

SENATE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

March 27, 2017
Date

Committee on State, Veterans, & Military Affairs.

After consideration on the merits, the Committee recommends the following:

SB17-232 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

1 Amend printed bill, strike everything below the enacting clause and
2 substitute:

3 "SECTION 1. In Colorado Revised Statutes, 24-34-104, **amend**
4 (27)(a) introductory portion; **repeal** (12)(a)(IV) and (12)(a)(V); and **add**
5 (27)(a)(V) and (27)(a)(VI) as follows:

6 **24-34-104. General assembly review of regulatory agencies**
7 **and functions for repeal, continuation, or reestablishment - legislative**
8 **declaration - repeal.** (12) (a) The following agencies, functions, or both,
9 will repeal on July 1, 2017:

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

12 (V) ~~The Colorado bingo-raffle advisory board created in section~~
13 ~~12-9-201, C.R.S.;~~

14 (27) (a) The following agencies, functions, or both, ~~will~~ ARE
15 SCHEDULED FOR repeal on September 1, 2026:

16 (V) THE LICENSING OF BINGO AND OTHER GAMES OF CHANCE
17 THROUGH THE SECRETARY OF STATE IN ACCORDANCE WITH PART 5 OF
18 ARTICLE 21 OF THIS TITLE 24;

19 (VI) THE COLORADO BINGO-RAFFLE ADVISORY BOARD CREATED
20 IN SECTION 24-21-530.

21 **SECTION 2.** In Colorado Revised Statutes, **add with amended**
22 **and relocated provisions** part 5 to article 21 of title 24 as follows:

23 PART 5
24 BINGO AND RAFFLES LAW

1 **24-21-501. [Formerly 12-9-101] Short title.** ~~This article shall be~~
2 ~~known and may be cited as~~ THE SHORT TITLE OF THIS PART 5 IS the "Bingo
3 and Raffles Law".

4 **24-21-502. [Formerly 12-9-102] Definitions.** As used in this
5 ~~article~~ PART 5, unless the context otherwise requires:

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

14 ~~(1.1)~~ (2) "Bingo aid computer system" means a computer system
15 that interfaces with and controls the use of electronic devices used as aids
16 in the game of bingo.

17 ~~(1.2)~~ (3) "Bingo-raffle licensee" means any qualified organization
18 to which a bingo-raffle license has been issued by the licensing authority.

19 ~~(1.3)~~ (4) "Bingo-raffle manufacturer" means a person, other than
20 a bingo-raffle licensee, who makes, assembles, produces, or otherwise
21 prepares pull tabs, bingo cards or sheets, electronic devices used as aids
22 in the game of bingo, or other equipment or parts thereof for games of
23 chance. ~~as defined in subsection (7) of this section.~~ "Bingo-raffle
24 manufacturer" does not include a person who prints raffle tickets, other
25 than pull tabs, for and at the request of a bingo-raffle licensee.

26 ~~(1.4)~~ (5) "Bingo-raffle supplier" means a person, other than a
27 bingo-raffle licensee, who sells, distributes, or otherwise furnishes pull
28 tabs, bingo cards or sheets, electronic devices used as aids in the game of
29 bingo, or other games of chance equipment. ~~as defined in subsection (5)~~
30 ~~of this section.~~ "Bingo-raffle supplier" does not include a person who
31 prints raffle tickets, other than pull tabs, for and at the request of a
32 bingo-raffle licensee.

33 ~~(1.5)~~ (6) "Board" means the Colorado bingo-raffle advisory board
34 created in section ~~12-9-201~~ 24-21-530.

35 ~~(1.6)~~ (7) "Card" means either a disposable and nonreusable paper
36 bingo card identified by color, serial number, and card number, or a
37 reusable bingo card intended for repeated use, including but not limited
38 to a hard card or shutter card. "Card" does not include an electronic
39 representation or electronic image of a bingo card.

40 ~~(1.7)~~ (8) "Charitable gaming" means bingo, pull tab games, and
41 raffles. ~~as defined in subsections (1), (18.1), and (19.3) of this section.~~

1 ~~(1.8)~~ (9) "Charitable organization" means any organization, not
2 for pecuniary profit, that is operated for the relief of poverty, distress, or
3 other condition of public concern within this state and that has been so
4 engaged for five years prior to making application for a license under this
5 ~~article~~ PART 5.

6 ~~(2)~~ (10) "Chartered branch or lodge or chapter of a national or
7 state organization" means any such branch or lodge or chapter that is a
8 civic or service organization, not for pecuniary profit, and authorized by
9 its written constitution, charter, articles of incorporation, or bylaws to
10 engage in a fraternal, civic, or service purpose within this state and that
11 has been so engaged for five years prior to making application for a
12 license under this ~~article~~ PART 5.

13 ~~(2.3)~~ (11) "Commercial bingo facility" means premises rented by
14 a bingo-raffle licensee for the purpose of conducting games of chance.

15 ~~(2.5)~~ (12) "Commercial landlord" means any person renting or
16 offering to rent a commercial bingo facility to any bingo-raffle licensee.

17 ~~(2.7)~~ (13) "Deal" means each separate package or series of
18 packages of pull tabs with the same name, form number, serial number,
19 and color code.

20 ~~(3)~~ (14) "Dues-paying membership" means those members of an
21 organization who pay regular monthly, annual, or other periodic dues or
22 who are excused from paying such dues by the bylaws, articles of
23 incorporation, or charter of the organization and those who contribute
24 voluntarily to the corporation or organization to which they belong for the
25 support of such corporation or organization.

26 ~~(4)~~ (15) "Educational organization" means any organization within
27 this state, not organized for pecuniary profit, whose primary purpose is
28 educational in nature and designed to develop the capabilities of
29 individuals by instruction and that has been in existence for five years
30 prior to making application for a license under this ~~article~~ PART 5.

31 ~~(5)~~ (16) "Equipment" means: With respect to bingo or lotto, the
32 receptacle and numbered objects drawn from it, the master board upon
33 which such objects are placed as drawn, the cards or sheets bearing
34 numbers or other designations to be covered and the objects used to cover
35 them, the board or signs, however operated, used to announce or display
36 the numbers or designations as they are drawn, public address system, and
37 all other articles essential to the operation, conduct, and playing of bingo
38 or lotto; or, with respect to raffles, implements, devices, and machines
39 designed, intended, or used for the conduct of raffles and the
40 identification of the winning number or unit and the ticket or other
41 evidence or right to participate in raffles. "Equipment" includes electronic

1 devices used as aids in the game of bingo.

2 ~~(5.5)~~ (17) "Exempt organization" means an organization: that
3 ~~complies with each of the following criteria:~~

4 (a) That is exempt from taxation under section 501 (c)(3) of the
5 federal "Internal Revenue Code of 1954", as amended; ~~through December~~
6 ~~31, 1984;~~

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

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

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

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

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

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

37 ~~(6)~~ (18) "Fraternal organization" means any organization within
38 this state, including college and high school fraternities, not for pecuniary
39 profit, that is a branch, lodge, or chapter of a national or state
40 organization and exists for the common business, brotherhood, or other
41 interests of its members and that has so existed for five years prior to

1 making application for a license under this ~~article~~ PART 5. "Fraternal
2 organization" also includes a graduate or alumni division or branch of a
3 college fraternity, which division or branch holds a charter issued by the
4 state of Colorado and that meets all other criteria set forth in this
5 subsection ~~(6)~~ (18). As used in this subsection ~~(6)~~ (18), "fraternity"
6 includes a sorority.

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

14 ~~(8)~~ (20) "Gross receipts" means receipts from the sale of shares,
15 tickets, or rights in any manner connected with participation in a game of
16 chance or the right to participate therein, including any admission fee or
17 charge, the sale of equipment or supplies, the sale or lease of electronic
18 devices used as aids in the game of bingo, and all other miscellaneous
19 receipts.

20 ~~(9)~~ (21) "Labor organization" means any organization, not for
21 pecuniary profit, within this state that exists for the purpose, in whole or
22 in part, of dealing with employers concerning grievances, labor disputes,
23 wages, rates of pay, hours of employment, or conditions of work and that
24 has existed for such purpose and has been so engaged for five years prior
25 to making application for a license under this ~~article~~ PART 5.

26 ~~(9.5)~~ (22) "Landlord licensee" means the holder of a current, valid
27 commercial landlord license.

28 ~~(10)~~ (23) "Lawful purposes" means the lawful purposes of
29 organizations permitted to conduct games of chance, as provided in
30 section 2 of article XVIII of the state constitution.

31 ~~(11)~~ (24) "Lawful use" means the devotion of the entire net
32 proceeds of a game of chance exclusively to lawful purposes.

33 ~~(11.5)~~ (25) "License" means any license or certification issued by
34 the licensing authority pursuant to this ~~article~~ PART 5, including, without
35 limitation, the certification of a games manager pursuant to section
36 ~~12-9-105.1~~ 24-21-510.

37 ~~(12)~~ (26) "Licensed agent" means an individual who holds a
38 current, valid agent's license for a bingo-raffle manufacturer or supplier.

39 ~~(12.5)~~ (27) "Licensee" means the holder of any license or
40 certification issued by the licensing authority pursuant to this ~~article~~ PART
41 5. "Licensee" includes the former holder of such license or certification

1 for purposes of investigation of activities that took place during the period
2 in which such license or certification was effective.

3 ~~(13)~~ (28) "Licensing authority" means the secretary of state or his
4 or her duly authorized deputy.

5 ~~(13.3)~~ (29) "Manufacturer's agent" means an individual who
6 represents a manufacturer in any of its activities in connection with the
7 presales, driver sales, or distribution with excess stock of pull tabs, bingo
8 cards or sheets, electronic devices used as aids in the game of bingo, or
9 other games of chance equipment; except employees of commercial
10 delivery services.

11 ~~(13.5)~~ (30) "Manufacturer licensee" means the holder of a current,
12 valid Colorado manufacturer license.

13 ~~(14)~~ (31) "Member" means an individual who has qualified for
14 membership in a qualified organization pursuant to its bylaws, articles of
15 incorporation, charter, rules, or other written statement.

16 ~~(15)~~ (32) "Net proceeds" means the receipts less such expenses,
17 charges, fees, and deductions as are specifically authorized under this
18 ~~article~~ PART 5.

19 ~~(16)~~ (33) "Occasion" means a single gathering or session at which
20 a series of successive bingo games is played.

21 ~~(17)~~ (34) "Person" means a natural person, firm, association,
22 corporation, or other legal entity.

23 ~~(18)~~ (35) "Premises" means any room, hall, enclosure, or outdoor
24 area used for the purpose of playing a game of chance.

25 ~~(18.1)~~ (36) "Pull tab game" means a type of game of chance
26 commonly known as a pickle, break-open, jar raffle, last sale ticket, or
27 seal card for which tickets are preprinted with markings distinguishing
28 winners and nonwinners, each ticket so made that its markings and
29 winning or nonwinning status cannot be known or revealed until the
30 ticket is broken or torn apart.

31 ~~(19)~~ (37) (a) "Qualified organization" means any bona fide
32 chartered branch, lodge, or chapter of a national or state organization or
33 any bona fide religious, charitable, labor, fraternal, educational, voluntary
34 firefighters', or veterans' organization operating without profit to its
35 members that has been in existence continuously for a period of five years
36 immediately prior to the making of an application for a license under this
37 ~~article~~ PART 5 and that has had, during the entire five-year period, a
38 dues-paying membership engaged in carrying out the objects of said
39 corporation or organization.

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

41 (I) A political party; and

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

10 ~~(20)~~ (39) "Religious organization" means any organization,
11 church, body of communicants, or group, not for pecuniary profit,
12 gathered in common membership for mutual support and edification in
13 piety, worship, and religious observances or a society, not for pecuniary
14 profit, of individuals united for religious purposes at a definite place, ~~that~~
15 WHICH organization, church, body of communicants, group, or society has
16 been so gathered or united for five years prior to making application for
17 a license under this ~~article~~ PART 5.

18 ~~(20.1)~~ (40) "Sheet" means a leaf of paper upon which is printed
19 one or more disposable bingo cards.

20 ~~(20.3)~~ (41) "Supplier's agent" means an individual who represents
21 a bingo-raffle supplier in the course of the bingo-raffle supplier's presales,
22 driver sales, or distribution with excess bingo-supplier stock, electronic
23 devices used as aids in the game of bingo, or chance equipment on hand;
24 except THAT THE TERM DOES NOT INCLUDE employees of commercial
25 delivery services.

26 ~~(20.5)~~ (42) "Supplier licensee" means the holder of a current,
27 valid Colorado supplier license.

28 ~~(21)~~ (43) "Veterans' organization" means any organization within
29 this state or any branch, lodge, or chapter of a national or state
30 organization within this state, not for pecuniary profit, the membership of
31 which consists of individuals who were members of the armed services
32 or forces of the United States, that has been in existence for five years
33 prior to making application for a license under this ~~article~~ PART 5.

34 ~~(22)~~ (44) "Voluntary firefighters' organization" means any
35 organization within this state, not for pecuniary profit, established by the
36 state or any of its political subdivisions that has been in existence for five
37 years prior to making application for a license under this ~~article~~ PART 5.

38 **24-21-503. [Formerly 12-9-102.3] Fraud and deception**
39 **prohibited.** (1) ~~No~~ A bingo-raffle licensee, landlord licensee,
40 ~~bingo-raffle~~ bingo-raffle supplier ~~bingo-raffle~~ LICENSEE, manufacturer LICENSEE, or
41 any member or agent thereof engaged in any charitable gaming activity

1 shall NOT, directly or indirectly:
2 (a) Employ any device, scheme, or artifice to defraud or deceive;
3 (b) Intentionally make any untrue or misleading statement of fact;
4 or
5 (c) Engage in any act, practice, or course of conduct constituting
6 fraud or deceit.

7 **24-21-504. [Formerly 12-9-102.5] Legislative declaration -**
8 **consideration for tickets - conditions - rules.** (1) The general assembly
9 hereby finds and declares that prize promotions involving the conduct of
10 free product giveaways through the use of free chances for purposes of
11 commercial advertisement, the creation of goodwill, the promotion of
12 new products or services, or the collection of names should not be subject
13 to regulation under this ~~article~~ PART 5. The giveaways described in this
14 subsection (1) are exempt from regulation under this ~~article~~ PART 5 when
15 all of the conditions set forth in this section are satisfied.

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

24 ~~(3) (Deleted by amendment, L. 99, p. 1411, § 1, effective June 5,~~
25 ~~1999.)~~

26 ~~(4)~~ (3) (a) (I) A licensee may conduct a prize promotion on the
27 licensed premises, whether the premises are rented or owned by the
28 licensee. A licensee shall clearly disclose, in the rental agreement or
29 otherwise, the promotion and its cost, if any, to the licensee, pursuant to
30 rules adopted by the licensing authority.

31 (II) A landlord licensee shall not require a bingo-raffle licensee to
32 participate in or conduct a promotion under this section, nor may a games
33 manager for any occasion assist in any promotion conducted during an
34 occasion by a landlord licensee. Prizes offered as part of a promotion are
35 not prizes subject to limitation under section ~~12-9-107~~ 24-21-517 (5).

36 (b) Before conducting a promotion under this section, the licensee
37 shall provide evidence of ownership, free and clear, of the prizes to be
38 offered unless all of the prizes are available for viewing on the premises
39 on the day they are to be awarded. The licensee offering any promotional
40 prize shall disclose, at the beginning of the promotion, full and complete
41 information identifying the prizes to be awarded and the method by which

1 the prizes may be won. ~~This disclosure need not be made separately or~~
2 ~~personally to each participant, but may be made by conspicuously posting~~
3 ~~or displaying, at the premises where the promotion is being conducted;~~
4 ~~either the available prizes themselves or a list and complete description~~
5 ~~of the prizes and the method by which they may be won.~~

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

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

16 (4) A BINGO-RAFFLE LICENSEE MAY, DIRECTLY OR THROUGH A
17 THIRD PARTY, PRESELL TICKETS TO A CHARITABLE GAMING EVENT,
18 INCLUDING BY ELECTRONIC MEANS AND THROUGH THE INTERNET.

19 **24-21-505. [Formerly 12-9-103] Licensing and enforcement**
20 **authority - powers - rules - duties - license suspension or revocation**
21 **proceedings - definitions.** (1) The secretary of state is hereby designated
22 as the "licensing authority" of this ~~article~~ PART 5. As licensing authority,
23 the secretary of state's powers and duties are as follows:

24 (a) (I) To grant or refuse to grant bingo-raffle licenses under this
25 ~~article~~ PART 5 and to grant or refuse to grant licenses to landlords,
26 manufacturers, manufacturers' agents, suppliers, and suppliers' agents. If
27 any such license application has not been approved or disapproved within
28 forty-five days after the licensing authority has received all information
29 that constitutes a complete application, the license shall be deemed to be
30 approved. The licensing authority shall notify the applicant upon receipt
31 of all information that the licensing authority deems a complete
32 application. Such notification shall be the start of the forty-five-day
33 period in which the licensing authority shall affirmatively act upon the
34 application. The licensing authority's failure to act upon an application
35 within forty-five days after receipt shall not preclude the licensing
36 authority from later filing a complaint challenging the application on the
37 ground that it is in conflict with the Colorado constitution or this ~~article~~
38 PART 5. All such licenses and applications for such licenses shall be made
39 available for inspection by the public. In addition, the licensing authority
40 has the power and the responsibility, after investigation and hearing
41 before an administrative law judge, to suspend or revoke any license

1 issued by the licensing authority, in accordance with any order of such
2 administrative law judge. When a license is ordered suspended or
3 revoked, the licensee shall surrender the license to the licensing authority
4 on or before the effective date of the suspension or revocation. No license
5 is valid beyond the effective date of the suspension or revocation, whether
6 surrendered or not. Any bingo-raffle license may be temporarily
7 suspended for a period not to exceed ten days pending any prosecution,
8 investigation, or public hearing.

9 (II) In lieu of seeking a suspension or revocation of any license
10 issued by the licensing authority, the licensing authority may impose a
11 reasonable fine for any violation of this ~~article~~ PART 5 or any rule adopted
12 pursuant to this ~~article~~ PART 5, not to exceed one hundred dollars per
13 citation. The imposition of any such fine may be appealed to an
14 administrative law judge.

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

20 (IV) If a licensee or bingo-raffle affiliate fails within forty-five
21 days after a written request by the licensing authority to voluntarily
22 produce records at the office of the licensing authority, or if a licensee
23 fails to file a report within the time required by this ~~article~~ PART 5, or if
24 such report is not properly verified or is not fully, accurately, and
25 truthfully completed on its face, the licensing authority may refuse to
26 renew the licensee's license until the licensee has corrected such failure
27 or deficiency. If the licensing authority refuses to renew a license
28 pursuant to this ~~subparagraph (IV)~~ SUBSECTION (1)(a)(IV), the licensee
29 shall not engage in activity authorized by such license until such license
30 is renewed.

31 (b) To supervise the administration and enforcement of this ~~article~~
32 PART 5 and, in consultation with the board, to adopt, amend, and repeal
33 rules governing the holding, operating, and conducting of games of
34 chance, the purchase of equipment, the establishment of a schedule of
35 reasonable fines, not to exceed one hundred dollars per citation, for
36 violation by licensees of this ~~article~~ PART 5 or of rules adopted pursuant
37 to this ~~article~~ PART 5, to the end that games of chance shall be held,
38 operated, and conducted only by licensees for the purposes and in
39 conformity with the state constitution and the provisions of this ~~article~~
40 PART 5;

41 (c) To provide forms for and supervise the filing of any reports

1 made by mail, computer, electronic mail, or any other electronic device
2 by any licensee. As soon as possible after July 1, 2006, the licensing
3 authority shall ensure that delivery of a document subject to this ~~article~~
4 PART 5 by an applicant or a licensee may be accomplished electronically
5 without the necessity for presentation of a physical original document,
6 report, or image, if all required information is included and is readily
7 retrievable from the data transmitted. The licensing authority may, by
8 rule, require certain organizations to file reports and other documents
9 electronically. All electronically filed documents shall be stored by the
10 licensing authority in an electronic or other medium and shall be
11 retrievable by the licensing authority in an understandable and readable
12 form. Notwithstanding any other provision of law requiring the signature
13 of, or execution by, a person on a document, no such signature shall be
14 required when the document is submitted electronically. Causing a
15 document to be delivered to the licensing authority by an applicant or a
16 licensee shall constitute the affirmation or acknowledgment of the
17 individual causing the delivery, under penalty of perjury, that the
18 document is the individual's act and deed or the act and deed of the
19 organization or entity on whose behalf the document was delivered and
20 that the facts stated in the document are true.

21 (d) Upon application by any licensee, to issue a letter ruling
22 granting approval for any new concept, method, technology, practice, or
23 procedure that may be applied to, or used in the conduct of, games of
24 chance that are not in conflict with the constitution or this ~~article~~ PART 5.
25 Application for such approval shall be submitted in a form prescribed by
26 the licensing authority. If an application is not acted upon within
27 forty-five days after receipt by the licensing authority, the licensee may
28 implement such concept, method, technology, practice, or procedure so
29 long as it is not in conflict with the constitution or this ~~article~~ PART 5;
30 except that the licensing authority's failure to act upon an application
31 within forty-five days after receipt shall not preclude the licensing
32 authority from later filing a complaint challenging such concept, method,
33 technology, practice, or procedure on the ground that it is in conflict with
34 the constitution or this ~~article~~ PART 5. An adverse ruling on such
35 application may be appealed to an administrative law judge.

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

38 (f) To prepare and transmit annually, in the form and manner
39 prescribed by the heads of the principal departments pursuant to ~~the~~
40 ~~provisions of~~ section 24-1-136, ~~C.R.S.~~, a report accounting to the
41 governor for the efficient discharge of all responsibilities assigned by law

1 or directive to the authority, and to issue publications of the authority
2 intended for circulation in quantity outside the executive branch in
3 accordance with ~~the provisions of~~ section 24-1-136; ~~C.R.S.~~

4 (g) To license devices for reading pull tabs as provided in section
5 ~~12-9-107.2~~ 24-21-519; except that the licensing authority shall not impose
6 or collect any fee for the issuance of such a license.

7 ~~(1.5)~~ (2) For the purpose of any investigation or examination of
8 records, the licensing authority or any officer designated by the licensing
9 authority may require, at the office of the licensing authority, the
10 production of any books, papers, correspondence, memoranda,
11 agreements, or other documents or records that the licensing authority
12 deems relevant or material to the inquiry. In case of refusal to obey a
13 request for the production of documents issued to any licensee or an
14 affiliate of a licensee, the district court of the city and county of Denver,
15 upon application by the licensing authority, may issue an order requiring
16 that person to appear before the licensing authority or the officer
17 designated by the licensing authority to produce documents or to give
18 evidence touching upon the matter under investigation or in question.
19 Failure to obey the order of the court may be punished by the court as a
20 contempt of court.

21 ~~(2)~~ (3) The licensing authority may revoke, suspend, annul, limit,
22 modify, or refuse to grant or renew a license in accordance with section
23 24-4-104. ~~C.R.S.~~ Hearings that are held to administratively review the
24 licensing authority's decision to refuse to grant or renew a license or to
25 determine whether a licensee's license should be revoked, suspended,
26 annulled, limited, or modified shall be conducted by an administrative
27 law judge appointed pursuant to part 10 of article 30 of THIS title 24
28 ~~C.R.S.~~ and shall be held in the manner and pursuant to the rules and
29 procedures described in sections 24-4-104, 24-4-105, and 24-4-106.
30 ~~C.R.S.~~ An administrative law judge shall hold and conclude hearings in
31 accordance with the rules, with reasonable dispatch and without
32 unnecessary delay, and shall issue a decision within ten days after the
33 hearing.

34 ~~(3)~~ (4) (a) Upon a finding by an administrative law judge of a
35 violation of this ~~article~~ PART 5, the rules adopted pursuant to this ~~article~~
36 PART 5, or any other provision of law, such as would warrant the
37 revocation, suspension, annulment, limitation, or modification of a
38 license, in addition to any other penalties that may be imposed, the
39 licensing authority may declare the violator ineligible to conduct a game
40 of bingo and to apply for a license pursuant to this ~~article~~ PART 5 for a
41 period not exceeding ~~five~~ THREE years after the date of ~~such~~ THE

1 declaration or a shorter period designated by the licensing authority
2 pursuant to this subsection ~~(3)~~ (4). The licensing authority shall designate
3 a shorter period of license ineligibility only in the absence of aggravating
4 factors associated with the violation for which the revocation was
5 imposed. Aggravating factors shall include willfulness, intent, a previous
6 intentional violation of this ~~article~~ PART 5, and violations involving theft
7 or fraud. ~~Such~~ THE declaration of ineligibility may be extended to
8 include, in addition to the violator, any of its subsidiary organizations, its
9 parent organization, or otherwise, affiliated with the violator when, in the
10 opinion of the licensing authority, the circumstances of the violation
11 warrant such action.

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

17 ~~(4) (Deleted by amendment, L. 2006, p. 986, § 3, effective May~~
18 ~~25, 2006.)~~

19 (5) Upon an administrative or judicial finding of a violation of this
20 ~~article~~ PART 5, the rules adopted pursuant to this ~~article~~ PART 5, or any
21 other provision of law, such as would warrant the suspension or
22 revocation of a license, the licensing authority, in addition to any other
23 penalties that may be imposed, may issue an order excluding the violator
24 or any owner, officer, director, or games manager of the violator from the
25 licensed premises during the conduct of games of chance.

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

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

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

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

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

1 **24-21-506. [Formerly 12-9-103.5] Fees - department of state**
2 **cash fund.** (1) All fees collected by the licensing authority pursuant to
3 this ~~article~~ PART 5 shall be transmitted to the state treasurer, who shall
4 credit ~~the same~~ THEM to the department of state cash fund created in
5 section 24-21-104 (3)(b), ~~C.R.S.~~ also referred to in this section as the
6 "fund". The ~~moneys~~ MONEY in the fund ~~shall be~~ IS subject to annual
7 appropriation by the general assembly for the purposes of financing the
8 licensing and enforcement activities of the secretary of state as specified
9 in this ~~article~~ PART 5.

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

12 ~~(3)~~ (2) (a) Fees authorized by this ~~article~~ PART 5 shall be
13 established by the licensing authority, in consultation with the board, in
14 amounts sufficient to ensure that the total revenue generated by the
15 collection of such fees approximates the direct and indirect costs incurred
16 by the licensing authority in carrying out its duties under this ~~article~~ PART
17 5. The amounts of all fees shall be reviewed annually. The licensing
18 authority shall furnish to the board both an annual and a quarterly
19 accounting of all fee and fine revenues received and expenditures made
20 pursuant to this ~~article~~ PART 5, together with a list of all fees in effect.

21 (b) The cost of implementing the electronic application and report
22 filing system required by section ~~12-9-103~~ 24-21-505 (1)(c), including the
23 cost of promulgating any new or amended rules for use of the system,
24 shall be recovered through a temporary fee increase or surcharge assessed
25 on licensees during the first five years of operation of the system. The
26 licensing authority shall establish the temporary fee or surcharge on a
27 sliding or graduated scale, based on the quarterly gross receipts of each
28 licensee that is required to file quarterly reports or pay fees under section
29 ~~12-9-107.5 (5)~~ 24-21-521 (4) or ~~section 12-9-108~~ 24-21-522 (6)(b), and
30 in an amount sufficient to recover all of such costs within the five-year
31 period.

32 ~~(4)~~ (3) All fines assessed pursuant to this ~~article~~ PART 5 shall be
33 paid to the state treasurer who shall credit the same to the general fund of
34 the state.

35 **24-21-507. [Formerly 12-9-104] Bingo-raffle license - fee.**
36 (1) A bona fide chartered branch, lodge, or chapter of a national or state
37 organization or any bona fide religious, charitable, labor, fraternal,
38 educational, voluntary firefighters', or veterans' organization or any
39 association, successor, or combination of association and successor of any
40 of ~~the said~~ THESE organizations that operates without profit to its
41 members, ~~and that~~ has been in existence continuously for a period of five

1 years immediately prior to the making of application for a bingo-raffle
2 license under this ~~article~~ PART 5, and has had during the entire five-year
3 period dues-paying members engaged in carrying out the objects of ~~said~~
4 THE corporation or organization is eligible for a bingo-raffle license to be
5 issued by the licensing authority under this ~~article~~ PART 5. If a license is
6 revoked, the bingo-raffle licensee and holder thereof is not eligible to
7 apply for another license under subsection (2) of this section until ~~after~~
8 ~~the expiration of the period of five~~ THREE years after the date of ~~such~~ THE
9 revocation.

10 (2) The bingo-raffle licenses provided by this ~~article~~ PART 5 shall
11 be issued by the licensing authority to applicants qualified under this
12 ~~article~~ PART 5 upon payment of a fee established in accordance with
13 section ~~12-9-103.5 (3)~~ 24-21-506 (2). Licenses ~~shall~~ expire at the end of
14 the calendar year in which they were issued by the licensing authority and
15 may be renewed by the licensing authority upon the filing of an
16 application for renewal thereof provided by the licensing authority and
17 the payment of the fee established for ~~such~~ THE renewal. No license
18 granted under this ~~article~~ PART 5 or any renewal thereof ~~shall be~~ IS
19 transferable. The fees required to be paid for a new or renewal license
20 shall be deposited in the ~~bingo-raffle~~ DEPARTMENT OF STATE cash fund
21 CREATED IN SECTION 24-21-104 (3)(b).

22 **24-21-508. [Formerly 12-9-104.5] Landlord licensees -**
23 **stipulations.** (1) ~~No~~ A person ~~except~~ OTHER THAN a landlord licensee
24 shall NOT rent or offer to rent to any bingo-raffle licensee any premises
25 to be used to conduct games of chance. A lease of the premises for a
26 bingo occasion ~~shall~~ MUST be for a period of at least five consecutive
27 hours unless the landlord licensee and bingo-raffle licensee agree to a
28 shorter or longer period. The amount of rent to be charged, and the
29 method used to calculate such rent, shall be established by agreement
30 between the parties.

31 (2) No landlord licensee or any employee of a landlord licensee
32 shall require, induce, or coerce a bingo-raffle licensee to enter into any
33 contract, agreement, or lease contrary to ~~the provisions of this article~~
34 PART 5.

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

41 (4) Rent charged to a bingo-raffle licensee by a landlord licensee

1 for the use of a commercial bingo facility shall cover all expenses and
2 items reasonably necessary for the use of the commercial bingo facility
3 for a bingo occasion including, but not limited to, insurance and
4 maintenance for such facility, adequate and secure storage space,
5 restrooms, janitorial services, and utilities.

6 (5) No activity or business other than licensed games of chance
7 may be conducted in a commercial bingo facility within space leased to
8 a bingo-affle licensee during the time allocated to the bingo-affle
9 licensee with the exception of the sale of food, beverages, bingo-related
10 merchandise and supplies, the operation of an automated cash service
11 device, and such other activities and businesses as the bingo-affle
12 licensee may agree to. A landlord licensee may conduct other businesses
13 and activities in space not included in the bingo-affle licensee's rental
14 agreement and in which games of chance are not held.

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

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

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

28 **24-21-509. [Formerly 12-9-105] Application for bingo-affle**
29 **license.** (1) Each applicant for a bingo-affle license to be issued under
30 ~~the provisions of~~ this section shall file with the licensing authority a
31 written application in the form prescribed by the licensing authority, duly
32 executed and verified, and in which shall be stated:

33 (a) The name and address of the applicant;

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

1 in carrying out the objectives of said applicant;
2 (c) The names and addresses of its officers;
3 (d) The specific kind of games of chance intended to be held,
4 operated, and conducted by the applicant;
5 (e) (I) The place where such games of chance are intended to be
6 held, operated, and conducted by the applicant under the license applied
7 for; or
8 (II) In the case of the application of an exempt organization, the
9 place or places where drawings are intended to be held, operated, and
10 conducted by the organization under the license applied for;
11 (f) A statement that no commission, salary, compensation, reward,
12 or recompense will be paid to any person for holding, operating, or
13 conducting such games of chance or for assisting therein except as
14 otherwise provided in this ~~article~~ PART 5;
15 (g) Such other information deemed advisable by the licensing
16 authority to ~~insure~~ ENSURE that the applicant falls within the restrictions
17 set forth by the state constitution.

18 (2) (a) In each application there shall be designated active
19 members of the applicant organization under whom the games of chance
20 described in the application are to be held, operated, and conducted, and
21 to the application shall be appended a statement executed by the applicant
22 and by the members so designated that they will be responsible for the
23 holding, operation, and conduct of such games of chance in accordance
24 with the terms of the license and ~~the provisions of this article~~ PART 5.

25 (b) Each designated games manager ~~shall~~ MUST have been an
26 active member of the applicant for at least the six months immediately
27 preceding his or her designation and shall be certified by the licensing
28 authority pursuant to section ~~12-9-105.1~~ 24-21-510 before assuming
29 games management duties.

30 (3) In the event any premises are to be leased or rented in
31 connection with the holding, operating, or conducting of any game of
32 chance under this ~~article~~ PART 5, a written statement shall accompany the
33 application signed and verified by the applicant, which ~~shall~~ MUST state
34 the address of the leased or rented premises and the amount of rent that
35 will be paid for said premises and which ~~shall~~ MUST certify that the
36 premises are to be rented from a landlord licensee.

37 **24-21-510. [Formerly 12-9-105.1] Games managers -**
38 **certification.** (1) The licensing authority shall issue a games manager
39 certification to any qualified applicant who has demonstrated sufficient
40 knowledge of this ~~article~~ PART 5, as determined by the licensing authority,
41 and who has paid the fee established in accordance with section

1 ~~12-9-103.5 (3)~~ 24-21-506 (2). A games manager certification shall be
2 valid for a time period to be determined by the licensing authority by rule,
3 and may be denied, suspended, or revoked for any violation of this ~~article~~
4 PART 5 or any rule or order of the licensing authority promulgated or
5 issued pursuant to this ~~article~~ PART 5.

6 ~~(1.5)~~ (2) A person ~~shall~~ IS not be eligible for certification or TO act
7 as a games manager in the conduct of a game of chance pursuant to this
8 ~~article~~ PART 5 unless the person is eighteen years of age or older.

9 ~~(2)~~ (3) A person ~~shall~~ IS not be eligible for certification or TO act
10 as a games manager in the conduct of any game of chance pursuant to this
11 ~~article~~ PART 5 if ~~such~~ THE person has been convicted of any
12 MISDEMEANOR INVOLVING GAMBLING OR ANY felony. ~~or any offense~~
13 ~~involving gambling.~~

14 ~~(3)~~ (4) Unless authorized by the licensing authority in accordance
15 with the rules of the licensing authority, a person shall not be designated
16 or serve as a games manager for more than three bingo-raffle licensees
17 simultaneously. The licensing authority may promulgate rules establishing
18 the circumstances under which a person may be designated and serve as
19 games manager for more than three bingo-raffle licensees.

20 **24-21-511. [Formerly 12-9-105.3] Application for landlord**
21 **license - fee.** (1) Each applicant for a landlord license shall file with the
22 licensing authority a written application, duly executed and verified, in
23 the form presented by the licensing authority, which application shall
24 include, but not be limited to, the following information:

25 (a) The name and address of the landlord and, if such commercial
26 landlord is a corporation, partnership, association, or other business
27 entity, the names and addresses of all partners, associates, and persons
28 holding an ownership interest of ten percent or more;

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

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

34 (d) A statement by the landlord or the chief executive officer of
35 the landlord that the landlord is familiar with the provisions of this ~~article~~
36 PART 5 as to commercial bingo facilities and landlords thereof and accepts
37 responsibility for compliance with such provisions;

38 ~~(e) Repealed.~~

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

1 conduct of bingo occasions.

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

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

22 (4) A landlord license ~~shall expire~~ EXPIRES at the end of the
23 calendar year in which it was issued. Each license issued shall be
24 conspicuously displayed at the premises for which the license has been
25 issued. No landlord license is transferable. The annual fee for each
26 landlord license shall be established in accordance with section
27 ~~12-9-103.5(3)~~ 24-21-506 (2).

28 **24-21-512. [Formerly 12-9-105.5] Application for**
29 **manufacturer license.** (1) Each application for a manufacturer license
30 ~~shall~~ MUST include, but not be limited to, the following information:

31 (a) The name and address of the applicant;

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

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

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

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

3 (f) A statement by the manufacturer or the chief executive officer
4 of the manufacturer that such manufacturer is familiar with the provisions
5 of this ~~article~~ PART 5 as to bingo-raffle manufacturers and accepts
6 responsibility for compliance with such provisions.

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

22 (3) Any bingo-raffle manufacturer, ~~as defined in section 12-9-102~~
23 ~~(1.3)~~, upon filing a true, complete, written, verified application in the
24 form presented by the licensing authority, together with the fee for the
25 license, is eligible for a manufacturer license. A manufacturer license
26 shall be renewed annually, on or before March 31 of each year in which
27 such licensee engages in or anticipates engaging in a licensed activity. A
28 manufacturer license is nontransferable. The annual fee for each license
29 shall be established in accordance with section ~~12-9-103.5(3)~~ 24-21-506
30 (2).

31 **24-21-513. [Formerly 12-9-105.7] Application for supplier**
32 **license.** (1) Each application for a supplier license ~~shall~~ MUST include,
33 but not be limited to, the following information:

34 (a) The name and address of the applicant;

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

38 (c) A description of the equipment and supplies sold or distributed
39 in connection with games of chance activities in Colorado;

40 (d) The name and address of the resident agent of the supplier if
41 the applicant does not reside in Colorado and the location in Colorado

1 where the records of the supplier will be available to the licensing
2 authority;

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

5 (f) A statement by the supplier or the chief executive officer of the
6 supplier that such supplier is familiar with the provisions of this ~~article~~
7 PART 5 as to bingo-raffle suppliers and accepts responsibility for
8 compliance with such provisions.

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

23 (3) Any bingo-raffle supplier, ~~as defined in section 12-9-102(1.4),~~
24 upon filing a true, complete, written, verified application in the form
25 presented by the licensing authority, together with the fee for the license,
26 is eligible for a supplier license. A supplier license shall be renewed
27 annually, on or before March 31 of each year in which such licensee
28 engages in or anticipates engaging in a licensed activity. A supplier
29 license is nontransferable. The annual fee for each license shall be
30 established in accordance with section ~~12-9-103.5(3)~~ 24-21-506 (2).

31 **24-21-514. [Formerly 12-9-105.9] Application for**
32 **manufacturer's agent license or supplier's agent license.** (1) Each
33 application for a manufacturer's agent license or supplier's agent license
34 ~~shall~~ MUST include, but not be limited to, the following information:

35 (a) The name and address of the applicant;

36 (b) The name and address of the supplier or manufacturer
37 represented by the applicant;

38 (c) A statement by the applicant that he or she has read,
39 understands, and will comply with ~~the provisions of this article~~ PART 5 as
40 to manufacturer's and supplier's agents and the conditions of the agent's
41 license;

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

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

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

19 (3) Any supplier's agent or manufacturer's agent, ~~as defined in~~
20 ~~section 12-9-102 (13.3) and (20.3)~~; upon filing a complete, written,
21 verified application in the form presented by the licensing authority,
22 together with the fee for the license, is eligible for a manufacturer's or
23 supplier's agent license. A manufacturer's or supplier's agent license shall
24 be renewed annually, on or before March 31 of each year in which such
25 licensee engages in or anticipates engaging in a licensed activity. Neither
26 a manufacturer's agent license nor a supplier's agent license is
27 transferable. The annual fee for each license shall be established in
28 accordance with section ~~12-9-103.5 (3)~~ 24-21-506 (2).

29 **24-21-515. [Formerly 12-9-106] Persons permitted to conduct**
30 **games of chance - form of bingo-raffle licenses - display.** (1) A person,
31 firm, or organization within this state shall not conduct a game of chance
32 without a bingo-raffle license issued by the licensing authority. Only an
33 active member of the organization to which the bingo-raffle license is
34 issued may hold, operate, or conduct games of chance under a license
35 issued under this ~~article~~ PART 5, and a person shall not assist in the
36 holding, operating, or conducting of any games of chance under a
37 bingo-raffle license except an active member or a member of an
38 organization or association that is an auxiliary to the licensee, a member
39 of an organization or association of which the licensee is an auxiliary, or
40 a member of an organization or association that is affiliated with the
41 licensee by being, with it, auxiliary to another organization or association.

1 A licensee shall incur or pay only bona fide expenses in a reasonable
2 amount for goods, wares, and merchandise furnished or services rendered
3 that are reasonably necessary for the holding, operating, or conducting of
4 a game of chance.

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

27 (3) A licensee shall conspicuously display, at the place where a
28 game is being conducted, its license issued for the conduct of games of
29 chance at all times during the conduct of the game and for at least thirty
30 minutes after the last game has been concluded.

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

38 **24-21-516. [Formerly 12-9-106.5] Form of landlord license -**
39 **display - fee.** (1) Each landlord license ~~shall~~ MUST contain a statement
40 of the name and address of the licensee and the location of the premises.
41 Each license issued shall be conspicuously displayed at the premises for

1 which the license has been issued.
2 (2) A landlord license shall be issued to qualified applicants by the
3 licensing authority upon payment of a fee and completion and approval
4 of the landlord license application pursuant to section ~~12-9-105.3. Such~~
5 ~~24-21-511.~~ THE license shall ~~expire~~ EXPIRES at the end of the calendar
6 year in which it was issued by the licensing authority and may be renewed
7 upon the filing and approval of an application for renewal provided by the
8 licensing authority and the payment of a fee. No landlord license is
9 transferable. The fees required to be paid for new and renewed licenses
10 shall be established in accordance with section ~~12-9-103.5 (3)~~ 24-21-506
11 (2).

12 **24-21-517. [Formerly 12-9-107] General conduct games of**
13 **chance - premises - equipment - expenses - rules.** (1) A licensee shall
14 not hold, operate, or conduct a game of bingo or lotto more often than as
15 specified by the licensing authority by rule, after consultation with the
16 board.

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

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

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

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

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

31 (7) (a) The officers of a bingo-raffle licensee shall designate one
32 or more bona fide, active members of the licensee as its games managers
33 to be in charge of and primarily responsible for the conduct of the games
34 of bingo or lotto on each occasion. The games managers shall supervise
35 all activities on the occasion for which they are in charge and are
36 responsible for making all required reports. The games managers,
37 governing board of the licensee, and the individual acting in the role of
38 a treasurer on behalf of the licensee must be familiar with all applicable
39 provisions of state law, the rules of the licensing authority, and the
40 license. The governing board of the licensee is ultimately responsible for
41 the maintenance of books and records and the filing of the reports

1 pursuant to this section. At least one games manager shall be present on
2 the premises continuously during the games and for a period sufficient to
3 ensure that all books and records for the occasion have been closed and
4 that all supplies and equipment have been secured.

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

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

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

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

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

23 (II) Owns the equipment; or

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

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

29 (11) A licensee shall not possess, use, sell, offer for sale, or put
30 into play any bingo or pull tab game, ticket, card, or sheet unless it
31 conforms to the definitions and requirements of this ~~article~~ PART 5 and
32 was purchased by the licensee from a licensed bingo-raffle manufacturer
33 or supplier or licensed agent thereof. A licensee shall not possess, use,
34 sell, offer for sale, or put into play any electronic device used as an aid in
35 the game of bingo unless it conforms to the requirements of this ~~article~~
36 PART 5 and was purchased or leased by the licensee from a licensed
37 bingo-raffle manufacturer or supplier or licensed agent thereof.

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

1 pull tab, card, or sheet.

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

5 (14) The net proceeds derived from the holding of games of
6 chance must be devoted, within one year, to the lawful purposes of the
7 organization permitted to conduct the game of chance. Any organization
8 desiring to hold the net proceeds of games of chance for a period longer
9 than one year must apply to the licensing authority for special permission
10 and, upon good cause shown, the licensing authority may grant the
11 request.

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

19 **24-21-518. [Formerly 12-9-107.1] Conduct of bingo games.**

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

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

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

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

1 any one game, the receptacle and the caller must be present in the room
2 where the greatest number of players are present, and all numbers
3 announced must be plainly audible to the players in the aforesaid room
4 and also audible to the players in the other rooms.

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

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

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

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

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

30 (5) (a) Notwithstanding the limitations stated in section ~~12-9-107~~
31 24-21-517 (5), during a bingo occasion a bingo-raffle licensee may also
32 start a single game of progressive bingo, in an amount established by rule
33 by the licensing authority, in which the game is won when a previously
34 designated arrangement of numbers or spaces on the card or sheet is
35 covered within a previously designated number of objects or balls drawn.
36 If the game is not won within the drawing of the previously designated
37 number of objects or balls, the game must be replayed either during each
38 subsequent occasion the licensee conducts at the same location or during
39 each subsequent occasion that falls on the same day of the week at the
40 same location, using the previously designated arrangement of numbers
41 or spaces.

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

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

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

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

38 (6) (a) Equipment, prizes, and supplies for games of bingo must
39 not be purchased or sold at prices in excess of the usual price thereof. A
40 licensee shall not sell or offer for sale any game of chance, or supplies for
41 a game of chance, that is not authorized by this ~~article~~ PART 5 or by rules

1 adopted by the licensing authority pursuant to this ~~article~~ PART 5.
2 (b) Cards and sheets that are designed or intended for use with
3 electronic devices used as aids in the game of bingo shall not be
4 purchased or sold at prices in excess of the usual price of cards and sheets
5 that are not designed or intended for use with electronic devices used as
6 aids in the game of bingo. Charges imposed by any manufacturer,
7 supplier, agent thereof, or bingo-raffle licensee for cards and sheets that
8 are designed or intended for use with electronic devices used as aids in
9 the game of bingo shall be stated and imposed separately from any
10 charges imposed by the manufacturer, supplier, agent thereof, or
11 bingo-raffle licensee for the purchase, lease, or use of electronic devices
12 used as aids in the game of bingo. Manufacturers, suppliers, and their
13 agents shall not include costs attributable to the manufacture or
14 distribution of electronic devices used as aids in the game of bingo in
15 charges imposed for the purchase or lease of equipment, including cards
16 and sheets.
17 (7) (a) If a card or sheet is played with the aid of an electronic
18 device, a winning bingo may be determined and verified either by
19 reference to the card or sheet or by reference to the electronic device.
20 Nothing in this ~~article~~ PART 5 authorizes the playing of bingo solely by
21 means of an electronic device.
22 (b) A bingo-raffle licensee shall adequately mark, destroy, or
23 dispose of cards or sheets played with the aid of an electronic device in
24 order to prevent the reuse of those cards or sheets.
25 (c) The licensing authority may establish by rule the maximum
26 number of bingo cards that a bingo player who plays using the aid of an
27 electronic device is permitted to use with the aid of such a device per
28 game; except that the maximum number must be at least ~~thirty-six~~
29 FORTY-TWO.
30 (d) A bingo-raffle licensee is not required to use or offer the use
31 of electronic devices used as aids in the game of bingo during a bingo
32 session.
33 (8) (a) With the application for a letter ruling pursuant to section
34 ~~12-9-103~~ 24-21-505 (1)(d) for the approval of a new type of electronic
35 device used in the aid of bingo, the manufacturer of the device must
36 provide the following to the licensing authority:
37 (I) A prototype of the new type of electronic device used in the aid
38 of bingo with a prototype bingo aid computer system and a user's manual
39 used for such electronic device; and
40 (II) A certification by the manufacturer that the new type of
41 electronic device used in the aid of bingo and all such electronic devices

1 used in the state meet the following standards:

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

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

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

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

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

15 (c) When a complaint regarding an electronic device used in the
16 aid of bingo that is in use in the state of Colorado has been filed with the
17 licensing authority, the manufacturer of the device shall provide to the
18 licensing authority a sample of the device and bingo aid computer system
19 to assist the investigation by the licensing authority. The licensing
20 authority shall return the electronic device and bingo aid computer system
21 no later than forty-five days after receiving them unless they are needed
22 longer to complete the investigation.

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

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

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

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

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

1 transaction number.

2 (10) If an electronic device used as an aid in the game of bingo
3 complies with ~~sub-subparagraphs (A) to (D) of subparagraph (H) of~~
4 ~~paragraph (a) of subsection (8)~~ SUBSECTIONS (8)(a)(II)(A) TO
5 (8)(a)(II)(D) of this section, and if the bingo aid computer system for the
6 electronic device substantially complies with the requirements of
7 subsection (9) of this section, the licensing authority shall approve the
8 electronic device and computer system for use by a letter ruling pursuant
9 to section ~~12-9-103~~ 24-21-505 (1)(d).

10 **24-21-519. [Formerly 12-9-107.2] Conduct of pull tabs - license**
11 **revocation - rules - definitions.** (1) A licensee shall not sell, offer for
12 sale, or put into play any pull tab ticket except at the location of and
13 during its licensed bingo occasions or upon premises that are:

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

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

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

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

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

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

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

39 (b) When a deal of progressive pull tabs is received in two or
40 more packages, boxes, or other containers, all of the progressive pull tabs
41 from the respective packages, boxes, or other containers must be placed

1 out for play at the same time.

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

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

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

14 (I) The manufacturer of the device;

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

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

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

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

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

36 (c) Every person receiving a device subject to ~~paragraph (a) of this~~
37 ~~subsection (6)~~ SUBSECTION (6)(a) OF THIS SECTION shall, upon receipt of
38 the device, provide the licensing authority with the serial number and
39 description of each device received and information describing the
40 location of each device. The requirements of this ~~paragraph (c)~~
41 SUBSECTION (6)(c) apply regardless of whether the device is received

1 from a licensed supplier or from any other source.

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

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

9 (f) Notwithstanding any other provision of this ~~article~~ PART 5, the
10 licensing authority shall not license:

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

13 (II) Any device that qualifies as a slot machine pursuant to section
14 9 (4)(c) of article XVIII of the Colorado constitution.

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

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

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

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

23 (B) The device cannot be used in a manner that would qualify it
24 as a slot machine pursuant to section 9 (4)(c) of article XVIII of the
25 Colorado constitution.

26 **24-21-520. [Formerly 12-9-107.3] Conduct of raffles - rules.**

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

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

37 (b) A bingo-raffle licensee may award a consolation prize for a
38 progressive raffle. ~~in which the jackpot is not won.~~ The bingo-raffle
39 licensee may designate the consolation prize as either a specified amount
40 or a specified percentage of the gross proceeds collected from the sale of
41 raffle tickets for a particular drawing. The bingo-raffle licensee may

1 determine the amount of the jackpot based on the gross proceeds
2 collected from the sale of raffle tickets for a particular drawing plus the
3 value of the jackpot carried over from previous drawings in which the
4 jackpot was not awarded. IF A CONSOLATION PRIZE IS OFFERED AND THE
5 PROGRESSIVE PRIZE IS WON, THE LICENSEE MAY OPT TO AWARD THE
6 CONSOLATION PRIZE FOR THAT PARTICULAR DRAWING.

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

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

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

14 (d) The licensing authority may establish by rule the maximum
15 jackpot that a bingo-raffle licensee may award for a progressive raffle;
16 except that, notwithstanding section ~~12-9-107~~ 24-21-517 (5), the
17 maximum jackpot must be at least fifteen thousand dollars. The maximum
18 jackpot does not include the aggregate amount of consolation prizes
19 awarded.

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

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

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

32 **24-21-521. [Formerly 12-9-107.5] Persons permitted to**
33 **manufacture and distribute games of chance equipment - reporting**
34 **requirements.** (1) ~~No~~ A person other than a manufacturer licensee or
35 licensed agent shall NOT act as a bingo-raffle manufacturer within
36 Colorado. The manufacture of electronic devices used as aids in the game
37 of bingo, and the printing of raffle tickets other than pull tabs, as designed
38 and requested by a licensee, does not constitute the manufacture of games
39 of chance equipment; except that such electronic devices ~~shall be~~ ARE
40 subject to the reporting requirements of subsections ~~(5) and (6)~~ (4) AND
41 (5) of this section, and the fees established by the licensing authority in

1 accordance with section ~~12-9-103.5(3)~~ 24-21-506 (2) and subsection ~~(5)~~
2 (4) of this section.

3 ~~(2) (Deleted by amendment, L. 99, p. 1425, § 1, effective June 5,~~
4 ~~1999.)~~

5 ~~(3) (2) No~~ AN individual shall NOT act for or represent a landlord,
6 manufacturer, or supplier licensee with respect to an activity covered by
7 such license unless such individual is the licensee's owner, officer,
8 director, partner, member, or ten percent or more shareholder of record
9 with the licensing authority, or is the manufacturer's or supplier's licensed
10 agent. ~~No~~ A manufacturer or supplier licensee shall NOT allow any person
11 not authorized by this subsection ~~(3) (2)~~ to represent it or serve as its
12 agent with regard to any Colorado transaction.

13 ~~(4) (3)~~ Except to the extent otherwise provided in section
14 ~~12-9-106~~ 24-21-515 (1), a manufacturer or supplier licensee or licensed
15 agent shall not buy, receive, sell, lease, furnish, or distribute any pull tabs,
16 bingo cards or sheets, electronic devices used as aids in the game of
17 bingo, or other games of chance equipment from or to any person within
18 Colorado other than manufacturer or supplier licensees or agents and
19 bingo-raffle licensees; except that:

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

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

29 ~~(5) (4)~~ Every manufacturer and supplier licensee shall file, upon
30 forms prescribed by the licensing authority, quarterly reports on its
31 licensed activities within Colorado. ~~Such~~ THE reports ~~shall~~ MUST be
32 accompanied by quarterly fees established by the licensing authority in
33 accordance with section ~~12-9-103.5(3)~~ 24-21-506 (2) and deposited in
34 the ~~bingo-raffle~~ DEPARTMENT OF STATE cash fund ~~Such~~ CREATED IN
35 SECTION 24-21-104 (3)(b). THE reports shall be filed with the licensing
36 authority no later than April 30, July 31, October 31, and January 31 of
37 each year licensed, and each report ~~shall~~ MUST cover the preceding
38 calendar quarter. Reports ~~shall~~ MUST enumerate by quantity, purchaser or
39 lessee, and price the pull tabs, bingo cards or sheets, electronic devices
40 used as aids in the game of bingo, and other games of chance equipment
41 manufactured, conveyed, or distributed within Colorado or for use or

1 distribution in Colorado and ~~shall~~ MUST include the licensee's total sales,
2 including amounts realized from leases, of equipment ~~as defined in~~
3 ~~section 12-9-102 (5)~~ and electronic devices used as aids in the game of
4 bingo and the names and addresses of all Colorado suppliers or agents of
5 the licensee and shall be signed and verified by the owner or the chief
6 executive officer of the licensee. These quarterly reports ~~shall~~ ARE not ~~be~~
7 public records as defined in section 24-72-202. ~~C.R.S.~~

8 (6) (5) Every manufacturer or supplier licensee, and every
9 licensed agent for such licensee, shall keep and maintain complete and
10 accurate records, in accord with generally accepted accounting principles,
11 of all licensed activities. The records shall include invoices for all games
12 of chance equipment or electronic devices used as aids in the game of
13 bingo conveyed or distributed within Colorado, or for use or distribution
14 in Colorado, which invoices are specific as to the nature, description,
15 quantity, and serial numbers of the pull tabs, bingo cards or sheets,
16 electronic devices used as aids in the game of bingo, and other equipment
17 so conveyed or distributed. The records shall also show all receipts and
18 expenditures made in connection with licensed activities, including, but
19 not limited to, records of sales by dates, purchasers, and items sold or
20 leased, monthly bank account reconciliations, disbursement records, and
21 credit memos for any returned items. These records shall be maintained
22 for a period of at least three years.

23 (7) (6) ~~No~~ A manufacturer or supplier licensee or licensed agent
24 ~~shall~~ MUST NOT be a person responsible for or assisting in the conduct,
25 management, or operation of any game of chance within Colorado.

26 **24-21-522. [Formerly 12-9-108] Bingo-raffle licensee's**
27 **statement of receipts - expenses - fee - definitions.** (1) (a) On or before
28 April 30, July 31, October 31, and January 31 of each year, every
29 bingo-raffle licensee shall file with the licensing authority upon forms
30 prescribed by the licensing authority a duly verified statement covering
31 the preceding calendar quarter showing the amount of the gross receipts
32 derived during said periods from games of chance, the expenses incurred
33 or paid, and a brief description of the classification of such expenses, the
34 net proceeds derived from games of chance, and the uses to which such
35 net proceeds have been or are to be applied. ~~It is the duty of~~ Each licensee
36 ~~to~~ SHALL maintain and keep such books and records as may be necessary
37 to substantiate the particulars of each such report.

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

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

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

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

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

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

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

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

34 (a) Advertising and marketing;

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

38 (c) The purchase of goods, wares, and merchandise furnished to
39 the licensee for the purpose of operating games of chance pursuant to this
40 ~~article~~ PART 5;

41 (d) The purchase or lease of electronic devices used as aids in the

1 game of bingo;

2 (e) Payment for services rendered that are reasonably necessary

3 for repairs of equipment and operating or conducting games of chance;

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

5 rented;

6 (g) Accountant's fees; and

7 (h) License fees.

8 (6) (a) For the purposes enumerated in subsection (5) of this

9 section, the following terms shall have the following meanings:

10 (I) "Goods, wares, and merchandise" means prizes, equipment, as

11 defined in section ~~12-9-102 (5)~~; and articles of a minor nature.

12 (II) "Services rendered" means:

13 (A) The repair of equipment;

14 (B) Compensation to bookkeepers or accountants for services in

15 preparing financial reports for a reasonable amount as determined by the

16 licensing authority by rule. ~~No~~ A landlord, manufacturer, or supplier

17 licensee, or employee of a landlord, manufacturer, or supplier licensee,

18 shall NOT act as a bookkeeper or accountant for a bingo-raffle licensee,

19 nor shall a landlord, manufacturer, or supplier licensee offer or provide

20 accounting or bookkeeping services in connection with the preparation of

21 financial reports on bingo-raffle activities, except for the transfer or

22 encoding of data necessitated by the sale, upgrade, or maintenance of

23 accounting software sold or leased to a bingo-raffle licensee by a

24 landlord, manufacturer, or supplier licensee. A landlord licensee that is

25 also a bingo-raffle licensee may act as a bookkeeper or accountant on

26 such licensee's own behalf.

27 (C) The rental of premises;

28 (D) A reasonable amount for janitorial service as determined by

29 the licensing authority in rules for each occasion; and

30 (E) A reasonable amount for security expense based on

31 established need as determined by the licensing authority in rules for each

32 occasion.

33 (b) There shall be paid to the licensing authority an administrative

34 fee, established in accordance with section ~~12-9-103.5 (3)~~ 24-21-506 (2),

35 upon the gross receipts of any game of chance held, operated, or

36 conducted under ~~the provisions of this article~~ PART 5; except that an

37 exempt organization shall not be charged more than twenty dollars per

38 year. All administrative fees collected by the licensing authority under

39 this ~~article~~ PART 5 shall be deposited in the department of state cash fund

40 created in section 24-21-104 (3)(b). ~~C.R.S.~~

41 (7) Each licensee, at the time each financial report is submitted to

1 the licensing authority, shall pay to the order of the licensing authority the
2 amount of administration expense provided in subsection (6) of this
3 section.

4 **24-21-523. [Formerly 12-9-109] Examination of books and**
5 **records - rules.** The licensing authority and its agents have power to
6 examine or cause to be examined the books and records of any licensee
7 to which any license is issued pursuant to this ~~article~~ PART 5 insofar as
8 they may relate to any transactions connected with activities under the
9 license. The licensing authority may require by rule that licensees that
10 have failed to keep proper books and records, or to maintain their books
11 and records in accordance with generally accepted accounting principles,
12 adopt certain internal financial controls and attend training to ensure the
13 integrity of the reporting of games of chance activities pursuant to this
14 ~~article~~ PART 5.

15 **24-21-524. [Formerly 12-9-110] Forfeiture of license -**
16 **ineligibility to apply for license.** ~~Any~~ A person who makes ~~any~~ A false
17 statement in ~~any~~ AN application for ~~any~~ such A license or in any statement
18 annexed thereto, fails to keep sufficient books and records to substantiate
19 the quarterly reports required under section ~~12-9-108~~ 24-21-522, falsifies
20 any books or records insofar as they relate to any transaction connected
21 with the holding, operating, and conducting of ~~any~~ A game of chance
22 under ~~any~~ such THE license, or violates ~~any of the provisions of this~~
23 ~~article~~ PART 5 or ~~of any term of~~ such THE license, if convicted, in addition
24 to suffering any other penalties that may be imposed, shall forfeit any
25 license issued to it under this ~~article~~ PART 5 and ~~shall be~~ IS ineligible to
26 apply for a license under this ~~article~~ PART 5 for ~~at least~~ NO MORE THAN
27 one year thereafter.

28 **24-21-525. [Formerly 12-9-111] Volunteer services -**
29 **legislative declaration - immunity.** (1) The Colorado constitution
30 recognizes that the conduct of charitable gaming activities is directly
31 related to the need of nonprofit organizations to fulfill their lawful
32 purposes. Notwithstanding this recognition, however, the willingness of
33 bingo-raffle volunteers to offer their services has been increasingly
34 deterred by a perception that they put personal assets at risk should a tort
35 action be filed seeking damages arising from their volunteer activities.

36 (2) All bingo-raffle volunteers ~~shall be~~ ARE immune from civil
37 actions and liabilities pursuant to section 13-21-115.5, ~~C.R.S.~~, which
38 provides that volunteers ~~shall~~ ARE not be personally liable for their acts
39 or omissions if they are acting in good faith and within the scope of their
40 official function and duty for a charitable organization, with respect to
41 such organization's conduct of games of chance. Bingo-raffle volunteers

1 shall ARE not be liable under this section if the harm is not caused by
2 willful and wanton misconduct, gross negligence, reckless misconduct,
3 or a conscious, flagrant indifference to the rights or safety of the
4 individual harmed.

5 **24-21-526. [Formerly 12-9-112] Unfair trade practices.**

6 (1) The provisions of the "Unfair Practices Act", article 2 of title 6,
7 C.R.S., and the "Colorado Antitrust Act of 1992", article 4 of title 6,
8 C.R.S., are specifically applicable to charitable gaming activities
9 conducted by any licensee. Within thirty days after receiving a complaint
10 alleging a violation of either of said acts, the licensing authority shall
11 transmit such complaint to the attorney general.

12 (2) THE LICENSING AUTHORITY SHALL REVOKE THE LICENSE OF A
13 licensee that violates any provision of article 2 of title 6 C.R.S., or article
14 4 of title 6 C.R.S., ~~shall have its license revoked by the licensing authority~~
15 for a period of one year ~~from~~ AFTER the date of the finding of ~~such~~ THE
16 violation. Upon the expiration of such period, the licensee may apply for
17 the issuance of a new license.

18 **24-21-527. [Formerly 12-9-112.5] Common members -**

19 **bingo-raffle licensees - definition.** (1) For the purposes of this section,
20 "bingo-raffle licensee affiliate" means the following:

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

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

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

40 **24-21-528. [Formerly 12-9-113] Enforcement.** It is the duty of
41 all sheriffs and police officers to enforce ~~the provisions of this article~~

1 PART 5, to receive complaints, to initiate investigations, and to arrest and
2 complain against any person violating ~~any provisions of this article~~ PART
3 5. It is the duty of the district attorney of the respective districts of this
4 state to prosecute all violations of this ~~article~~ PART 5 in the manner and
5 form as is now provided by law for the prosecutions of crimes and
6 misdemeanors, and it is a violation of this ~~article~~ PART 5 for any such
7 person knowingly to fail to perform his OR HER duty under this section.

8 **24-21-529. [Formerly 12-9-114] Penalties for violation.** Every
9 licensee and every officer, agent, or employee of the licensee and every
10 other person or corporation who willfully violates or who procures, aids,
11 or abets in the willful violation of this ~~article~~ PART 5 commits a class 2
12 misdemeanor and shall be punished as provided in section 18-1.3-501;
13 ~~C.R.S.~~; except that, if the underlying factual basis of the violation
14 constitutes a crime as defined by any other provision of law, then ~~such~~
15 THE person may be charged, prosecuted, and punished in accordance with
16 such other provision of law.

17 **24-21-530. [Formerly 12-9-201] Colorado bingo-raffle**
18 **advisory board - creation.** (1) There is hereby created, within the
19 department of state, the Colorado bingo-raffle advisory board.

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

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

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

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

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

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

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

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

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

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

19 (c) ~~Initial members shall be appointed to the board as follows:~~
20 ~~Two members to serve until July 1, 2000, two members to serve until July~~
21 ~~1, 2001, two members to serve until July 1, 2002, and three members to~~
22 ~~serve until July 1, 2003.~~ All subsequent appointments ~~shall be~~ ARE for
23 terms of four years. No member of the board ~~shall be~~ IS eligible to serve
24 more than two consecutive terms.

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

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

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

40 (g) Board members ~~shall~~ ARE ENTITLED TO receive as
41 compensation for their services fifty dollars for each day spent in the

1 conduct of board business, not to exceed five hundred dollars per member
2 per year, and ~~shall~~ ARE ENTITLED TO be reimbursed for necessary travel
3 and other reasonable expenses incurred in the performance of their
4 official duties.

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

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

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

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

28 **24-21-531. [Formerly 12-9-202] Board - duties.** (1) In addition
29 to any other duties set forth in this part ~~2~~ 5, the board shall: ~~have the~~
30 ~~following duties:~~

31 (a) ~~To~~ Conduct a continuous study of charitable gaming
32 throughout the state for the purpose of ascertaining any defects in this
33 ~~article~~ PART 5 or in the rules promulgated pursuant to this ~~article~~ PART 5;
34 AND

35 (b) ~~To~~ Formulate and recommend changes to this ~~article~~ PART 5
36 to the general assembly.

37 (c) ~~Repeated.~~

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

40 (a) The types of charitable gaming activities to be conducted, the
41 rules for those activities, and the number of occasions per year upon

- 1 which a licensee may hold, operate, or conduct a game of bingo or lotto;
2 (b) The requirements, qualifications, and grounds for the issuance
3 of all types of permanent and temporary licenses required for the conduct
4 of charitable gaming;
5 (c) The requirements, qualifications, and grounds for the
6 revocation, suspension, and summary suspension of all licenses required
7 for the conduct of charitable gaming;
8 (d) Activities that constitute fraud, cheating, or illegal activities;
9 (e) The granting of licenses with special conditions or for limited
10 periods, or both;
11 (f) The establishment of a schedule of reasonable fines to be
12 assessed in lieu of license revocation or suspension for violations of this
13 ~~article~~ PART 5 or any rule adopted pursuant to this ~~article~~ PART 5;
14 (g) The amount of fees for licenses issued by the licensing
15 authority and for the performance of administrative services pursuant to
16 this ~~article~~ PART 5;
17 (h) The establishment of criteria under which a person may serve
18 as a games manager;
19 (i) The content and conduct of classes or training seminars to
20 benefit bingo-raffle charitable licensees, officers, and volunteers to better
21 account for funds collected from games of chance;
22 (j) Standardized rules, procedures, and policies to clarify and
23 simplify the auditing of licensees' records;
24 (k) The types of charitable gaming activities to be conducted in
25 the future, based upon a continuing review of the available state of the art
26 of equipment in Colorado and elsewhere, and the policies and procedures
27 approved and implemented by other states for the conduct of their
28 charitable gaming activities; and
29 (l) The conditions for a licensee's plan for disposal of any
30 equipment and the distribution of any remaining net proceeds upon
31 termination of a bingo-raffle license for the licensee's failure to timely or
32 sufficiently renew such license.

33 **24-21-532. [Formerly 12-9-301] Repeal - review of functions.**
34 This ~~article~~ PART 5 is repealed, effective ~~July 1, 2017~~. Prior to such
35 SEPTEMBER 1, 2026. BEFORE THE repeal, the licensing functions of the
36 ~~secretary of state~~ LICENSING AUTHORITY and the functions of the Colorado
37 bingo-raffle advisory board in the department of state ~~shall be reviewed~~
38 ~~as provided for in~~ ARE SCHEDULED FOR REVIEW IN ACCORDANCE WITH
39 section 24-34-104. ~~C.R.S.~~

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

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

3 **12-47-901. Unlawful acts - exceptions - definitions.** (5) It is
4 unlawful for any person licensed to sell at retail pursuant to this ~~article~~
5 ~~ARTICLE 47~~ or article 46 of this ~~title~~ TITLE 12:

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

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

14 **24-35-217. Other laws inapplicable.** Any other state or local law
15 in conflict with this part 2 ~~shall be~~ IS inapplicable, but this section ~~shall~~
16 DOES not be construed to supersede or affect the provisions of ~~article 9 of~~
17 ~~title 12, C.R.S.~~ PART 5 OF ARTICLE 21 OF THIS TITLE 24.

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

20 **SECTION 7. Safety clause.** The general assembly hereby finds,
21 determines, and declares that this act is necessary for the immediate
22 preservation of the public peace, health, and safety."

** ** ** ** **