



**NOTICE OF ADOPTION**

**Office of the Secretary of State**  
**Rules Covering and Regulating Bingo/Raffles**  
**8 CCR 1505-2**

**June 10, 2008**

Pursuant to C.R.S. 12-9-103 and the rule making provision of the State Administrative Procedures Act, C.R.S. 24-4-103, I, Mike Coffman, Colorado Secretary of State, and bingo-affle licensing authority, do hereby adopt and give **NOTICE** of the permanent rule adoption this 10<sup>th</sup> day of June, 2008, of the Secretary of State's Rules Covering and Regulating Bingo/Raffles (8 CCR 1505-2) as follows (additions to the current rules are reflected in SMALL CAPS and deletions from current rules are shown in ~~stricken type~~).

New Rule 4.0.A.9 is adopted as follows:

**4.0.A.9. NUMBER OF GAMES ALLOWED.** NO LICENSEE MAY HOLD, OPERATE, OR CONDUCT A GAME OF BINGO OR LOTTO MORE OFTEN THAN TWO HUNDRED TWENTY OCCASIONS IN ANY CALENDAR YEAR.

RULE 4.0.B.1.d is amended as follows:

4.0.B.1.d. The bingo pattern or arrangement of numbers a player must complete in order to win the progressive jackpot prize, together with a clear diagram of such arrangement of numbers, if any pattern other ~~that~~ THAN a full card ("blackout" or "coverall") is required to win;

Rule 5.0.C.4 is amended as follows:

5.0.C.4. A bingo-affle licensee that allows pre-draw concealed face card trade-ins shall mark or deface all returned cards, so that they cannot be further played. ~~and retain such traded-in cards for a period of three months following the end of the quarter in which the tickets were redeemed.~~

Rule 6.0.A.8.a is amended as follows:

6.0.A.8.a. A ticket or portion of a pull tab deal or series is unsalable if it has been displayed and openly offered throughout the duration of at least two consecutive bingo occasions at the particular location where pull tabs have been sold for at least two weeks or has been displayed and openly offered for sale continuously for a ~~two-weeks~~ TWO-WEEK period at any bar, ~~clubrooms~~ CLUBROOM, or other pull tab location of the bingo-raffle licensee and no sale of a pull tab from the deal or series has been made during the two week period.

Rule 6.0.C is amended as follows:

**6.0.C. Last Sale Pull Tab Operations.** A bingo-raffle licensee offering “last sale” deals of pull-tabs for sale shall display AND MAKE AVAILABLE FOR SALE all pull tabs contained in a discrete deal upon opening said deal for sale to the public. IF THE PULL TAB DEAL EXCEEDS 5,000 TICKETS, THE LICENSEE SHALL NOT BE REQUIRED TO DISPLAY ALL PULL TABS BUT SHALL POST A CONSPICUOUS NOTICE UPON THE RECEPTACLE CONTAINING SUCH PULL TABS INDICATING WHETHER OR NOT ALL UNSOLD TICKETS IN THE DEAL ARE CONTAINED IN THE RECEPTACLE. In the event that a licensee is using a mechanical pull tab dispensing device, the licensee shall POST A CONSPICUOUS NOTICE UPON THE MACHINE CONTAINING SUCH PULL TABS, INDICATING WHETHER OR NOT ALL UNSOLD TICKETS IN THE DEAL ARE LOADED IN THE MACHINE ~~display all pull tabs in the machine at one time from the discrete deal being offered.~~

New Rule 6.0.C.1 is adopted as follows:

6.0.C.1. A BINGO-RAFFLE LICENSEE MAY SELL OR PAY IN FULL ANY PULL TAB DEAL THAT OFFERS A PRIZE FOR THE “LAST SALE” IN THE DEAL IF THE BINGO-RAFFLE LICENSEE:

- A. COMPLETES THE FORMS REQUIRED BY THE LICENSING AUTHORITY FOR EACH SUCH “LAST SALE” PULL TAB PRIZE PAID AND RETAINS THE SAME FOR FOUR MONTHS AFTER THE END OF THE QUARTER IN WHICH THE PRIZE WAS PAID.
- B. VERIFIES THE IDENTIFICATION OF THE WINNER OF THE “LAST SALE” PULL TAB PRIZE, REGARDLESS OF AMOUNT, INCLUDING SUCH PERSON’S NAME, ADDRESS, AND DRIVER’S LICENSE NUMBER OR COLORADO IDENTIFICATION NUMBER. NO “LAST SALE” PRIZE MAY BE PAID WITHOUT SUCH VERIFIED INFORMATION.

Rule 7.0.B.3 is repealed as follows:

7.0.B.3. **Passive Play.** A bingo-raffle licensee shall not allow the passive play of any bingo game by means of any electronic bingo aid device. Any player using such a device shall be required to physically enter each number called by either manually entering the number or by touching a button or a screen icon. ~~The~~

~~player aid shall not have a “catch up” feature where a player can touch the device one time to “catch up” two (2) or more numbers that have been called.~~

Rule 8.0.A.1.a is amended as follows:

8.0.A.1.a. The merchandise, ~~or~~ services OR CASH awarded as a prize;

Rule 8.0.A.1.d is amended as follows:

8.0.A.1.d The bingo-raffle licensee that awards a promotion prize or prizes during a calendar quarter shall include the information in Rule 8.0.A.1.a, b, and ~~on~~ ON its quarterly report for that quarter.

Rule 8.0.A.2 is amended as follows:

8.0.A.2. **Promotion prize limits.** The bingo-raffle licensee shall not offer merchandise, ~~or~~ services, OR CASH as a prize in a promotion that exceeds \$1,000 in value for any single promotion.

Rule 9.0.B. is amended as follows:

**9.0.B. Automobile MOTOR VEHICLE as a prize.** A bingo-raffle licensee may raffle ~~an automobile~~ MOTOR VEHICLE, if:

1. The bingo-raffle licensee files proof of ownership of the ~~automobile~~ MOTOR VEHICLE with the licensing authority; or
2. There exists a firm commitment in writing, enforceable in a court of law as a contract between the owner of the ~~automobile~~ MOTOR VEHICLE and the bingo-raffle licensee to transfer title to the ~~automobile-~~ MOTOR VEHICLE to the holder of the winning ticket at the conclusion of the raffle drawing that determines the winner of the raffle; and
3. The bingo-raffle licensee must announce prior to the sale of the first raffle ticket and the raffle ticket must contain the information whether there are any encumbrances on the ~~automobile~~ MOTOR VEHICLE that the winner of the raffle will be subject to, including federal, state and local income taxes; and
4. The bingo-raffle licensee maintains, during the course of the sale of raffle tickets and continuing through the date of the raffle drawing, a certificate of deposit in such amount that in the event of default by the owner of the ~~automobile~~ MOTOR VEHICLE described in Rule 9.0.B.2, the bingo-raffle licensee can obtain an equivalent ~~automobile~~ MOTOR VEHICLE for delivery to the holder of the winning ticket; and

5. The bingo-raffle licensee submits evidence of the commitment and certificate of deposit to the licensing authority prior to the sale of the first raffle ticket.

Rule 13.0.C is amended as follows:

**13.0.C. Promotions.** A Landlord licensee may award a prize OF MERCHANDISE, SERVICES, OR CASH in a promotion that does not exceed \$10,000; however, a landlord licensee shall not require participation by any bingo-raffle licensee, and the landlord licensee shall not require payment in excess of \$1,000 from any bingo-raffle licensee for a promotion that the bingo-raffle licensee has agreed to.

Rule 16.0.A.5 is amended as follows:

16.0.A.5. Conducting more than ~~158~~ 220 bingo occasions in one calendar year under color of a single bingo-raffle license;

These new and amended rules shall take effect twenty (20) days after publication in the Colorado Register in accordance with the State Administrative Procedure Act.

A written Statement of Basis, Purpose and Specific Statutory Authority is attached and hereby incorporated by reference herein.

Dated this 10<sup>th</sup> Day of June, 2008

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William A. Hobbs  
Deputy Secretary of State

For

Mike Coffman  
Colorado Secretary of State



**Statement of Basis, Purpose and Specific Statutory Authority**

**New and Amended Rules Covering and Regulating Bingo/Raffles**

**June 10, 2008**

**Basis and Purpose**

These rules are based upon the provisions of HB 08-1273, "Concerning Continuation of the Regulation of Games Chance by the Secretary of State...", and upon information and recommendations from:

- Bingo-affle supplier, manufacturer and landlord licensees;
- Charitable gaming administration and administrative regulation of other states; and
- The Colorado Bingo-Raffle Advisory Board.

It is the general purpose of these rules to clarify and carry out the provisions of HB 08-1273, as well as to comply with the specific rule-making requirements of the act. The specific purposes of the individual amendments and additions are as follows:

1. The amendment to Rule 4 which adds a new section providing for an increase in the total number of bingo games to be held per year, due to the repeal of CRS 12-9-107(7) in HB 08-1273.
2. The amendment to Rule 5, Section C, Subsection 4, which eliminates the language requiring the retention of concealed face trade-in cards, due to the burden of retaining such cards.
3. The amendment to Rule 6, Section C, with the addition of a Subsection 1 for the purpose of better tracking procedures for "Last Sale" pull tabs, with clarification language added to the original Rule 6, Section C.
4. The amendment to Rule 7, Section B, Subsection 3, deleting the language which disallows the "catch up" feature on electronic bingo aid devices.
5. The amendments to Rule 8, Section A, Subsection 1(a), and Subsection 2, which allows Bingo-Raffle licensees to offer cash as a promotional prize due to the deletion of language in CRS 12-9-102.5 from the passage of HB 08-1273.
6. The amendment to Rule 9, Section B, changing the word "Automobile" to "Motor Vehicle" for clarity purposes.

7. The amendment to Rule 13, Section C, which allows Landlord licensees to offer cash as a promotional prize, due to the deletion of language in CRS 12-9-102.5 from the passage of HB 08-1273.
8. The amendment to Rule 16, Section A, Subsection 5, following from the change to Rule 4.
9. Technical grammatical corrections to Rules 4, Section B, Subsection 1(d), Rule 6, Section A, Subsection 8(a), and Rule 8, Section A, Subsection 1(d).

#### Statutory Authority

These rules are promulgated in accordance with the State Administrative Procedure Act, specifically CRS 24-4-103, “**Rule-making-procedure,**” and pursuant to the specific statutory authority granted to the Secretary of State by the Colorado Bingo and Raffles Law, as follows:

- C.R.S. 12-9-103(1)(b), “**Licensing authority – powers – duties.**”
- C.R.S. 12-9-103.5 (4)(d), “**Legislative declaration – consideration for tickets – conditions – rules.**”