21-632. Repeal of part - review of functions. This part 6 is repealed, effective ~~September 1, 2024~~ SEPTEMBER 1, 2031. Before the repeal, the licensing functions of the licensing authority and the functions of the Colorado ~~bingo-raffle advisory~~ CHARITABLE GAMING board in the department of state are scheduled for review in accordance with section 24-34-104.

SECTION 12. In Colorado Revised Statutes, 24-34-104, **repeal** (25)(a)(XV) and (25)(a)(XVI); and **add** (32)(a)(XV) as follows:

24-34-104. General assembly review of regulatory agencies and functions for repeal, continuation, or reestablishment - legislative declaration - repeal. (25) (a) The following agencies, functions, or both, 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;~~

(32) (a) The following agencies, functions, or both, are scheduled for repeal on September 1, 2031:

(XV) THE LICENSING OF BINGO AND OTHER GAMES OF CHANCE THROUGH THE SECRETARY OF STATE AND THE FUNCTIONS OF THE COLORADO CHARITABLE GAMING BOARD AS SPECIFIED IN PART 6 OF ARTICLE 21 OF THIS TITLE 24.

SECTION 13. Appropriation. (1) For the 2024-25 state fiscal year, \$226,445 is appropriated to the department of state. This appropriation is from the department of state cash fund created in section 24-21-104 (3)(b), C.R.S. To implement this act, the department may use this appropriation as follows:

(a) \$173,185 for use by the business and licensing division for personal services, which amount is based on an assumption that the division will require an additional 3.0 FTE;

(b) \$44,240 for use by the business and licensing division for operating expenses; and

(c) \$9,020 for use by the information technology division for operating expenses.

SECTION 14. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate

preservation of the public peace, health, or safety or for appropriations for the support and maintenance of the departments of the state and state institutions.

Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Steve Fenberg
PRESIDENT OF
THE SENATE

Robin Jones
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

APPROVED _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO