

**Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

PREAMENDED

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

LLS NO. 24-0579.01 Alison Killen x4350

HOUSE BILL 24-1326

HOUSE SPONSORSHIP

Ricks and Brown, Epps

SENATE SPONSORSHIP

Smallwood and Zenzinger,

House Committees

State, Civic, Military, & Veterans Affairs
Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING CONTINUATION UNDER THE SUNSET LAW OF THE**
102 **LICENSING OF CERTAIN GAMES OF CHANCE INCLUDING**
103 **BINGO.**

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/>.)

Sunset Process - House State, Civic, Military, and Veterans Affairs Committee. The bill implements the recommendations of the sunset review and report on the licensing of bingo and other games of chance by:

- Retaining the secretary of state's constitutional authority

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

over the issuance of bingo-raffle licenses to qualified charitable organizations, while transferring all remaining licensing authority and all enforcement authority under the "Bingo and Raffles Law" to the executive director of the department of revenue (executive director), effective January 1, 2025 (**sections 2, 5, 7 through 17, 20 through 30, 34, 36, and 37**); authorizing the executive director to promulgate rules and assess fees in connection with the executive director's duties (**sections 5, 7 through 17, and 20 through 30**); requiring the executive director to uphold the secretary of state's decision to issue a bingo-raffle license; requiring the secretary of state to uphold the executive director's licensing and enforcement decisions (**section 5**); and requiring the secretary of state and the executive director to enter into memoranda of understanding regarding their shared duties under the "Bingo and Raffles Law" (**section 5**);

- Terminating the Colorado bingo-raffle advisory board pursuant to the sunset law (**sections 1, 4, 6, 18, 31 through 33, and 35**);
- Modernizing the secretary of state's fining authority by increasing the maximum fine to \$250 per violation and eliminating the provision for a fine in lieu of suspension or revocation, for the period of time between the effective date of the bill and the transfer of all enforcement authority to the executive director, effective January 1, 2025 (**section 4**);
- Continuing the regulation of charitable gaming under the "Bingo and Raffles Law" for 5 years, until 2029 (**sections 33 through 36**); and
- Making technical changes to the law (**sections 2, 3, 8, 10, 12 through 16, 19, and 28**).

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 **(6); repeal (1)(a) and (5.5); and add (40.5) as follows:**

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

6 (1) "Bingo" means:

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

1 (5.5) "Bingo strip card game" means a type of bingo that is played
2 with a strip of up to five connected paper bingo cards, with each card
3 containing a concealed grid of preprinted numbers ranging from one to
4 seventy-five. The winner is the first player to match the numbers drawn
5 on one or more bingo balls to the prearranged pattern of numbers on a
6 card. The maximum prize for an individual card may not exceed one
7 thousand dollars."

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

10 (40.5) "STRIP BINGO GAME" MEANS A TYPE OF BINGO THAT IS
11 PLAYED WITH A STRIP CARD OF UP TO FIVE CONNECTED PAPER BINGO
12 FACES, WITH EACH BINGO FACE CONTAINING A CONCEALED GROUPING OF
13 PREPRINTED SYMBOLS, FREE SPACES, AND NUMBERS RANGING FROM ONE
14 TO SEVENTY-FIVE.

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

17 **24-21-604. Legislative declaration - consideration for tickets**
18 **- conditions - rules.** (4) A bingo-raffle licensee may, directly or through
19 a third party, presell tickets to a charitable gaming event.

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

22 **24-21-605. Licensing and enforcement authority - powers -**
23 **rules - duties - license suspension or revocation proceedings -**
24 **definitions.** (1) The secretary of state is hereby designated as the
25 "licensing authority" of this part 6. As licensing authority, the secretary
26 of state's powers and duties are as follows:

27 (a) (II) In lieu of seeking a suspension or revocation of any license

1 ~~issued by the licensing authority,~~ The licensing authority may impose a
2 reasonable fine for any violation of this part 6 or any rule adopted
3 pursuant to this part 6, not to exceed ~~one hundred~~ TWO HUNDRED FIFTY
4 dollars per citation. The imposition of any such fine may be appealed to
5 an administrative law judge.

6 (b) To supervise the administration and enforcement of this part
7 6 and ~~in consultation with the board~~ to adopt, amend, and repeal rules
8 governing the holding, operating, and conducting of games of chance, the
9 purchase of equipment, the establishment of a schedule of reasonable
10 fines, not to exceed ~~one hundred~~ TWO HUNDRED FIFTY dollars per citation,
11 for violation by licensees of this part 6 or of rules adopted pursuant to this
12 part 6, to the end that games of chance shall be held, operated, and
13 conducted only by licensees for the purposes and in conformity with the
14 state constitution and the provisions of this part 6;

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

17 **24-21-609. Application for bingo-raffle license.** (2) (b) Each
18 designated games manager must have been an active member of the
19 applicant for at least the six months immediately preceding ~~his or her~~ THE
20 MEMBER'S designation AS A GAMES MANAGER and shall be certified by the
21 licensing authority pursuant to section 24-21-610 before assuming games
22 management duties.

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

25 **24-21-614. Application for manufacturer's agent license or**
26 **supplier's agent license.** (1) Each application for a manufacturer's agent
27 license or supplier's agent license must include, but not be limited to, the

1 following information:

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

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

7 **24-21-617. General conduct games of chance - premises -**
8 **equipment - expenses - rules.** (1) A licensee shall not hold, operate, or
9 conduct a game of bingo or lotto more often than as specified by the
10 licensing authority by rule. ~~after consultation with the board~~

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

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

15 **24-21-618. Conduct of bingo games.** (3) (d) An operator shall
16 not reserve or allow to be reserved any bingo cards for use by players
17 except braille cards or other cards for use by legally blind players. A
18 person who is legally blind may use ~~his or her~~ personal braille cards when
19 a licensed organization does not provide such cards. A licensed
20 organization may inspect and reject any personal braille card. A person
21 who is legally blind or an individual with a disability may use a braille
22 card or hard card in place of a purchased disposable paper bingo card.

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

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

1 (b) THE MAXIMUM PRIZE FOR AN INDIVIDUAL CARD THAT IS USED
2 AS PART OF A STRIP BINGO GAME MUST NOT EXCEED ONE THOUSAND
3 DOLLARS;

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

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

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

11 **24-21-622. Bingo-affle licensee's statement of receipts -**
12 **expenses - fee - definitions.** (3) (a) All money collected or received from
13 the sale of admission, extra regular cards, bingo strip cards, special game
14 cards, sale of supplies, and all other receipts from the games of
15 TRADITIONAL AND STRIP bingo GAMES, raffles, and pull tab games shall
16 be deposited in a special checking or savings account, or both, of the
17 licensee, which must contain only this money. If the licensee conducts
18 progressive games of chance, the licensee may maintain one additional
19 checking or savings account, which must contain only money received
20 from the sale of progressive games. The licensee may withdraw money
21 from these accounts only by consecutively numbered checks or
22 withdrawal slips or by electronic transactions referenced by transaction
23 number or date. A check or withdrawal slip must not be drawn to "cash"
24 or a fictitious payee. The licensee shall maintain all of its books and
25 records in accordance with generally accepted accounting principles.

26 **SECTION 9.** In Colorado Revised Statutes, 24-21-630, **amend**
27 (1), (2), (2)(a)(I), (2)(a)(V), (2)(a)(VI), (2)(b), (2)(d), (2)(e), (2)(f), (2)(g),

1 (2)(h), and (2)(i); **repeal** (2)(a)(II) and (2)(a)(III); and **add** (2)(a)(VII),
2 (2)(l), and (2)(m) as follows:

3 **24-21-630. Colorado charitable gaming board - creation.**

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

6 (2) The board consists of ~~nine~~ SEVEN members, all of whom must
7 be citizens of the United States who have been residents of the state for
8 at least the past ~~five~~ TWO years. A member must not have been convicted
9 of a felony or gambling-related offense, notwithstanding section
10 24-5-101. No more than ~~five~~ THREE of the ~~nine~~ SEVEN members may be
11 members of the same political party; EXCEPT THAT THE POLITICAL PARTY
12 AFFILIATION OF THE SECRETARY OF STATE'S DESIGNEE SHALL NOT BE
13 CONSIDERED FOR PURPOSES OF DETERMINING COMPLIANCE WITH THIS
14 REQUIREMENT. THE SECRETARY OF STATE'S DESIGNEE SHALL CONVENE
15 THE BOARD'S FIRST MEETING NO LATER THAN SEPTEMBER 30, 2024. At the
16 first meeting of each fiscal year, a majority of the members must choose
17 a chair and vice-chair of the board from the membership. Membership
18 and operation of the board must additionally meet the following
19 requirements:

20 (a) (I) Three members of the board must be bona fide members of
21 a bingo-raffle licensee that is classified as a religious organization, a
22 charitable organization, a labor organization, an educational organization,
23 A VETERANS' ORGANIZATION, A FRATERNAL ORGANIZATION, or a voluntary
24 firefighter's organization; except that no more than one member shall be
25 appointed from any one such classification;

26 (II) ~~One member of the board must be a bona fide member of a~~
27 ~~bingo-raffle licensee that is a veterans' organization;~~

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

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

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

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

12 (b) (I) ~~Of the five~~ THE GOVERNOR SHALL APPOINT THE THREE
13 members of the board who are categorized as bona fide members of a
14 bingo-raffle licensee. ~~two shall be appointed by the president of the~~
15 ~~senate, two shall be appointed by the speaker of the house of~~
16 ~~representatives, and one shall be appointed jointly by the president and~~
17 ~~the speaker.~~

18 (II) ~~Of the two members~~ THE GOVERNOR SHALL APPOINT THE
19 MEMBER of the board who are categorized as landlord licensees, ~~one shall~~
20 ~~be appointed by the president of the senate and one shall be appointed by~~
21 ~~the speaker of the house of representatives~~ IS A SUPPLIER LICENSEE AND
22 THE MEMBER OF THE BOARD WHO IS A LANDLORD LICENSEE.

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

1 (d) Any vacancy on the board shall MUST be filled for the
2 unexpired term in the same manner as the original appointment; EXCEPT
3 THAT, IN THE EVENT OF AN EXTENDED VACANCY OF MORE THAN THREE
4 MEETINGS OR THE FAILURE OF THE GOVERNOR TO APPOINT A NEW MEMBER
5 WITHIN THREE MONTHS OF THE VACANCY, THE SECRETARY OF STATE MAY
6 APPOINT A REPLACEMENT MEMBER. The member appointed to fill such
7 vacancy shall be from the same category described in subsection (2)(a) of
8 this section as the member vacating the position.

9 (e) A member of the board having a direct personal or private
10 interest in any matter before the board shall MUST disclose such fact on
11 the board's record. A member MEMBERS may disqualify himself or herself
12 THEMSELVES for any cause deemed by him or her THEM to be sufficient.

13 (f) The appointing officer shall terminate the term of any member
14 of the board who misses more than two consecutive regular board
15 meetings without good cause, or who no longer meets the requirements
16 for membership imposed by this section. The member's successor shall
17 MUST be appointed in the manner provided for appointments under this
18 section.

19 (g) Board members are entitled to receive as compensation for
20 their services fifty SEVENTY-FIVE dollars for each day spent in the conduct
21 of board business, not to exceed five hundred dollars per member per
22 year, and are entitled to be reimbursed for necessary travel and other
23 reasonable expenses incurred in the performance of their official duties.

24 (h) Prior to commencing his or her A term of service, each person
25 nominated to serve on the board, OTHER THAN THE SECRETARY OF STATE'S
26 DESIGNEE, shall MUST file with the secretary of state a financial disclosure
27 statement in the form required and prescribed by the licensing authority

1 and as commonly used for other Colorado boards and commissions. Such
2 statement ~~shall~~ MUST be renewed as of each January 1 during the
3 member's term of office.

4 (i) The board shall hold at least ~~two~~ SIX meetings each year and
5 such additional meetings as the members may deem necessary. In
6 addition, special meetings may be called by the chair, any three board
7 members, or the licensing authority if written notification of the meeting
8 is delivered to each member at least seventy-two hours before the
9 meeting. Notwithstanding section 24-6-402, in emergency situations in
10 which a majority of the board certifies that exigencies of time require that
11 the board meet without delay, the requirements of public notice and of
12 seventy-two hours' actual advance written notice to members may be
13 dispensed with, and board members as well as the public ~~shall~~ MUST
14 receive such notice as is reasonable under the circumstances.

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

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

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

25 **24-21-631. Board - duties.** (1) IN ADDITION TO ANY OTHER
26 DUTIES SET FORTH IN THIS PART 6, THE BOARD SHALL:

27 (a) CONDUCT A CONTINUOUS STUDY OF CHARITABLE GAMING

1 THROUGHOUT THE STATE FOR THE PURPOSE OF IMPROVING CHARITABLE
2 GAMING AND ASCERTAINING ANY DEFECTS IN THIS PART 6 OR IN THE RULES
3 PROMULGATED PURSUANT TO THIS PART 6; AND

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

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

12 (a) THE TYPES OF CHARITABLE GAMING ACTIVITIES TO BE
13 CONDUCTED, THE EXISTING RULES AND POTENTIAL NEW RULES FOR THOSE
14 ACTIVITIES, AND THE NUMBER OF OCCASIONS PER YEAR UPON WHICH A
15 LICENSEE MAY HOLD, OPERATE, OR CONDUCT A GAME OF BINGO OR LOTTO;

16 (b) THE TYPES OF CHARITABLE GAMING ACTIVITIES TO BE
17 CONDUCTED IN THE FUTURE BASED UPON A CONTINUING REVIEW OF THE
18 AVAILABLE STATE-OF-THE-ART EQUIPMENT IN COLORADO AND OTHER
19 STATES AND THE POLICIES AND PROCEDURES APPROVED AND
20 IMPLEMENTED BY OTHER STATES FOR THE CONDUCT OF CHARITABLE
21 GAMING ACTIVITIES; AND

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

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

27 (a) THE REQUIREMENTS, QUALIFICATIONS, AND GROUNDS FOR THE

1 ISSUANCE OF ALL TYPES OF PERMANENT AND TEMPORARY LICENSES
2 REQUIRED FOR THE CONDUCT OF CHARITABLE GAMING;

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

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

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

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

13 (f) THE AMOUNT OF FEES FOR LICENSES ISSUED BY THE LICENSING
14 AUTHORITY AND FOR THE PERFORMANCE OF ADMINISTRATIVE SERVICES
15 PURSUANT TO THIS PART 6;

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

18 (h) THE CONTENT AND CONDUCT OF CLASSES OR TRAINING
19 SEMINARS TO BENEFIT BINGO-RAFFLE CHARITABLE LICENSEES, OFFICERS,
20 AND VOLUNTEERS TO BETTER ACCOUNT FOR FUNDS COLLECTED FROM
21 GAMES OF CHANCE;

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

24 (j) THE CONDITIONS FOR A LICENSEE'S PLAN FOR DISPOSAL OF ANY
25 EQUIPMENT AND THE DISTRIBUTION OF ANY REMAINING NET PROCEEDS
26 UPON TERMINATION OF A BINGO-RAFFLE LICENSE FOR THE LICENSEE'S
27 FAILURE TO TIMELY OR SUFFICIENTLY RENEW SUCH LICENSE.

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

3 **24-21-632. Repeal of part - review of functions.** This part 6 is
4 repealed, effective ~~September 1, 2024~~ SEPTEMBER 1, 2029. Before the
5 repeal, the licensing functions of the licensing authority and the functions
6 of the Colorado ~~bingo-raffle advisory~~ CHARITABLE GAMING board in the
7 department of state are scheduled for review in accordance with section
8 24-34-104.

9 **SECTION 12.** In Colorado Revised Statutes, 24-34-104, **repeal**
10 (25)(a)(XV) and (25)(a)(XVI); and **add** (30)(a)(IX) as follows:

11 **24-34-104. General assembly review of regulatory agencies**
12 **and functions for repeal, continuation, or reestablishment - legislative**
13 **declaration - repeal.** (25) (a) The following agencies, functions, or both,
14 are scheduled for repeal on September 1, 2024:

15 (XV) ~~The licensing of bingo and other games of chance through~~
16 ~~the secretary of state in accordance with part 6 of article 21 of this title~~
17 ~~24;~~

18 (XVI) ~~The Colorado bingo-raffle advisory board created in~~
19 ~~section 24-21-630;~~

20 (30) (a) The following agencies, functions, or both, are scheduled
21 for repeal on September 1, 2029:

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

26 **SECTION 13. Safety clause.** The general assembly finds,
27 determines, and declares that this act is necessary for the immediate

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