# Second Regular Session Seventy-first General Assembly STATE OF COLORADO

## PREAMENDED

This Unofficial Version Includes Committee Amendments Not Yet Adopted on Second Reading

LLS NO. 18-0866.01 Duane Gall x4335

**HOUSE BILL 18-1234** 

#### **HOUSE SPONSORSHIP**

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# A BILL FOR AN ACT

### 101 CONCERNING CLARIFICATION OF THE LAWS GOVERNING SIMULATED

102 GAMBLING ACTIVITY.

### **Bill Summary**

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

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

that the time of payment (i.e., before or after use of the device) is irrelevant.

1	Be it enacted by the General Assembly of the State of Colorado:				
2	SECTION 1. In Colorado Revised Statutes, 18-10.5-102, amend				
3	the introductory portion, (5), and (6); and <b>add</b> (3.5) as follows:				
4	18-10.5-102. Definitions. As used in this article ARTICLE 10.5,				
5	unless the context otherwise requires:				
6	(3.5) "GAMBLING", WHETHER USED ALONE OR AS PART OF THE				
7	PHRASE "SIMULATED GAMBLING" OR "SIMULATED GAMBLING DEVICE", HAS				
8	THE MEANING SET FORTH IN SECTION 18-10-102 (2); EXCEPT THAT, FOR				
9	PURPOSES OF THIS ARTICLE $10.5$ , THE EXCEPTION SET FORTH IN SECTION				
10	18-10-102 (2)(a) DOES NOT APPLY.				
11	(5) (a) "Prize" means a gift, award, gratuity, good, service, credit,				
12	or anything else of value, INCLUDING A THING OF VALUE FOR A "GAIN" AS				
13	DEFINED IN SECTION 18-10-102 (1), that may be transferred to a person AN				
14	ENTRANT, whether or not possession of the prize is actually transferred or				
15	placed on an account or other record as evidence of the intent to transfer				
16	the prize.				
17	(b) "Prize" does not include:				
18	(I) Free or additional play; <del>or</del>				
19	(II) Any intangible or virtual award that cannot be converted into				
20	money, goods, or services; OR				
21	(III) ONE OR MORE TICKETS OR TOKENS THAT ARE CONVERTIBLE				
22	INTO GOODS OF NOMINAL VALUE, NOT TO EXCEED TWENTY-FIVE DOLLARS				
23	PER OCCASION, AND NOT TO INCLUDE ANY PRODUCT THAT IS, CONTAINS,				
24	OR CAN BE USED AS A CONSTITUENT PART OF OR ACCESSORY FOR:				
25	(A) ALCOHOL BEVERAGES;				

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(C) FIREARMS OR AMMUNITION.

3 (6) (a) "Simulated gambling device" means a mechanically or 4 electronically operated machine, network, system, program, or device that 5 is used by an entrant and that displays simulated gambling displays on a 6 screen or other mechanism at a business location, including a private 7 club, that is owned, leased, or otherwise possessed, in whole or in part, by 8 a person conducting the game or by that person's partners, affiliates, 9 subsidiaries, agents, or contractors; EXCEPT THAT the term DOES NOT 10 INCLUDE BONA FIDE AMUSEMENT DEVICES, AS AUTHORIZED IN SECTION 11 12-47-103 (30), THAT PAY NOTHING OF VALUE, CANNOT BE ADJUSTED TO 12 PAY ANYTHING OF VALUE, AND ARE NOT USED FOR GAMBLING. 13 "SIMULATED GAMBLING DEVICE" includes: 14 (a) (I) A video poker game or any other kind of video card game; 15 (b) (II) A video bingo game; 16 (c) (III) A video craps game; 17 (d) (IV) A video keno game; 18 (e) (V) A video lotto game; 19 (f) (VI) A video roulette game; 20 (g) (VII) A pot-of-gold;

21 (h) (VIII) An eight-liner;

22 (k) (IX) A slot machine, WHERE RESULTS ARE DETERMINED BY

- 23 REASON OF THE SKILL OF THE PLAYER OR THE APPLICATION OF THE
- 24 ELEMENT OF CHANCE, OR BOTH, AS PROVIDED BY SECTION 9 (4)(c) OF
- 25 ARTICLE XVIII OF THE COLORADO CONSTITUTION; and

26 (1) (X) A device that functions as, or simulates the play of, a slot

27 machine, WHERE RESULTS ARE DETERMINED BY REASON OF THE SKILL OF

THE PLAYER OR THE APPLICATION OF THE ELEMENT OF CHANCE, OR BOTH,
 AS PROVIDED BY SECTION 9 (4)(c) OF ARTICLE XVIII OF THE COLORADO
 CONSTITUTION.

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

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

11 18-10.5-103. Prohibition - penalties - exemptions. (1) A person
 12 commits unlawful offering of a simulated gambling device if the person
 13 offers, facilitates, contracts for, or otherwise makes available to or for
 14 members of the public or members of an organization or club any
 15 simulated gambling device where:

16 (a) The PERSON RECEIVES, DIRECTLY OR INDIRECTLY, A payment 17 OR TRANSFER of consideration is required or permitted for IN CONNECTION 18 WITH AN ENTRANT'S use of the SIMULATED GAMBLING device, for 19 admission to premises on which the SIMULATED GAMBLING device is 20 located, or for the purchase of any product or service associated with 21 access to or use of the SIMULATED GAMBLING device, REGARDLESS OF 22 WHETHER CONSIDERATION IN CONNECTION WITH SUCH USE, ADMISSION, OR 23 PURCHASE IS MONETARY OR NONMONETARY AND REGARDLESS OF 24 WHETHER IT IS PAID OR TRANSFERRED BEFORE THE SIMULATED GAMBLING 25 DEVICE IS USED BY AN ENTRANT; and

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

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SECTION 4. Safety clause. The general assembly hereby finds,
 determines, and declares that this act is necessary for the immediate
 preservation of the public peace, health, and safety.