

HOUSE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

March 15, 2018
Date

Committee on Business Affairs and Labor.

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

HB18-1234 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, 18-10.5-102, **amend**
4 the introductory portion, (5), and (6); and **add** (3.5) as follows:

5 **18-10.5-102. Definitions.** As used in this ~~article~~ ARTICLE 10.5,
6 unless the context otherwise requires:

7 (3.5) "GAMBLING", WHETHER USED ALONE OR AS PART OF THE
8 PHRASE "SIMULATED GAMBLING" OR "SIMULATED GAMBLING DEVICE", HAS
9 THE MEANING SET FORTH IN SECTION 18-10-102 (2); EXCEPT THAT, FOR
10 PURPOSES OF THIS ARTICLE 10.5, THE EXCEPTION SET FORTH IN SECTION
11 18-10-102 (2)(a) DOES NOT APPLY.

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

18 (b) "Prize" does not include:

19 (I) Free or additional play; ~~or~~

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

22 (III) ONE OR MORE TICKETS OR TOKENS THAT ARE CONVERTIBLE
23 INTO GOODS OF NOMINAL VALUE, NOT TO EXCEED TWENTY-FIVE DOLLARS

1 PER OCCASION, AND NOT TO INCLUDE ANY PRODUCT THAT IS, CONTAINS,
2 OR CAN BE USED AS A CONSTITUENT PART OF OR ACCESSORY FOR:

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

6 (6) (a) "Simulated gambling device" means a mechanically or
7 electronically operated machine, network, system, program, or device that
8 is used by an entrant and that displays simulated gambling displays on a
9 screen or other mechanism at a business location, including a private
10 club, that is owned, leased, or otherwise possessed, in whole or in part, by
11 a person conducting the game or by that person's partners, affiliates,
12 subsidiaries, agents, or contractors; EXCEPT THAT THE TERM DOES NOT
13 INCLUDE BONA FIDE AMUSEMENT DEVICES, AS AUTHORIZED IN SECTION
14 12-47-103 (30), THAT PAY NOTHING OF VALUE, CANNOT BE ADJUSTED TO
15 PAY ANYTHING OF VALUE, AND ARE NOT USED FOR GAMBLING.

16 "SIMULATED GAMBLING DEVICE" includes:

- 17 ~~(a)~~ (I) A video poker game or any other kind of video card game;
- 18 ~~(b)~~ (II) A video bingo game;
- 19 ~~(c)~~ (III) A video craps game;
- 20 ~~(d)~~ (IV) A video keno game;
- 21 ~~(e)~~ (V) A video lotto game;
- 22 ~~(f)~~ (VI) A video roulette game;
- 23 ~~(g)~~ (VII) A pot-of-gold;
- 24 ~~(h)~~ (VIII) An eight-liner;
- 25 ~~(i)~~ (IX) A slot machine, WHERE RESULTS ARE DETERMINED BY
26 REASON OF THE SKILL OF THE PLAYER OR THE APPLICATION OF THE
27 ELEMENT OF CHANCE, OR BOTH, AS PROVIDED BY SECTION 9 (4)(c) OF
28 ARTICLE XVIII OF THE COLORADO CONSTITUTION; and
- 29 ~~(j)~~ (X) A device that functions as, or simulates the play of, a slot
30 machine, WHERE RESULTS ARE DETERMINED BY REASON OF THE SKILL OF
31 THE PLAYER OR THE APPLICATION OF THE ELEMENT OF CHANCE, OR BOTH,
32 AS PROVIDED BY SECTION 9 (4)(c) OF ARTICLE XVIII OF THE COLORADO
33 CONSTITUTION.

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

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

41 **18-10.5-103. Prohibition - penalties - exemptions.** (1) A person

1 commits unlawful offering of a simulated gambling device if the person
2 offers, facilitates, contracts for, or otherwise makes available to or for
3 members of the public or members of an organization or club any
4 simulated gambling device where:

5 (a) The PERSON RECEIVES, DIRECTLY OR INDIRECTLY, A payment
6 OR TRANSFER of consideration ~~is required or permitted for~~ IN CONNECTION
7 WITH AN ENTRANT'S use of the SIMULATED GAMBLING device, ~~for~~
8 admission to premises on which the SIMULATED GAMBLING device is
9 located, or ~~for~~ the purchase of any product or service associated with
10 access to or use of the SIMULATED GAMBLING device, REGARDLESS OF
11 WHETHER CONSIDERATION IN CONNECTION WITH SUCH USE, ADMISSION, OR
12 PURCHASE IS MONETARY OR NONMONETARY AND REGARDLESS OF
13 WHETHER IT IS PAID OR TRANSFERRED BEFORE THE SIMULATED GAMBLING
14 DEVICE IS USED BY AN ENTRANT; and

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

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

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