

**First Regular Session
Seventy-third General Assembly
STATE OF COLORADO
CORRECTED INTRODUCED**

LLS NO. 21-0791.01 Duane Gall x4335

HOUSE BILL 21-1144

HOUSE SPONSORSHIP

McCormick and Van Winkle, Ortiz

SENATE SPONSORSHIP

Zenzinger and Smallwood,

House Committees
Business Affairs & Labor

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE CONDUCT OF CHARITABLE GAMING ACTIVITY, AND,**
102 **IN CONNECTION THEREWITH, REQUIRING ADDITIONAL**
103 **DISCLOSURES FROM LICENSE APPLICANTS AND MODERNIZING**
104 **THE "BINGO AND RAFFLES LAW" TO ACCOMMODATE THE USE**
105 **OF IMPROVED ELECTRONIC AIDS AND DEVICES IN THE CONDUCT**
106 **OF GAMES OF CHANCE.**

Bill Summary

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

Sections 3, 4, and 5 of the bill require applicants for

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

manufacturers', suppliers', and agents' licenses to disclose to the secretary of state (licensing authority) whether those applicants or any of their owners, officers, directors, members, or partners have had gaming licenses suspended or revoked in any other jurisdiction.

Sections 6 and 7 authorize the licensing authority to approve additional types of equipment that players may use, including certain electronic devices that reveal the winning or nonwinning status of tickets in pull tab games, and clarifies that these devices are not defined as slot machines or other prohibited devices. **Section 1** amends existing definitions accordingly, and **section 2** removes a prohibition on the charging of license fees for the equipment by the licensing authority.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-21-602, **amend**
3 (13), (16), and (36) as follows:

4 **24-21-602. Definitions.** As used in this part 6, unless the context
5 otherwise requires:

6 (13) "Deal" means each separate package or series of packages of
7 pull tabs with the same name, form number, AND serial number. ~~and color~~
8 ~~code.~~

9 (16) "Equipment" means: With respect to bingo or lotto, the
10 receptacle and numbered objects drawn from it, the master board upon
11 which such objects are placed as drawn, the cards or sheets bearing
12 numbers or other designations to be covered and the objects used to cover
13 them, the board or signs, however operated, used to announce or display
14 the numbers or designations as they are drawn, public address system, and
15 all other articles essential to the operation, conduct, and playing of bingo
16 or lotto; or, with respect to raffles, implements, devices, and machines
17 designed, intended, or used for the conduct of raffles and the
18 identification of the winning number or unit and the ticket or other
19 evidence or right to participate in raffles. "Equipment" includes electronic

1 devices used as aids in the game of bingo AND OTHER DEVICES APPROVED
2 BY THE LICENSING AUTHORITY PURSUANT TO SECTION 24-21-619 (6).

3 (36) "Pull tab game" means a type of game of chance commonly
4 known as a pickle, break-open, jar raffle, last sale ticket, or seal card for
5 which tickets are ~~preprinted~~ PRINTED with markings distinguishing
6 winners and nonwinners, each ticket so made that its markings and
7 winning or nonwinning status cannot be known ~~or revealed~~ until the
8 ticket is broken or torn apart OR THE CONTENTS ARE REVEALED ON A
9 DEVICE APPROVED BY THE LICENSING AUTHORITY PURSUANT TO SECTION
10 24-21-619 (6).

11 **SECTION 2.** In Colorado Revised Statutes, 24-21-605, **amend**
12 (1)(g) as follows:

13 **24-21-605. Licensing and enforcement authority - powers -**
14 **rules - duties - license suspension or revocation proceedings -**
15 **definitions.** (1) The secretary of state is hereby designated as the
16 "licensing authority" of this part 6. As licensing authority, the secretary
17 of state's powers and duties are as follows:

18 (g) To license devices for ~~reading~~ REVEALING THE WINNING OR
19 NONWINNING STATUS OF pull tabs as provided in ~~section 24-21-619;~~
20 ~~except that the licensing authority shall not impose or collect any fee for~~
21 ~~the issuance of such a license~~ SECTION 24-21-619 (6).

22 **SECTION 3.** In Colorado Revised Statutes, 24-21-612, **amend**
23 (2) as follows:

24 **24-21-612. Application for manufacturer license - contents -**
25 **required disclosures.** (2) (a) Each application for a manufacturer license
26 must include a statement regarding whether the applicant; its owners; its
27 officers or directors if a corporation; or its members, managers, partners,

1 or associates if another business entity, has been convicted of any felony,
2 theft by deception, or gambling-related offense as defined in article 10 of
3 title 18. A person that has been convicted of any felony, theft by
4 deception, or gambling-related offense as defined in article 10 of title 18
5 within the previous ten years is ineligible for a license issued pursuant to
6 this section.

7 (b) A person that has been convicted of any felony, theft by
8 deception, or gambling-related offense as defined in article 10 of title 18
9 within more than the previous ten years shall disclose the information
10 related to the conviction required by the licensing authority.

11 (c) THE APPLICANT SHALL DISCLOSE WHETHER THE APPLICANT OR
12 ITS OWNERS, OFFICERS, DIRECTORS, MEMBERS, MANAGERS, PARTNERS, OR
13 ASSOCIATES HAVE HAD A LICENSE FOR ANY GAMBLING OR GAMING
14 ACTIVITY SUSPENDED OR REVOKED BY A REGULATORY AUTHORITY IN ANY
15 STATE, PROVINCE, OR OTHER JURISDICTION.

16 **SECTION 4.** In Colorado Revised Statutes, 24-21-613, **amend**
17 (2) as follows:

18 **24-21-613. Application for supplier license - contents -**
19 **required disclosures.** (2) (a) Each application for a supplier license must
20 include a statement regarding whether the applicant; its owners; its
21 officers or directors if a corporation; or its members, managers, partners,
22 or associates if another business entity, has been convicted of any felony,
23 theft by deception, or offense involving gambling as defined in article 10
24 of title 18. A person that has been convicted of any felony, theft by
25 deception, or gambling-related offense as defined in article 10 of title 18
26 within the previous ten years is ineligible for a license issued pursuant to
27 this section.

1 (b) A person that has been convicted of any felony, theft by
2 deception, or gambling-related offense as defined in article 10 of title 18
3 within more than the previous ten years shall disclose the information
4 related to the conviction required by the licensing authority.

5 (c) THE APPLICANT SHALL DISCLOSE WHETHER THE APPLICANT OR
6 ITS OWNERS, OFFICERS, DIRECTORS, MEMBERS, MANAGERS, PARTNERS, OR
7 ASSOCIATES HAVE HAD A LICENSE FOR ANY GAMBLING OR GAMING
8 ACTIVITY SUSPENDED OR REVOKED BY A REGULATORY AUTHORITY IN ANY
9 STATE, PROVINCE, OR OTHER JURISDICTION.

10 **SECTION 5.** In Colorado Revised Statutes, 24-21-614, **amend**
11 (2) as follows:

12 **24-21-614. Application for manufacturer's agent license or**
13 **supplier's agent license - contents - required disclosures.** (2) (a) Each
14 agent's application must include a statement regarding whether the
15 applicant has been convicted of any felony, theft by deception, or offense
16 involving gambling as defined in article 10 of title 18. A person that has
17 been convicted of any felony, theft by deception, or gambling-related
18 offense as defined in article 10 of title 18 within the previous ten years is
19 ineligible for a license issued pursuant to this section.

20 (b) A person that has been convicted of any felony, theft by
21 deception, or gambling-related offense as defined in article 10 of title 18
22 within more than the previous ten years shall disclose the information
23 related to the conviction required by the licensing authority.

24 (c) THE APPLICANT SHALL DISCLOSE WHETHER THE APPLICANT HAS
25 HAD A LICENSE FOR ANY GAMBLING OR GAMING ACTIVITY SUSPENDED OR
26 REVOKED BY A REGULATORY AUTHORITY IN ANY STATE, PROVINCE, OR
27 OTHER JURISDICTION.

1 **SECTION 6.** In Colorado Revised Statutes, 24-21-617, **amend**
2 (2), (11), and (12) as follows:

3 **24-21-617. General conduct games of chance - premises -**
4 **equipment - expenses - rules.** (2) A person or licensee shall not permit
5 any person under eighteen years of age to purchase the opportunity to
6 participate in any game of chance or purchase A TICKET IN A pull tab
7 ~~games~~ GAME.

8 (11) A licensee shall not possess, use, sell, offer for sale, or put
9 into play any bingo or pull tab game, ticket, card, or sheet unless it
10 conforms to the definitions and requirements of this part 6 and was
11 purchased by the licensee from a licensed bingo-raffle manufacturer or
12 supplier or licensed agent ~~thereof~~ OF A BINGO-RAFFLE MANUFACTURER OR
13 SUPPLIER. A licensee shall not possess, use, sell, offer for sale, or put into
14 play any electronic device used as an aid in the game of bingo OR ANY
15 OTHER EQUIPMENT unless it conforms to the requirements of this part 6
16 and was purchased or leased by the licensee from a licensed bingo-raffle
17 manufacturer or supplier or licensed agent ~~thereof~~ OF A BINGO-RAFFLE
18 MANUFACTURER OR SUPPLIER.

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

24 **SECTION 7.** In Colorado Revised Statutes, 24-21-619, **amend**
25 (5)(a), (6)(a), (6)(f), and (6)(g); and **add** (6)(h) as follows:

26 **24-21-619. Conduct of pull tabs - license revocation - rules -**
27 **definitions.** (5) (a) A licensee shall not possess, use, sell, offer for sale,

1 or put into play any computerized or electromechanical ~~facsimile of a pull~~
2 tab game EXCEPT IN ACCORDANCE WITH THIS PART 6.

3 (6) (a) The licensing authority shall test, inspect, and license every
4 mechanical, electronic, or electromechanical device that reveals the
5 winning or nonwinning status of a pull tab ticket before the device is used
6 in charitable gaming. The licensing authority shall employ an independent
7 contractor to conduct the tests and inspections, the cost of which shall be
8 borne by the manufacturer ~~or supplier~~ seeking approval of the device. The
9 licensing authority shall not issue a license for a device until the device
10 is secured in a manner prescribed by the licensing authority and the
11 contractor receives payment in full for the cost of all tests and
12 inspections.

13 (f) ~~Notwithstanding any other provision of this part 6,~~ The
14 licensing authority shall not license:

15 (I) A pull tab game that is stored, electronically or otherwise,
16 within a device ~~and designed to~~ IF THE PULL TAB GAME CAN ONLY be
17 played AS A FACSIMILE on ~~such~~ THE device; or

18 (II) Any device that qualifies as a slot machine pursuant to section
19 9 (4)(c) of article XVIII of the Colorado constitution.

20 (g) The prohibition contained in subsection (6)(f) of this section
21 does not prohibit the licensing of:

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

23 (II) A device that ~~merely reads~~ REVEALS or validates a pull tab
24 ticket ~~inserted by a player~~ DISPENSED FROM THE DEVICE, if:

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

27 and

1 (B) ~~The device cannot be used in a manner that would qualify it~~
2 ~~as a slot machine pursuant to section 9 (4)(c) of article XVIII of the~~
3 ~~Colorado constitution~~ THE TICKET IS FROM A PULL TAB GAME THAT
4 CONTAINS A PREDETERMINED NUMBER OF CHANCES AMONG WHICH THERE
5 ARE PREDETERMINED WINNERS THAT PAY A FIXED AND PREDETERMINED
6 VALUE OF PRIZES.

7 (h) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A DEVICE
8 THAT MEETS THE REQUIREMENTS OF SUBSECTION (6)(g) OF THIS SECTION
9 IS NOT:

10 (I) A SLOT MACHINE PURSUANT TO SECTION 9 (4)(c) OF ARTICLE
11 XVIII OF THE COLORADO CONSTITUTION;

12 (II) A GAMBLING DEVICE WITHIN THE MEANING OF SECTION
13 18-10-102 (3); OR

14 (III) A SIMULATED GAMBLING DEVICE WITHIN THE MEANING OF
15 SECTION 18-10.5-102 (6).

16 **SECTION 8.** In Colorado Revised Statutes, 24-21-622, **amend**
17 (5)(d) as follows:

18 **24-21-622. Bingo-affle licensee's statement of receipts -**
19 **expenses - fee - definitions.** (5) No item of expense shall be incurred or
20 paid in connection with holding, operating, or conducting a game of
21 chance pursuant to a bingo-affle license except bona fide expenses of a
22 reasonable amount. Such expenses include those incurred in connection
23 with all games of chance, for the following purposes:

24 (d) The purchase or lease of electronic devices used as aids in the
25 game of bingo AND OTHER DEVICES APPROVED BY THE LICENSING
26 AUTHORITY PURSUANT TO SECTION 24-21-619;

27 **SECTION 9. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, or safety.