

Colorado Department of State

Licensing Division

8 CCR 1505-2

RULES COVERING AND REGULATING BINGO/RAFFLES

1.0 INTRODUCTION.

Rules 1 through 25 of the Rules Covering and Regulating Bingo/Raffles are repealed. The following Rules Covering and Regulating Bingo/Raffles are enacted pursuant to 12-9-101 et seq C.R.S. and amendments made thereto during the 2006 legislative session. The rules are re-formatted to comply with the secretary of state's electronic filing program for administrative rules.

A. Authority

These rules and regulations are adopted pursuant to the authority in section 12-9-103(1)(b), C.R.S. and are intended to be consistent with the requirements of the State Administrative Procedures Act, section 24-4-101 et seq. (the "APA"), C.R.S. and the Bingo and Raffles Law, sections 12-9-101 et seq. C.R.S. (the "Law").

B. Scope and Purpose. These rules shall govern all licensees, certificate holders, affiliates and auxiliaries as defined in the Bingo and Raffles Law.

2.0 DEFINITION OF BINGO AND RAFFLE TERMS

A. Bingo Game: A bingo game starts when the first numbered object, ball or number is selected at random or randomly generated by machine, and called, and continues until all the objects or balls have been returned to the receptacle or the machine has been cleared. A game may have two or more parts with different winning patterns for each part, if the total amount of prizes offered or given for all parts of one game does not exceed, in amount or value, the maximum prize that may be offered or given in a single game of bingo.

B. Bingo-raffle licensee rules: The rules established by each bingo-raffle licensee for items not covered by the bingo-raffle law or the Rules and Regulations Covering and Regulating Conduct of Bingo and Raffles Games, relating to the payment for, and playing of, games of chance at each occasion.

C. Bucket raffle: An event where many small raffles are conducted at the same time. In a bucket raffle, the bingo-raffle licensee may sell tickets from the same series of theater style tickets. The purchaser of raffle tickets may deposit one or more of the purchased tickets into various receptacles containing tickets from which a winner or winners will be drawn for a prize or prizes. The bingo-raffle licensee shall display merchandise prizes or may display photographs and descriptions of merchandise prizes so that a player can easily determine the types and value of merchandise prizes offered for each receptacle.

D. Cash operating fund: The cash used by the licensee to start the bingo and pull tab operations on each occasion.

E. Change fund: The cash given to each bingo worker to use for making change.

- F. Concealed face card:** A non-reusable bingo card containing five rows of five squares with a free center space, one number preprinted in each of the remaining 24 spaces, and the letters B, I, N, G, O printed in order over the five columns, the card so constructed that no part of its face is detectable or discernible until the card is purchased and opened by the player.
- G. Deal:** Each separate package or series of packages consisting of pull tabs with the same game name, form number, serial number, and color code.
- H. Double Action Card:** A bingo card containing the letters B,I,N,G,O placed horizontally over a five by five matrix of squares with the center square blank, where each of the other squares contains two numbers in the range of 1 to 75.
- I. Face:** A bingo card.
- J. Flare:** A piece of heavy paper stock or other material accompanying a pull tab deal which shows at least the following descriptive information about the matching deal:
1. The name and form number of the game;
 2. The manufacturer name or logo;
 3. The number of tickets in the deal and the cost per play; and
 4. The prize structure, including the number of winning tickets by denomination and their respective winning symbol combinations.
- K. Licensed Premises:** Includes the premises owned or leased by or under the control of a bingo-raffle licensee and used for games of chance by the bingo-raffle licensee for its own members or the public but which are not leased to other bingo-raffle licensees for the conduct of games of chance.
- L. Master Board:** The master board is the rack that balls are placed in after a ball has been taken from the receptacle. The master board may be electronically connected to a lighted display board that indicates the called ball. In the case of an electronic random number generator that calls numbers, the lighted display board is the master board.
- M. Pack:** A collation of disposable paper bingo cards or sheets sold during a bingo occasion.
- N. Pre-Draw Game:** A bingo game in which a designated number of balls or objects are drawn or numbers are randomly generated during the occasion with a separate set of balls and in the presence of at least ten (10) players. Players may purchase concealed face bingo cards after the designated number of balls or objects is drawn or numbers are randomly generated. The bingo-raffle licensee announces the resumption of the game and continues to draw balls or generate numbers until a player signals a bingo.
- O. Progressive Pull Tab:** A game consisting of one or more seal pull tab deals with identical form numbers that offers a cumulative or carryover jackpot prize. The prize structure for a progressive pull tab game is predetermined by the game's manufacturer and built into the game. The structure includes a cumulative jackpot prize, to which each deal of the game in which the jackpot prize is not won contributes a specifically pre-designated amount.

- P. Progressive Jackpot (“Progressive”) Bingo Game:** A progressive jackpot bingo game is one in which a prize amount is carried over to a subsequent game if no bingo is achieved within a specified number of balls drawn and called.
- Q. Remuneration:** Any monetary or non-monetary payment no matter how small, given to a member of an organization in return for that member’s participation in the operation of charitable gaming. Items that are included in this definition include, but are not limited to: direct payments of cash; reduced pack prices or free packs to a member who plays bingo when that member is not participating in the operation of the charitable gaming; reduced dues based on the number of volunteer hours that the member works in the operation of charitable gaming; meal vouchers that are more than nominal value; reimbursement of travel expenses when other members who do not participate in the operation of charitable gaming are not reimbursed for travel; non-competitive scholarships where the selection of the scholarship recipient is based on the amount of time volunteered in the operation of charitable gaming, whether by the recipient or a member of the organization related to the recipient; tips received from players by a member as a result of the member’s participation in the operation of charitable gaming.
- R. Renewal Application.** An application received from a qualified organization which organization holds a bingo-raffle license for the calendar year immediately preceding the year for which the renewal application is submitted.
- S. Seal Pull tab.** A pull tab game that offers one or more prizes by means of a flare or a jackpot card that is part of a pull tab deal. The flare or jackpot card includes a section bearing a tab or tabs that must be torn or broken apart to reveal a winning combination or combinations
1. Each seal pull tab deal shall include:
 - a. A ticket or tickets that entitle the purchaser to a chance to win the prize(s) identified by the winning combination(s) imprinted on the flare or jackpot card; and
 - b. A flare preprinted, or otherwise prepared by the game’s manufacturer, to show:
 - (1) the serial number of the pull tab deal;
 - (2) a section that shall record the names of all holders of tickets that entitle the bearer to a chance on the seal prizes, together with the potential winning combination of each such ticket; and
 - (3) all other information required by this rule to be shown on pull tab flares. The jackpot card, if separate from the flare, shall be preprinted with the name and form number of the game and the manufacturer’s name
- T. Sheet:** A leaf of paper upon which are printed two or more disposable paper bingo cards.
- U. Stretch raffle:** A method of determining the amount of raffle tickets that may be purchased for a set price. For example, a stretch raffle may use the length of the arm span of one of the participants of the raffle to determine the number of tickets that a specific dollar amount will purchase. The stretch raffle must use the same method to

determine the amount of tickets for all purchasers of raffle tickets in the specific raffle declared to be a stretch raffle.

- V. Stub:** That portion of a raffle ticket kept by the bingo-raffle licensee. In the case of a raffle prize that has a value greater than \$1,000.00, the stub is that portion of the ticket containing the name, address and telephone number of the purchaser of the ticket.
- W. Ticket:** As used in these rules, "ticket" means a slip of paper or any other object that is discrete from every other object sold or that contains a discrete number or symbol, which evidences that the person to whom it is issued, or the holder thereof, is entitled to some right or privilege therein mentioned or described, when such slip of paper or object is selected at random from all such slips of paper or objects sold to participants for the chance to win money or merchandise.

3.0 BINGO-RAFFLE LICENSEES

A. Application

1. Initial Application

- a. Application for a bingo-raffle license shall be made on forms provided by the secretary of state.
- b. In addition to any other items required on the application form, each new application shall consist of:
 - (1) The application fee;
 - (2) A list of all members of the organization who will participate in the operation of games of chance. If the organization has a large number of members, the applicant may submit a copy of the entire membership;
 - (3) The names, addresses and titles of all officers and directors of the organization;
 - (4) Proof that the organization has existed for at least five years prior to the date of application and that the organization has members. Proof of existence may consist of one or more of the following:
 - (a) Articles of Incorporation dated more than five years from the date of application, stating that the organization has members;
 - (b) Copies of at least one bank statement per year for the five years preceding the date of application, showing that the organization has maintained a bank account for the requisite period of time;
 - (c) Copies of minutes from at least one general membership meeting per year for the five years preceding the date of application;

- (d) A copy of the IRS letter recognizing that the organization is exempt from taxation pursuant to the Internal Revenue Code section 501(c). In order to qualify for a bingo-raffle license, such organization must also demonstrate that it qualifies under Article XVIII, Section 2, paragraph 2 of the Colorado constitution.
 - c. The application will not be considered complete and subject to the 45 day provision of 12-9-103(1)(a)(1), C.R.S. until all of the items in (1) through (4) above have been received by the licensing authority.
- 2. **Renewal Application.** In addition to any other items required on the application form, each renewal application shall consist of:
 - a. A list of all members of the organization who will participate in the operation of games of chance. If the organization has a large number of members, the applicant may submit a copy of the entire membership
 - b. The names, addresses and titles of all officers and directors of the organization;
 - c. Evidence of any change in name of the organization if it is applying for a renewal of a bingo-raffle license under a name different than the name on the license issued for the preceding year. In the case of an entity organized under Colorado law, evidence shall consist of copies of Articles of Amendment, Articles of Merger or such other change to the constituent documents that are submitted to the Secretary of State for filing.
- 3. **Board only organizations without members.** An organization that does not have members but is managed by a board of directors or trustees may apply for a bingo-raffle license but only in the name of the board of directors. Only the members of the board may participate in the operation of charitable gaming.
- 4. **Requirement to participate in games of chance.** A bingo-raffle licensee may, as a membership condition or qualification, require all of its active members to assist with its charitable gaming operations. Such members shall be considered bona fide volunteer workers when operating or assisting with the licensee's bingo-raffle activities if:
 - a. The bingo-raffle licensee does not provide any remuneration, reward, recompense, enhanced membership benefit, or other thing of value, including but not limited to, any fee, expense, travel, tuition, or other credit that is based on the amount of service or assistance rendered or time spent by such member in the course of operation of any licensed bingo-raffle activity; and
 - b. The bingo-raffle licensee does not offer or give to any member an option to pay money or donate any thing of value to the licensee in lieu of assisting with the licensee's bingo-raffle activities, nor does the licensee offer or give a reduction in any member's benefits, privileges or powers as an alternative to that member's assistance with bingo-raffle activities.
- 5. **Games managers.** A bingo-raffle licensee shall not conduct any bingo, raffle or other game of chance activity until and unless at least one of its designated

games managers holds a current, valid games manager certificate, has agreed to be responsible for the lawful conduct of such bingo-raffle licensee's games of chance activities and has filed a games manager's oath with the licensing authority.

- a. Every games manager must be certified by the licensing authority prior to acting as a games manager at any licensed activity.
- b. The licensing authority may issue a games manager certificate to any qualified individual who has successfully completed a games manager training program and successfully passed a test as prescribed by the licensing authority for new and renewing games managers.
- c. The licensing authority may issue certificates that are unlimited and valid for the management of all licensed bingo-raffle activities or may issue a limited certificate valid only for the conduct of licensed raffles.
- d. Each games manager shall execute a games manager's oath on a form prescribed by the licensing authority prior to being issued a games manager's certificate.
- e. Every games manager's certificate is valid for a period of four (4) years from the date of issuance.

B. Notices**Error! Reference source not found. and material required to be posted**

1. **Constitution, Statutes and Rules.** Each bingo-raffle licensee shall obtain, maintain and keep a current copy of the constitutional provisions and Colorado bingo-raffles law and rules regarding licensed games of chance, which shall be located upon the premises used for the conduct of a licensed activity by a bingo-raffle licensee at all times the activity is conducted there. The law and rules shall be produced by the bingo-raffle licensee and shown to any person on demand. For the purpose of this rule, the bingo-raffle licensee may maintain an electronic copy of the constitutional provisions, bingo-raffles law and rules covering and regulating conduct of bingo and raffles games in an electronic format so long as a copy of the pertinent provision demanded can be printed to paper.
 - a. Before the start of the first bingo game the players in attendance will also be informed by posting or announcement that they may obtain copies of the state bingo-raffles law and rules from the Secretary of State's office. Each such notice shall include the address and phone number of the Secretary of State's office.
 - b. Each bingo-raffle licensee will also post at a conspicuous location a sign (with at least one inch letters) stating that a reference copy of the Colorado bingo and raffles laws and rules is available from the games manager.
 - c. Each bingo-raffle licensee shall post any material as required by the Licensing Authority from time to time.
2. **License.** A copy of the license shall be posted for all players to see and shall remain posted until after the conclusion of the occasion.

3. **Occasion Rules.** Each bingo-raffle licensee shall post at a conspicuous location a sign (with at least one inch letters) stating:
 - a. All bingo-raffle licensee rules in effect during that occasion.
 - b. That the games manager is the final authority in the event any game is disputed.
 - c. The procedure for determining refunds and the amount of the refund in the event of a power failure.
 - c. Bingo occasion rules shall not be in conflict with the bingo-raffles law or these rules.
4. **Prizes.** The bingo-raffle licensee shall conspicuously post information at the beginning of each occasion specifying the number of prizes to be awarded, whether in cash or merchandise, and the method by which such prizes may be won, including the cost to players. The bingo-raffle licensee may display the available prizes upon the premises where the games are operated or post a list and complete description thereof, together with the cost to participate in the game of chance.
5. **Notice of Cancellation of Bingo Occasion.** A bingo-raffle licensee may only cancel a previously scheduled occasion by posting a notice of cancellation at the location of the scheduled game, at least one hour prior to the scheduled beginning of the occasion. For occasions played at commercial bingo facilities, the scheduled beginning of the occasion is that time stated in the rental agreement as the occasion start time. For occasions played at facilities owned by the licensee or used without charge, this is the time the licensee normally admits players into the facility.

4.0 BINGO GAMES

A. Conduct of Bingo Games in General

1. **Authorized equipment and cards.** Authorized equipment and cards, including all bingo related items used in the conduct of bingo, shall be maintained in good repair and sound working condition. Authorized representatives of the secretary of state may order any equipment, cards or related items immediately repaired or replaced, if after examination, they are found to be defective. Authorized representatives of the secretary of state shall make such order in writing at the time of inspection.
 - a. Balls with creases, holes or other damage shall not be used during any bingo game.
 - b. All balls used during bingo games shall be present in the master board before each occasion, and at least one bingo player shall verify that all balls are present immediately prior to the first game of the occasion. Bingo-raffle licensees that use electronic random number generators for selecting numbers must ensure that all of numbers on the lighted board can be illuminated.
 - c. Once a ball is removed from the receptacle, it may not be returned until the conclusion of that game.

- d. Only one ball may be selected at a time.
2. **Call and display of balls.** Immediately following the drawing of a ball from the receptacle, the caller shall display, or cause to be displayed to the players, the letter and number on the ball. The caller may use a camera and monitor or may physically show the letter and number to the players so that the players may know that the proper number has been called. If monitors are used, a sign shall be placed by each monitor that shall read: "Ball on TV is not official until called."
 - a. The letter and number on the ball shall be called out loudly and clearly and announced twice prior to the drawing of the next ball. The ball is not official until it has been properly called.
 - b. Where more than one room is used for any one game, the receptacle and the caller must be present in the room where the greatest number of players is present, and all balls called shall be plainly audible to the players in all of the rooms where players are present.
 3. **Master board.** The master board is the only official scorer. A bingo-raffle licensee may use a lighted display board but it is not official.
 - a. After the letter and number on the ball are called, the corresponding letter and number on the lighted display, if any, shall be lit for participant viewing.
 - b. If the bingo caller discovers that the wrong number has been called, the caller will announce: "I am reading the correct number, please correct your card or sheet." The caller will then correct the master board, and the lighted display if applicable, and continue with the game.
 4. **Closing a bingo game**~~Error! Reference source not found.~~ Each bingo game will be closed with the following procedure:
 - a. The game must be stopped after "Bingo" has been signaled by a player or a worker indicates that a player has called a "Bingo". It is the player's responsibility to ensure that a signaled "Bingo" has been acknowledged by a floor worker, the bingo caller, or both;
 - b. The caller will not call the next ball removed from the machine or was otherwise selected pending verification of the signaled bingo. If the signaled bingo is verified, the caller shall return the ball to the machine unless the verified bingo is part of a multi-part or continuing game.
 - c. The last number called is not a requirement for a good bingo, unless the bingo-raffle licensee has conspicuously posted a bingo occasion rule to the contrary.
 - d. When a player signals "Bingo", or a worker on the floor signals to the caller that a player has called "Bingo", a worker on the floor must place the card, sheet or electronic bingo aid to be checked in front of at least one other player at a different table who can confirm that the bingo is a good bingo.
 - e. The worker on the floor shall call the numbers of the winning combination to the bingo caller or, in the case of a coverall or blackout bingo, the

caller may announce the numbers that have not been called, unless an electronic bingo number verification device is used to verify the bingo.

- f. If a signaled bingo is determined to not be a good bingo by the electronic verification device, the caller shall require the worker on the floor to announce the numbers of the winning combination so that the numbers can be checked against the numbers actually called.
- g. The bingo caller must then ask the players "Are there any other bingos?" If no player answers after at least two such inquiries, the caller shall announce "This game is completed".

5. **Multiple bingo winners.** When multiple bingos are announced and verified, the prize for that game or game part shall be equally divided so that each verified bingo receives the same amount, regardless of the number or identity of players involved. If a prize is divided, the prize amount given to any player holding a verified bingo may only be rounded up to the nearest twenty-five cents.

6. **Workers.**

- a. A bingo-raffle licensee shall not allow any person who works or assists at a bingo occasion in any capacity, to play bingo or to purchase or play any pull tabs at the occasion which that person works, whether for that person or on behalf of another.
- b. A bingo-raffle licensee shall file with the licensing authority a revised list of members who will work bingo, pull tabs or raffles if the list submitted with the licensee's application is changed by the addition of new members.
- c. A bingo-raffle licensee shall not allow a person to work or assist in the operation of licensed activities unless that person is a member of the bingo-raffle licensee and the bingo-raffle licensee has provided a list of members to the licensing authority that contains that person's name.
- d. Any person who is working or assisting at any occasion, bar and club room or raffle shall present personal photo identification upon request of any employee or authorized agent of the licensing authority.

7. **Auxiliaries**

- a. **Auxiliaries of bingo-raffle licensee.** For purposes of identifying those members of auxiliary organizations who may participate in the conduct or operations of bingo-raffle activities of the bingo-raffle licensee, an association or organization shall be deemed to be an auxiliary of a bingo-raffle licensee, if:
 - (1) It is subsidiary to the bingo-raffle licensee; and
 - (2) It is subordinate to the bingo-raffle licensee; and
 - (3) Its primary purpose is the support and assistance, particularly by donations and volunteer services, of the bingo-raffle licensee; and

- (4) It is constituted, chartered, governed, or otherwise formally recognized as an adjunct by the bingo-raffle licensee to which it is subsidiary.
- (5) An example of this relationship is a women's auxiliary of a bingo-raffle licensee where the auxiliary was created and exists solely by action of the members of the bingo-raffle licensee and the bingo-raffle licensee formally recognizes the auxiliary in its articles of incorporation or bylaws.

b. **Bingo-raffle licensee auxiliary of another organization.** For purposes of identifying those members of organizations who may participate in the conduct or operations of bingo-raffle activities of the bingo-raffle licensee, a bingo-raffle licensee shall be deemed to be an auxiliary of an association or organization if:

- (1) The bingo-raffle licensee is subsidiary to the association or organization; and
- (2) The bingo-raffle licensee is subordinate to the association or organization; and
- (3) The primary purpose of the bingo-raffle licensee is the support and assistance, particularly by donations and volunteer services, of the association or organization to which it is subsidiary; and
- (4) The bingo-raffle licensee is constituted, chartered, governed, or otherwise formally recognized as an adjunct by the association or organization to which it is subsidiary.
- (5) An example of this relationship is a bingo-raffle licensee such as a Colorado lodge of the Benevolent Protective Order of Elks that is a subsidiary of a statewide or national organization where the bingo-raffle licensee was created and exists solely by action of the members of the state or national organization and the state or national organization formally recognizes the bingo-raffle licensee in its articles of incorporation or bylaws.

c. **Auxiliary affiliated with bingo-raffle licensee.** For purposes of identifying those members of affiliated organizations who may participate in the conduct of operations of bingo-raffle activities of the bingo-raffle licensee, an association or organization is affiliated with a bingo-raffle licensee and it and the bingo-raffle licensee are auxiliaries of another organization or association if:

- (1) The bingo-raffle licensee and the affiliated organization are both subsidiary to an association or organization; and
- (2) The bingo-raffle licensee and the affiliated organization are both subordinate to the association or organization; and
- (3) The primary purpose of the bingo-raffle licensee and the affiliated organization is the support and assistance, particularly by donations and volunteer services, of the association or organization to which they both are subsidiary; and

- (4) Both the bingo-raffle licensee and the affiliate are constituted, chartered, governed, or otherwise formally recognized as adjuncts by the association or organization to which they are subsidiary.
- (5) An example of this relationship is a bingo-raffle licensee such two individual lodges of the Benevolent Protective Order of Elks where each is a subsidiary of a statewide or national organization and where one is a bingo-raffle licensee. Both of the lodges were created and exist solely by action of the members of the state or national organization and the state or national organization formally recognizes the bingo-raffle licensee and the other lodge in its articles of incorporation or bylaws. In this case, members of the lodge that is not a bingo-raffle licensee may assist the lodge that is a bingo-raffle licensee in the operation of its games of chance.

8. Security personnel

- a. A bingo-raffle licensee shall identify all paid or volunteer security personnel by badge or uniform at each occasion.
- b. A bingo-raffle licensee shall not permit security personnel, whether volunteer or paid, to play or participate in the operation of bingo, the sale or redemption of pull tabs or the conduct of a raffle.

B. Progressive Jackpot Bingo Games. The following requirements and procedures, in addition to those applicable to bingo games generally, shall apply specifically to the conduct of progressive jackpot bingo:

1. **Required Postings.** In addition to any postings required by paragraphs above, a bingo-raffle licensee that conducts a progressive jackpot game shall also post, prior to each occasion at which a progressive game is offered a sign with at least one inch letters stating:
 - a. The amount of the progressive jackpot at the beginning of the bingo occasion;
 - b. The number of progressive jackpot bingo games that have been conducted in the current progression;
 - c. The price and description, including color and design, of the cards to be used for the progressive game;
 - 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 than a full card ("blackout" or "coverall") is required to win;
 - e. The maximum number of calls in which a player must complete the required pattern in order to win the progressive jackpot prize;
 - f. The date, time and location of the next occasion at which the next game in the progression will be conducted if the jackpot is not awarded.

complete the pattern or arrangement of numbers required to win the jackpot prize may remain the same or may be increased.

9. **Number of balls called to win.** Immediately prior to the drawing of the first ball for any progressive game, the caller shall clearly announce the maximum number of balls to be called in which a player must complete the pattern or arrangement or numbers required to win the progressive jackpot prize, the amount of the jackpot prize, the description of the card for the progressive game, and the date and time of the next occasion at which the next game in the progression will be conducted if the jackpot prize is not awarded.
10. **No winner of progressive.** If there is no progressive jackpot winner in the designated number of balls called for a progressive game, the entire jackpot prize amount, without deduction for consolation prizes, shall be carried over to the next game in the progression. After the designated number of balls has been called, the bingo-raffle licensee may either proceed to its next regular bingo game or continue the game that was previously begun as a progressive game as its next regular game. The pattern or arrangement required to win shall not change. If the licensee elects to continue the game as a regular bingo, the prize amount for the game shall be subject to the limitations set forth in these rules and shall not, when aggregated with all other bingo prizes offered or given at the occasion, cause the total prize amount for the occasion to exceed \$2,500.
11. **Winner of progressive.** Winning progressive bingo cards shall be verified by the caller, a floor worker and at least one player other than the winning player, all of whom shall verify the card by manufacturer's identification number, series number, and balls called in addition to any other rules regarding the verification of a "Bingo".
12. **Award of jackpot in case of suspension, revocation or surrender of license.** If a bingo-raffle licensee is conducting a progressive jackpot game and before a jackpot has been awarded, a bingo-raffle licensee's license expires, is not renewed, is suspended, revoked or surrendered or if the bingo-raffle licensee permanently terminates its bingo operations or terminates its operations at a particular location for whatever reason the jackpot prize winner shall be determined and the prize awarded on the licensee's last authorized bingo occasion at the location where the progression was started regardless of the number of balls called to determine a winner.
13. **Inability to conduct occasion at regular licensed premises.** In the event that a bingo-raffle licensee is prevented from conducting the next game in the progression at the location where the progression was started, the bingo-raffle licensee shall post a notice on the premises where the last game in the progression was conducted announcing the date, time and location of the next game in the progression and if known at the time, the bingo caller shall announce to the players at the conclusion of the progressive jackpot game the date, time and location of the next game in the progression.
14. **Multiple locations.** If a bingo-raffle licensee regularly conducts bingo occasions at least weekly at each of two licensed commercial bingo facilities, the bingo-raffle licensee may offer and continue one progressive jackpot bingo progression at each facility provided that each progression is conducted pursuant to these rules and further provided that all games in a single progression are conducted at the location where the progression was begun except where the provisions of (9) or (10) above apply.

15. **Multiple progressive type bingo games.** A bingo-affle licensee intending to conduct more than one progressive type bingo game(s) shall provide the following information in writing to the licensing authority for review and approval not less than ten days prior to commencing such game(s):

a. Conduct of games

- (1) Method of play of the new progressive type bingo game(s);
- (2) All applicable rules for the new progressive type bingo game(s);
- (3) Accounting methods to ensure distinctness of the new progressive type bingo games.

b. Restrictions

- (1) No progressive type bingo game may have its results dependent upon any other bingo game, pull tab and/or raffle.
- (2) No progressive type bingo game may be the last game of any bingo occasion.

- C. Disputed games.** If the bingo-affle licensee discovers that there are verifiable problems with the bingo balls, bingo equipment, or the operation of the bingo equipment, the games manager shall determine how the dispute will be handled based on the following:

1. **Discovered before start of next game.** If it is discovered before the start of the next game, and if the error affected the outcome of the game, then the just completed game shall be declared void and shall be replayed during the same occasion at no cost to players.
2. **Discovered after occasion.** If it is discovered after a bingo occasion is completed, then no games shall be replayed.
3. **Void game.** If the games manager declares a game to be void and the number of bingo cards each player was playing during the affected game can be determined, then each player shall receive that same number of bingo cards for the replay of the game. If the number of bingo cards played cannot be determined for all players, then an equal number of bingo cards shall be given to each player.
4. **Mechanical defect of electronic aid.** If the bingo-affle licensee discovers or is advised by a player that the player's electronic bingo aid device has malfunctioned during a game, the licensee is not required to suspend the calling of new balls or number until the player has replaced the malfunctioning device with a new device.
5. **Mechanical failure of electronic bingo system.** If the bingo-affle licensee discovers or is advised by a player that the computer system that controls the transmission of radio frequency signals to all of the electronic bingo aids in the premises has failed, the games manager shall either:
 - a. Instruct players using electronic bingo aid devices to manually daub the numbers of the balls called.

- b. Provide packs or sheets to those players using electronic bingo aid devices and continue the occasion if the failure of the bingo aid system does not render the blower and master board inoperative, or
 - c. Terminate the occasion and refund all or a portion of the pack and sheet sales and rental of electronic bingo aids.
 - 6. **Player has no right to prize.** If the bingo-raffle licensee discovers after the close of a game and the start of another game that a winner does not have the right to claim a prize, the disputed game shall be replayed.
 - 7. **Payment of prize money in disputed game.** In the case of a disputed game, including a progressive jackpot game, the bingo-raffle licensee shall not pay any prize money to a player until the dispute has been resolved pursuant to Rule 4.0 of these rules.
 - 8. **Payment exceeds occasion limit.** If payment of prizes in accordance with this rule causes the licensee to exceed the maximum prize limit permitted by these rules, then the cause of the over payment shall be noted in the game records and in the corresponding financial report for that time period. Repeated or excessive overpayments of this nature may be considered a violation of these rules.
 - 9. **Loss of electrical power.** If electrical power is lost during an occasion, the games manager shall wait a minimum of thirty (30) minutes but no more than one hour before declaring an occasion terminated. Reimbursement for games not played or for the rental of electronic aids will be as set forth in the occasion rules posted prior to the game.
 - 10. **Licensing authority.** In the investigation of disputed prizes, the Licensing Authority may instruct a licensee to pay a disputed prize if the preponderance of the evidence is in favor of the player.
 - 11. **Games Manager's Log.** The games manager shall keep a written log of all disputed games. The entries shall include the date of the occasion, the game played, a short description of the dispute, the names and addresses of players involved in the dispute if the dispute involves a "bingo" being called and the resolution determined by the games manager.
- D. Multiple Bingo Occasions.** A bingo-raffle licensee may conduct multiple bingo occasions on the same day, provided that it complies with the following provisions:
- 1. The bingo-raffle licensee shall conclude all games of chance from the first occasion and all player related activities shall be completed, including, but not limited to, the purchase, opening and redemption of pull tabs, prior to the end of the first occasion.
 - 2. The bingo-raffle licensee shall not begin the second occasion until at least fifteen (15) minutes after the conclusion of the first occasion, or until the final accounting for games of bingo played and pull tabs sold is completed and the books are closed for all of the first occasion activities.
 - 3. The bingo-raffle licensee shall not offer to sell or sell pull tabs and other raffle tickets after the conclusion of the first occasion and before the commencement of the second occasion.

4. The bingo-raffle licensee shall not continue activities from the first occasion during the second occasion, and shall not offer to sell, sell, distribute or reserve any cards sheets, tickets, admissions or chances for the second occasion during the first occasion or during the period between the first occasion and the second occasion.

5.0 SALE AND USE OF BINGO CARDS, PACKS AND SHEETS

A. Sales

1. **Method of Payment by Player – No Credit.** No bingo-raffle licensee or any of its members shall allow any person to play any game of chance on credit. The consideration charged for the privilege of playing each game of chance shall be collected in full, in advance, by check or cash.
 - a. Bingo-raffle licensees may accept debit cards for payment if the bingo-raffle licensee has the proper equipment and procedures in place to ensure that payment is made by debit and not by credit and that prior to implementing debit card payments, such equipment and procedures are first inspected by the licensing authority and that permission is granted in writing by the licensing authority.
 - b. Short or bad checks are the bingo-raffle licensee's responsibility and none of the losses will be charged to bingo, raffle or pull-tab activities. Fees paid to a check guarantee service for recovery on bad checks may be paid from bingo receipts.
2. **Premises only sales.** All sales of cards, packs, and sheets shall take place upon the licensed premises during the period of time allocated for that bingo occasion.
3. **Set price.** All cards, packs and sheets shall be sold at a set price. Discounts may be offered on the basis of criteria available to all players, such as quantity purchased. Any charge for the purchase, lease or use of an electronic player aid device shall be at a set price. The charge for each bingo card face available in the purchase or lease of an electronic bingo aid device shall be identical to the charge per bingo card face available to players who do not use electronic bingo aid devices. The price of each type of card, pack, or sheet, including discounts offered, and the charge, if any, for the purchase, lease or use of each type of electronic player aid device that will be offered for use at a bingo occasion shall be posted on the premises at the time of the occasion, in advance of any player purchasing any card, pack, or sheet or paying any such charges for an electronic bingo player aid device.
4. **Sales of individual sheets and cards.** At all bingo occasions where individual disposable cards or sheets are sold, the following procedures shall apply:
 - a. The individual disposable cards or sheets and a change fund shall be issued to the workers. The exact number of disposable cards or sheets issued to each worker shall be recorded. The disposable cards or sheets shall be controlled by manufacturer's identification number and/or card number and series number.
 - b. After the cards or sheets for a particular game have been sold, the games manager or other designated person shall count the amount on

hand, subtract the change fund, and compare cards or sheets sold against the money turned in.

- c. The exact number of cards or sheets of each manufacturer's identification number and/or card number removed from inventory, sold, and returned to inventory, shall be recorded and retained by the bingo-raffle licensee in accordance with these rules.
- d. Sellers of individual disposable cards or sheets shall not use proceeds from sales to pay prizes.

5. **Progressive bingo cards and sheets.** The following procedures and requirements, in addition to those in effect for bingo operations generally, shall apply to the sale and use of progressive jackpot bingo cards and sheets:

- a. The bingo-raffle licensee shall sell only disposable paper cards, and shall only lease electronic bingo aid equipment where card faces are distinguishable by a color or design that the licensee does not use for any other game.
- b. Each card or face sold for a progressive game shall contain five rows of five squares with 24 preprinted numbers, or 48 preprinted numbers in the case of double action games, from the range of 1-75, a free center space, and the letters B, I, N, G, O printed in order over the five columns.
- c. Each and every card or face for a progressive game shall be sold for a set price. The price shall be not less than one dollar per card and shall be determined by the licensee before the first game in a progression, and shall remain the same for all games in such progression. Discounts, free cards or faces, price changes and variable pricing are not permitted.
- d. All cards for a progressive bingo game shall be sold prior to the drawing of the first number for such game, except that, if the progressive game is a pre-draw concealed face game, cards may be sold after the first drawing of numbers and before the game is resumed.
- e. Progressive cards shall be sold and accounted for separately from any other cards, sheets, or packs sold or used at a bingo occasion, but a licensee may, by house rule, make purchase of a pack or door card a pre-requisite for purchase of a progressive card.

B. Use

- 1. **Packs.** Each pack sold for use at a bingo occasion shall be collated from a series or set of consecutively numbered sheets, and each sheet shall contain its individual consecutive series number and the identification number assigned by the manufacturer to that series or set of sheets. Nothing in this rule shall require a bingo-raffle licensee to sell packs in any particular order.
- 2. **Tally cards.** The purchaser of any cards or packs at the door shall be provided with a tally card or cash receipt which shows, at a minimum, the date of purchase, and the total number of cards or packs purchased. No prize shall be paid without the tally card or cash receipt.

3. **Manufacturer's identification number.** Prior to starting any game using disposable sheets or packs, the bingo caller shall be furnished the manufacturer's identification number and/or card number and the series number of the set of cards sheets or packs offered for sale for that particular occasion. When a player completes a bingo, the caller shall require the worker on the floor checking the bingo to read the manufacturer's identification number and/or card number and the series number of each winning sheet. Payment shall not be made unless both numbers were among those offered for sale for that game.

C. Concealed face cards. At all bingo occasions where pre-draw concealed face cards are sold or used, the following procedures, in addition to those applicable to the sale and use of bingo cards generally, shall apply:

1. All pre-draw concealed face cards sold or used at any occasion shall be conspicuously stamped in indelible ink with the date of the occasion prior to the sale or transfer of any such card to any player.
2. All pre-draw concealed face cards shall be sold for a uniform price, except that a licensee may permit players to trade one previously purchased card for one new one with the purchase of an additional card. For example, if a bingo-affle licensee elects to allow trades, a player wishing to trade in two cards shall be required to return the two cards and purchase two more, and shall then be entitled to receive four cards.
3. A bingo-affle licensee that allows pre-draw concealed face card trade-ins shall maintain two sets of cards for each pre-draw concealed face game. One set shall be designated the "original set" and shall be a different color from the second set, which shall be designated the "trade-in set." Players may purchase cards only from the original set, and may trade cards in only for cards from the trade-in set.
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.

D. Cash shortages. A bingo-affle licensee shall notify the secretary of state within seventy-two (72) hours if at the end of the occasion the cash counted is short by \$30.00 or more.

6.0 SALE AND USE OF PULL TABS

A. Pull Tabs

1. **Price.** A bingo-affle licensee shall not sell a pull tab ticket for a price different than the price stated on the deal's flare.
2. **Pull tab construction.** A bingo-affle licensee shall not offer to sell or sell a pull tab ticket unless it has a pull tab or seal to be opened by the purchaser.
3. **Reservation of pull tabs.** A bingo-affle licensee shall not set aside or reserve any pull tabs for any person.
4. **Prohibition against information to players.** No person selling pull tabs and no person managing or working in any capacity at any bingo game or other places

where pull tabs are sold shall state, imply, or in any way indicate to the purchaser of pull tabs the number or type of tickets that have been redeemed or that remain in the container.

5. **Defective pull tabs.** A bingo-raffle licensee shall not permit the display, sale or operation of any pull tabs which may have been marked, defaced, tampered with or otherwise placed in a condition or operated in a manner which may deceive the public. A series or deal of pull tabs is considered defective when more than one serial number, color code, or ticket name is included in a series or deal. Printers' or manufacturer's mistakes or misstatements on tickets, which statements adversely affect the gross receipts and/or profit of the pull tab series or deal, shall be considered a defect. The bingo-raffle licensee shall immediately remove the defective pull tab deal or series from display and sale and refund the purchase price of all of all presented winning tickets and all unopened tickets in the players' possession. The bingo-raffle licensee shall notify the licensing authority in writing within seventy-two (72) hours of the discovery of a defective series or deal of pull tabs. The bingo-raffle licensee shall return the defective pull tabs that are in the licensee's possession, including all returned, redeemed and unopened tickets, to the manufacturer, no earlier than thirty (30) days after discovery of the defective tickets or the inspection of the defective deal or series by the licensing authority, which ever comes first.
6. **No commingling.** A bingo-raffle licensee shall not commingle pull tab deals and shall not display, offer to sell or sell a commingled deal. A commingled series or deal of pull tabs is one containing two or more serial numbers of the same form number.
7. **Identical form and serial numbers.** A bingo-raffle licensee shall not knowingly obtain or allow upon the licensed premises, a deal of pull tabs or portion thereof with the same serial number, form number and color code combination as any other deal of pull tabs or portion thereof in the possession or on the premises of the licensee.
8. **Removal of deal from play.** A bingo-raffle licensee shall not remove any deal or series of pull tab tickets or any unsold portion thereof from display and/or sale after the first ticket from such deal or series has been sold except upon order of the licensing authority or any law enforcement authority or on account of demonstrated unsalability.
 - 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 period at any bar, clubrooms, 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.
 - b. The bingo-raffle licensee shall keep any unsold or unsalable pull tab tickets unopened for a period of six (6) months following the end of the quarter in which such tickets were removed from sale unless the pull tabs were removed from sale because of defects.
 - c. The bingo-raffle licensee shall destroy after the time specified in g. above, all pull tabs that have been removed from sale, in such a manner

as to deface and destroy any winning combination of numbers or symbols.

9. **Defacing winning pull tabs.** Prior to the end of the bingo occasion, the bingo-affle licensee shall ensure that the winning combination of every winning pull tab ticket is defaced in such a manner that the winning ticket combination can still be identified but cannot be used or altered for use again.
 - a. A bingo-affle licensee that conducts pull tabs only on premises owned by it, or in its sole control, shall deface the winning pull tab tickets prior to the daily close of such premises.
 - b. The bingo-affle licensee shall keep all redeemed winning tickets of \$20 or more and all opened flares and sign-up sheets for seal pull tabs for six months following the end of the quarter in which the tickets were redeemed.
10. **Paying pull tab prizes.** The bingo-affle licensee shall not redeem a ticket from a seal or pull tab for any other prize than that shown on the flare for the symbol combination on the ticket presented for redemption. The bingo-affle licensee shall award a prize only upon presentation, verification and redemption of a ticket showing a winning combination, except when the deal of pull tabs is a "Last Sale" deal as designated by the manufacturer of the pull tab deal .

B. Seal Pull Tab Operations. A bingo raffle licensee that conducts seal pull tab games shall comply with the following procedures:

1. **Number of deals in play.** A bingo-affle licensee shall not operate, offer for sale, sell or put into play more than one seal pull tab deal of the same game name, form number and serial number at one time.
2. **Flare.** The bingo-affle licensee shall post the flare for the deal in play at the location of the seal game. The flare shall be posted out of reach but fully visible to any player present. The bingo-affle licensee shall keep, post, and maintain for the duration of the game, each seal pull tab deal flare with a correct and accurate record thereon of the names of all holders of redeemed tickets which offer a chance on the seal tab prizes and the potential winning combination of each such ticket redeemed.
3. **Hold tickets.** The bingo-affle licensee shall deface and return to the purchaser those tickets redeemed for a chance to win the seal pull tab prize ("hold tickets").
4. **Sign up sheet.** The Bingo-affle licensee shall maintain a separate list of the addresses of all holders of redeemed tickets in order to contact them in the event they are not present when the winning combinations are revealed.
5. **Small deals**~~Error! Reference source not found.~~. The bingo-affle licensee is not required to maintain a list of names and addresses of those winners entitled to a chance to win the seal pull tab prize if the game is a small seal pull tab deal. A small deal or game shall be one consisting of 600 or fewer tickets and that is reasonably anticipated to sell out in the course of a single bingo occasion or in one day at a licensee's bar or club room.

6. **Small deals, sign-up sheet required.** The bingo-raffle licensee shall prepare a complete and accurate sign-up sheet and address record for any small seal pull tab game that does not sell out as anticipated in a single occasion or day.
 7. **Opening seal tab.** A player eligible to win the seal tab prize shall break or tear open the seal tab for the deal in plain view of all persons present when all tickets from a seal pull tab deal have been sold or the deal has been demonstrated to be unsalable.
 8. **Announcements and postings.** The bingo-raffle licensee shall announce the winning combination(s), the specific form number, the name of the game, and the serial number of the deal. The above information shall also be posted in writing at the location of the game. The name and license number of the bingo-raffle licensee shall be recorded on the flare for the game.
 9. **Unsold deals.** The bingo-raffle licensee shall announce and post the game name, form number, and serial number of seal pull tab deal that is not sold out before the end of a bingo occasion or the closing time for a bar or clubroom where the deal was offered for sale. The bingo-raffle licensee shall also announce and post the date; time and place of the next scheduled conduct of pull tab operations and advise the players to retain potential winning tickets until the flare is opened.
 10. **Notification of winner.** The bingo-raffle licensee shall, within 15 days after the seal is opened, notify, in writing, the holder of the winning ticket, at the address shown on the sign-up sheet, stating that said ticket holder is of record as possessing the winning ticket if the winning ticket is not redeemed upon the opening of the seal. The notification shall give the game name and form number and the serial number of the deal, and must also state that the winner must present the winning ticket for verification before any prize may be awarded.
 11. **Redemption of pull tabs.** The bingo-raffle licensee shall redeem and retain seal flare prize winning tickets in the same manner as other winning pull tab tickets.
- C. Last Sale Pull Tab Operations.** A bingo-raffle licensee offering "last sale" deals of pull-tabs for sale shall display all pull tabs contained in a discrete deal upon opening said deal for sale to the public. In the event that a licensee is using a mechanical pull-tab dispensing device the licensee shall display all pull tabs in the machine at one time from the discrete deal being offered.
- D. Progressive Pull Tab Operations.** A bingo-raffle licensee may conduct a progressive pull tab game if it complies with all rules and regulations concerning the sale and operation of pull tabs in general and the following specific requirements:
1. **Number allowed.** A bingo-raffle licensee shall not offer, put into play or have in play more than one progressive pull tab deal at any one time.
 2. **Continuous play.** Once a progressive pull tab game has been started, it shall remain in play continuously until such time as a jackpot winner is determined.
 3. **Offered for play.** Once a progressive pull tab game has been started, it shall be offered for play either at each succeeding bingo occasion of the sponsoring bingo-raffle licensee, if such game is begun at a bingo occasion or on each

succeeding day, if such game is begun on the bingo-raffle licensee's premises, such as a bar or club-room.

4. **Award of prizes.** A bingo-raffle licensee shall only award prizes in a progressive pull tab game in accordance with the manufacturer's pre-designated prize structure for the game.
5. **Flare format.** The flare or jackpot card for each deal in a progressive pull tab game shall show, in addition to all other information required for pull tab flares in general, the amount dedicated to the progressive jackpot prize and the current total of such prize. The jackpot prize amount shall be modified on the flare each time a contribution is made to the jackpot from sales of progressive pull tab tickets at the immediately preceding occasion and the sales of progressive pull tab tickets during the current occasion.
6. **Display of flare.** The bingo-raffle licensee shall display or keep available for viewing, the flare or jackpot card for each deal in a progressive pull tab game that is being played or has been played during the course of a progressive game. The flare shall be available for viewing at the location of the game at all times when the game is in play, until the progressive jackpot prize is won.
7. **Maximum prize.** If a jackpot prize reaches \$5,000 without a winner, the bingo-raffle licensee must award the prize in accordance with the manufacturer's specifications for the determination of a winner upon accumulation of the maximum amount. If there are no specifications built into the progressive game being conducted, the game shall continue in accordance with the manufacturer's specifications until the game is won. Once the jackpot amount reaches \$5,000, the bingo-raffle licensee will not make any further contributions to the jackpot amount. All proceeds from the sale of progressive pull tabs after the jackpot amount reaches \$5,000 are considered part of the bingo-raffles licensee's gross proceeds from the progressive game.
8. **Loss of license before award of jackpot.** If a bingo-raffle licensee is conducting a progressive jackpot pull tab game and before a jackpot has been awarded, a bingo-raffle licensee's license expires, is not renewed, is suspended, revoked or surrendered or if the bingo-raffle licensee permanently terminates its bingo operations or terminates its operations at a particular location for whatever reason, the jackpot prize winner shall be determined and the prize awarded on the licensee's last authorized bingo occasion. If there is no winner of the jackpot prize on the last authorized occasion, the bingo-raffle licensee shall conduct a public drawing for the prize by issuing one ticket free of charge to each member of the public who is present at the end of the occasion, who is at least eighteen years of age, and who is not involved in the conduct of the occasion or the management, rental, or ownership of the commercial bingo facility at which the occasion is conducted in any manner, without regard to whether the person was a participant in any game of chance during the occasion. The jackpot winner will be the person whose ticket is drawn at random from a receptacle in which all tickets have been placed.
9. **Serial and form numbers.** The bingo-raffle licensee shall not pay a prize amount unless the serial and form numbers of the winning ticket match the serial and form numbers of a deal contributing to the jackpot amount.
10. **Conclusion of game.** A progressive pull tab game shall end with the award of the cumulative jackpot prize or, if the jackpot prize is unclaimed, upon expiration of a fifteen day period after determination of the winner. If, however, a jackpot

prize is not claimed by the next day or occasion on which the licensee conducts pull tab activities, the bingo-raffle licensee may begin a new progressive pull tab game and shall not be deemed to be conducting more than one such game at one time.

11. **Display of winner(s) and notice to winner(s).** If a jackpot prize is not claimed upon determination of a winner, a bingo-raffle licensee shall continue to display all flares and jackpot cards for fifteen days after such determination. The display shall be in plain view of all players at the licensee's bingo occasions or pull tab operations. The licensee shall also provide the winner with the notice prescribed for all winners.
12. **Unclaimed prizes.** Unclaimed progressive pull tab prizes shall become the property of the bingo-raffle licensee after fifteen days from the determination of a winner, provided that the bingo-raffle licensee has complied with the requirements of these rules.

E. Multiple locations. A bingo-raffle licensee that conducts bingo occasions at two or more locations may conduct pull tab operations at each location if the bingo-raffle licensee complies with the following:

1. **Different deals.** The bingo-raffle licensee must use a different deal of pull tabs at each location; and
2. **No identical deals at different locations.** The bingo-raffle licensee shall not use pull tabs with the same name, form number and serial number at each location; and
3. **Termination of operations at premises.** If the bingo-raffle licensee terminates operations at one location, all opened pull tab deals from the terminated location shall be displayed and sold with the pull tabs at the remaining location; and
4. **Records.** The bingo-raffle licensee maintains the required records for all such deals regardless of the location where the pull tabs were sold and makes those records available to the licensing authority upon request at the location where the pull tabs were sold.

7.0 ELECTRONIC BINGO AID DEVICES.

A. Usage of electronic bingo aid devices.

1. **New usage.** A bingo-raffle licensee that is not using an electronic bingo aid device on the effective date of these rules but intends to use any electronic bingo aid device after such effective date shall notify the licensing authority in writing and shall provide:
 - a. The name and address of the manufacturer and the licensed supplier in Colorado; and
 - b. The make, model, and description of the electronic bingo aid device or bingo aid computer system the bingo-raffle licensee intends to offer for use or put into play.
2. **Bingo aid system.** A bingo-raffle licensee that uses a bingo aid computer system to record, track, or process any bingo transaction during a bingo occasion

shall use the system to record, track, and process all bingo transactions occurring during that occasion, without regard to whether such transactions involve an electronic bingo aid device.

3. **Required reports.** A bingo-affle licensee that uses a bingo aid computer system shall comply with all of the accounting, record-keeping and reporting requirements imposed by statute and these rules and shall produce and attach to its daily bingo occasion records the report generated by the bingo aid computer system. The report shall show at least the following information:
 - a. The name of the reporting licensee;
 - b. The date and time of the bingo occasion reported;
 - c. A description of each transaction processed, including all voids and refunds, which shows:
 - (1) The time the transaction took place; and
 - (2) The quantity, description and price of all cards and sheets, including specials, progressive and extras that were sold, refunded or voided in the course of the transaction; and
 - (3) The charges for any electronic bingo aid device furnished in connection with the transaction; and
 - (4) The manufacturer's identification number (serial number) for all cards and sheets sold in conjunction with an electronic bingo aid device; and
 - (5) The total number of electronic bingo aid devices sold, leased or furnished in connection with the reported occasion and the total charges made for such devices.
4. **Use of bingo aid system without bingo aid devices.** A bingo-affle licensee may use a bingo aid computer system without using, leasing, selling, purchasing or possessing any electronic bingo aid device, but may not use, allow the use of, or distribute to players any electronic bingo aid device without using a bingo aid computer system to record, track and process its bingo transactions at the bingo occasion during which the bingo aid device is used.
5. **Data backup.** A bingo-affle licensee that uses a bingo aid computer system shall back up and preserve its bingo transaction data, together with the data for any other games of chance transactions recorded in the system during the occasion, at the conclusion of each occasion during which the system is used. The data shall be copied and saved to floppy disk, tape, or other removable medium, and kept by the licensee as required games of chance record for a period of two calendar years following the calendar year in which the bingo aid computer system was used.
6. **Data security**
 - a. A bingo-affle licensee shall not access or attempt to access any bingo aid computer system data that does not belong to the licensee.

- b. Each bingo-raffle licensee shall make every reasonable effort to protect, secure and safeguard its unique system identification from disclosure to or use by any other person, and shall report to the licensing authority immediately upon discovery any known or suspected breach or compromise of such protection. When the security of a licensee's user identification has or may have been compromised, the bingo-raffle licensee shall disable such identification and methods of access and shall either issue new identification and passwords if able, or cease use of the bingo aid computer system until new identification and methods of access have been provided by the manufacturer, supplier or agent.
- c. The games manager(s) or officer(s) of the bingo-raffle licensee shall maintain custody and control of the bingo-raffle licensee's identification, password(s), token(s) or other method(s) of access to the bingo aid computer system and shall not release, make known or transfer such identification, password(s), token(s) or other method(s) of access to any other person except upon order of the licensing authority or a duly constituted law enforcement agency.

B. Player usage

1. **Single player usage.** A bingo-raffle licensee shall not allow a player to use more than one electronic bingo aid device at any bingo occasion, whether for that player or on behalf of another player.
2. **Maximum number of faces.** A bingo-raffle licensee shall not knowingly allow a player to use an electronic bingo aid device that has more than fifty-four (54) faces.
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.

8.0 PROMOTIONS BY BINGO-RAFFLE LICENSEES.

A. Promotions allowed. A bingo-raffle licensee may conduct a promotion on its own or on leased premises where the chance to win the prize is not conditioned upon a payment to enter the promotion contest, except that a bingo-raffle licensee may charge a fee to enter the premises.

1. **Reporting requirements.** The bingo-raffle licensee that conducts a promotion pursuant to a. must report to the licensing authority within ten days:
 - a. The merchandise or service awarded as a prize;
 - b. The retail value of the prize;
 - c. The name and address of the winner of the prize;
 - d. The bingo-raffle licensee that awards a promotion prize or prizes during a calendar quarter shall include the information in b. (1) to (3) above on its quarterly report for that quarter.

2. **Promotion prize limits.** The bingo-raffle licensee shall not offer merchandise or services as a prize in a promotion that exceeds \$1,000.00 in value for any single promotion.

B. Relationship with landlord licensee promotions. A bingo-raffle licensee may conduct a promotion concurrently with any landlord licensee sponsored promotion. However, if the bingo-raffle licensee agrees to participate in the landlord licensee's promotion and agrees to pay a portion of the costs of the promotion, such costs shall not exceed \$1000.00.

9.0 RAFFLES.

A. General requirements. Bingo-raffle licensees that conduct raffles shall comply with the following:

1. Selling Tickets.

- a. Only members of the bingo-raffle licensee may sell tickets for entry into a raffle drawing.
- b. Tickets for entry in a raffle drawing shall be sold at a stated price, and each ticket constitutes a separate and equal chance to win with all other tickets sold.
- c. "Stated price" for the purposes of this rule means that the bingo-raffle licensee must provide information to the public prior to the sale of the first raffle ticket that provides:
 - (1) The date, before which, the price of any individual ticket or group of tickets may be lower than the price of tickets sold after such date.
 - (2) Any discounted price that is based on the purchase of a minimum number of tickets.
 - (3) The method of determining the number of tickets at a set price, such as in a "stretch" raffle.
- d. A bingo-raffle licensee may sell raffle tickets at bingo occasions, if:
 - (1) The proceeds from the sale of tickets for each raffle sold at bingo occasions are recorded separately; and
 - (2) The right to purchase a raffle ticket is not conditioned on the purchase of a right to play bingo or pull tabs or payment of an admission fee to play bingo.

2. **Format of tickets.** All tickets must be discrete from every other ticket sold and may be identified by symbols, numbers, color, design or combination thereof.

3. **Ownership of prizes.** The bingo-raffle licensee shall fully own any merchandise offered as a raffle prize. The raffle prize shall be free of any debt(s), lien(s) and encumbrance(s) prior to the sale of any raffle ticket.

4. **Prizes exceeding \$1000 in value.** A bingo- raffle licensee that conducts a raffle in which the total retail value of the prize or prizes exceeds One Thousand (\$1,000.00) dollars shall also:
 - a. Print a paper ticket stating the bingo-raffle license number and the name of the licensee, exactly as it appears on the license, together with the date, time and place of the drawing, the cost of the ticket, an adequate description of the major prize or prizes offered, the date before which the cost of the ticket may be lower than after such date, the cost if tickets are purchased as part of a package, and the word "Raffle".
 - b. Print on the ticket a statement informing the holder whether the holder's presence is required at the drawing in order to win a prize.
 - c. Print a ticket stub providing for the entry of the name and mailing address of the ticket purchaser.
 - d. Retain all winning raffle ticket stubs, non-winning ticket stubs and unsold tickets for six months following the quarter in which the raffle was held.
 - e. Notify all winners by U.S. postal service certified mail; return receipt requested, who have not claimed their prize(s) within thirty (30) days of the drawing. The notification shall state the prize won, a telephone number of a contact person, and the time and location where the prize(s) can be claimed. If the prize has not been claimed within thirty (30) days of receipt of the notification, the bingo-raffle licensee may retain the prize or offer it in another raffle.
5. **Cancellation.** A bingo-raffle licensee shall not cancel a raffle after the first raffle ticket has been sold unless the bingo-raffle licensee can demonstrate to the licensing authority that it maintained name and address records for every purchaser of a raffle ticket and can refund the purchase amount to every purchaser.
6. **Postponing a drawing.** A bingo-raffle licensee shall not alter or postpone a raffle after the first raffle ticket has been sold unless the bingo-raffle licensee can demonstrate to the licensing authority that purchasers of raffle tickets will not be adversely affected by a substitution of prizes, a change of time or location and that the information concerning the raffle specifically states that a purchaser need not be present at the drawing to win.

B. Automobile as prize. A bingo-raffle licensee may raffle an automobile, if:

1. The bingo-raffle licensee files proof of ownership of the automobile 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 and the bingo-raffle licensee to transfer title to the automobile 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 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 described in (a) above, the bingo-raffle licensee can obtain an equivalent automobile 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.

C. Real estate as prize. A bingo-raffle licensee may raffle real estate, or real estate containing an existing house, if:

1. The bingo-raffle licensee files proof of ownership (such as a bill of sale).
2. There exists a firm commitment, in writing, enforceable in a court of law as a contract between the owner of the real estate and the bingo-raffle licensee to transfer title to the real estate or the real estate that includes an existing house 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 real estate that the winner of the raffle will be subject to, including a mortgage and 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 or bond in such amount that in the event of default by the owner of the real estate and/or house described in (a) above, the bingo-raffle licensee can obtain equivalent real estate and house for delivery to the holder of the winning ticket; and
5. The bingo-raffle licensee submits evidence of the commitment and certificate of deposit or bond to the licensing authority prior to the sale of the first raffle ticket.

D. Real estate under construction. A bingo-raffle licensee may raffle a house under construction, if:

1. There exists a firm commitment, in writing, enforceable in a court of law as a contract between the owner of the real estate, the builder, if the builder is other than the owner of the real estate and the bingo-raffle licensee to transfer title to the real estate and existing house to the holder of the winning ticket at the conclusion of the raffle drawing that determines the winner of the raffle; and
2. 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 real estate that the winner of the raffle will be subject to, including a mortgage and federal, state and local income taxes; and
3. 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 or bond in such amount that in the event of default by the owner(s) of the real estate and house described in (a) above, the bingo-raffle licensee can obtain an equivalent house for delivery to the holder of the winning ticket; and

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

E. Specific types of raffles

1. **Key raffles.** Bingo-raffle licensees may conduct a “key” raffle where the purchaser of the right to participate receives a key that may open the particular prize being raffled, such as an automobile, if:
 - a. The bingo-raffle licensee conducts a raffle where the tickets (keys) are sold only to participants at an event sponsored by the licensee; and
 - b. The purchaser of the right to participate selects the key from a receptacle containing all of the keys being sold; and
 - c. The bingo-raffle licensee provides a separate paper ticket to the purchaser of the right to participate that contains a stub containing the name, address and telephone number of the purchaser, which stub is placed in a separate receptacle containing stubs from all tickets sold. The receptacle shall be designed so that each ticket stub placed therein has an equal opportunity with every other ticket stub to be the one withdrawn.
 - d. In the event that not all keys are sold, and none of the keys that are sold will open the prize, the bingo-raffle licensee draws a raffle ticket stub from the receptacle containing stubs from all tickets sold to determine the winner.
2. **Card raffles.** A bingo raffle licensee may conduct a “card” raffle where the purchaser of the right to participate receives a playing card containing numbers, symbols, colors or a combination thereof, where one-half of the card is torn off and placed in the receptacle from which the winning card will be drawn, if:
 - a. The portion of each card deposited into the receptacle is approximately the same size and shape as all other portions deposited; and
 - b. Each card sold is distinct from every other card sold although multiple decks of playing cards may be used if the decks are of different colors or design.
3. **Bucket raffles.** A bingo-raffle licensee may conduct bucket raffles using theater style tickets only if the total retail value of the prizes offered for a specific receptacle in which raffle tickets are placed does not exceed \$1,000.00. If the total retail value of prizes exceeds \$1,000.00, the bingo-raffle licensee shall print a ticket conforming to subsection j. below.
4. **Sporting event raffles.** A bingo-raffle licensee may conduct raffles where the winner is determined on the basis of scores from sporting events if and only if the bingo-raffle licensee can demonstrate to the licensing authority that each and every ticket sold has an equal chance to win with every other ticket sold.

10.0 PRIZE AMOUNTS AND PAYMENT OF PRIZES

A. Occasion prizes

1. **Maximum occasion prizes.** Bingo-affle licensees may award an aggregate amount not to exceed \$2,500.00 for prizes for bingo games played during an occasion.
2. **Maximum game prize.** Bingo-affle licensees may award a maximum of \$500.00 as a prize for any single game of bingo.

B. Progressive prizes

1. **Progressive bingo.** The maximum progressive jackpot prize that may be awarded for any single bingo progression is \$15,000.
2. **Progressive pull tab games.** The maximum progressive pull tab prize that may be awarded for any single deal is \$5,000.

C. Payment of prizes

1. **Pull tab prize payment.** Bingo-affle licensees shall award all pull tab prizes immediately upon determination of a winner.
2. **Time to redeem pull tab.** The bingo-affle licensee may consider any pull tab ticket presented more than 10 days after a determination that it is a winning ticket void and of no value and the licensee may elect to not redeem such pull tab, except as provided for seal and progressive pull tab winners pursuant to these rules.
3. **Method of payment.** Bingo-affle licensees shall award all pull tab prizes in cash, by check, or in merchandise, except that winning pull tab tickets may be exchanged for an equivalent amount in new tickets of the same deal and serial number.
 - a. All progressive jackpot bingo and progressive pull tab prizes in excess of \$500 shall be paid by check.
 - b. A progressive jackpot bingo prize and a progressive jackpot pull tab prize need not be paid immediately upon the determination of a winner of the game if:
 - (1) The prize amount exceeds \$500; and
 - (2) The prize amount is paid in full within 48 hours after the end of the occasion during which the winner was declared; and
 - (3) The prize amount is paid at a location and in a manner acceptable to the winner; and
 - (4) The winner is presented with the licensee's voucher or promissory note for the full amount of the jackpot prize before the end of the occasion during which the winner was declared. The voucher or promissory note must be signed by the bingo-affle licensee's games manager and one other member of the licensee and must state the name and license number of the bingo-affle licensee; the date, time, and location of verification of the winning card; the manufacturer's serial and identification numbers of the winning card; the identification of the winner of

the prize; and the date, time, place and manner in which the check for the prize amount will be delivered to the winner.

11.0 ACCOUNTING FOR RECEIPTS AND DEPOSITS

A. Maintenance of records

1. **Retention period.** Each bingo-raffle licensee conducting bingo games, selling pull tabs or conducting raffles shall maintain records on forms prescribed or approved by the licensing authority covering each occasion, bar and club room sales and each raffle. The records shall disclose the following information and be retained for a period of two years following the calendar year in which bingo, pull tabs or raffles were conducted.
2. **Receipts to be recorded.** Each bingo-raffle licensee shall record the following:
 - a. Gross receipts collected for all cards, packs and sheets sold for each occasion.
 - b. Gross receipts collected for all pull tabs sold for each occasion and in bars and clubrooms.
 - c. Gross receipts collected for all raffle tickets sold.
3. **Progressive bingo and pull tabs**
 - a. All receipts from the sale of progressive bingo cards shall be accounted for separately within the bingo-raffle licensee's games of chance checking or savings account created in 12-9-108(3)(a) C.R.S.
 - b. All receipts from the sale of progressive pull tabs shall be accounted for separately within the bingo-raffle licensee's games of chance checking or savings account created in 12-9-108(3) C.R.S.
 - c. All receipts from the sale of progressive bingo cards and progressive pull tabs shall be deposited in the games of chance account by means of separate deposit slips, which shall show the serial numbers of the progressive bingo cards sold and the serial numbers of the progressive pull tabs sold, no later than the close of the business day next following the day of the occasion at which the cards were sold.
 - d. Unless the bingo-raffle licensee has started a progressive jackpot bingo game with a secondary jackpot amount, an amount equal to at least seventy percent of the proceeds from the sale of all progressive bingo cards shall be continuously held in the licensee's games of chance checking or savings account for the entire duration of the progression. No part of this amount shall be expended, transferred, or otherwise removed from the account prior to the payment of the progressive jackpot to a winner.
 - g. If the bingo-raffle licensee has started a progressive jackpot bingo game with a secondary jackpot amount, an amount equal to at least sixty percent of the proceeds from the sale of all progressive bingo cards shall be continuously held in the licensee's games of chance checking or savings account for the entire duration of the progression. No part of this

amount shall be expended, transferred, or otherwise removed from the account prior to the payment of the progressive jackpot to a winner.

- h. If the bingo-raffle licensee conducts a progressive pull tab game, the licensee shall maintain an amount in the bingo-raffle account sufficient to pay out the total of all prize amounts in the game.
- i. If the bingo-raffle licensee fails to maintain account balances in accordance with this rule or uses such balances for unlawful purposes, it shall be prima facie evidence of fraud.

B. Method of accounting

1. **Accrual method.** The bingo-raffle licensee shall use the accrual accounting method and shall report each and every games of chance expense incurred during any calendar quarter on the financial statement covering that quarter, regardless of whether such expense is paid when incurred or is to be paid at a later date. The licensee shall not report on the financial statement covering such quarter any payment that has been reported in a previous quarter as an expense to be paid.
2. **Segregated bank accounts.**
 - a. The bingo-raffle licensee shall indicate on the forms provided by the licensing authority, all special segregated games of chance checking or savings accounts and shall identify the financial institution where such special segregated accounts are maintained and the account numbers for such accounts.
 - b. The bingo-raffle licensee shall notify the licensing authority in writing if the bingo-raffle licensee changes the financial institution it uses to maintain the special segregated checking and/or savings accounts or if it closes an account or starts a new account.
3. **Accounting for prizes and payouts**
 - a. The bingo-raffle licensee shall maintain records on forms prescribed or approved by the licensing authority covering each occasion, bar and club room sales and each raffle. The records shall disclose the following information and be retained for a period of two years following the calendar year in which bingo, pull tabs or raffles were conducted.
 - (1) The amount of the prizes paid to winners in cash or in merchandise for each bingo game at each occasion.
 - (2) The amount of the prizes to all pull tab winners at each occasion and bar and club room.
 - (3) The amount of prizes paid to raffle winners for each raffle conducted.
 - (4) The cost of all merchandise given as prizes in any bingo game or raffle.

4. **Records.** The bingo-raffle licensee shall maintain records on forms prescribed or approved by the licensing authority covering each occasion, bar and club room sales and each raffle. The records shall disclose the following information and be retained for a period of two years following the calendar year in which bingo, pull tabs or raffles were conducted.
 - a. The name, address and signature of each games manager for the bingo-raffle licensee at each bingo-occasion, bar and club room or raffle.
 - b. The full name of each member working the occasion.
5. **Availability of records.** The bingo-raffle licensee shall have available on its premises all required daily records for the current quarter and the quarter immediately preceding on forms prescribed or approved by the licensing authority. Records maintained on a computer must be capable of being printed upon request.
6. **Pull tab records.** The bingo-raffle licensee that sells pull tabs shall record sales and prize payout information on forms prescribed or approved by the licensing authority, including a current summary of such sales. The licensee shall retain the records for a period of three years. The licensee shall maintain the records for the current and immediately preceding quarter on the premises where the pull tabs are sold and shall make them available to the licensing authority upon request.
7. **Submission of bank statements to licensing authority.** Any bingo-raffle licensee that turns in its license, has had its license suspended or revoked or for whatever reason ceases to conduct charitable gaming activities after it has opened a segregated games of chance checking or savings account, or both, shall send a copy of the bank statement for such accounts to the licensing authority within thirty (30) days of the end of the month in which the licensee ceased operations.

C. Allowable expenses limitations

1. **Bookkeeper**~~Error! Reference source not found.~~ A bingo-raffle licensee shall not pay more than seventy-five dollars (\$75) per occasion for bookkeeper or accountant services. The bingo-raffle licensee shall notify the licensing authority in writing, signed by an officer of the licensee if it remunerates its games manager for performing bookkeeping or accounting services.
2. **Security.** A bingo-raffle licensee shall not pay more than seventy-five dollars (\$75) per occasion for security unless security is provided by off-duty law enforcement officers. If a bingo-raffle licensee uses off-duty law enforcement officers, it shall notify the licensing authority and list the names and badge numbers of those officers who perform security duties prior to paying more than \$75 per occasion.
3. **Janitorial.** A bingo-raffle licensee shall not pay more than seventy-five dollars (\$75) per occasion for janitorial services. The bingo-raffle licensee may only pay for janitorial services in facilities owned by the bingo-raffle licensee or in its sole control, or which it uses rent free.

4. **Advertising.** A bingo-raffle licensee shall not pay more than the amount customarily charged by the medium used for advertisements of the same size and duration of publication.
5. **Legal Services.** A bingo-raffle licensee shall only pay for legal services directly related to an administrative action brought by the licensing authority directly or through the Colorado Department of Law.

12.0 RENTAL AGREEMENTS.

A. General

1. **License required.** A bingo-raffle licensee shall only rent premises from licensed landlords.
2. **Lease fees.**
 - a. The rental fee shall cover the expenses reasonably necessary for the use of the premises for the occasion, plus any promotion expenses, not to exceed \$1,000, for any promotion(s) conducted by the landlord licensee.
 - b. Rental agreements shall not specify any fee that the bingo-raffle licensee shall charge for a player's right to participate in any games of chance conducted during a bingo occasion.
 - c. A bingo-raffle licensee shall not conduct any activity under the bingo and raffle law if the lease, rent, contract or any other arrangement under which the rights to use the premises for the conduct of the activity is based on a percentage of receipts or profits derived from such licensed activities.

B. Termination

1. **Termination by bingo-raffle licensee.** A bingo-raffle licensee may terminate a rental agreement upon at least two weeks notice to the landlord licensee or upon the voluntary cessation of games of chance operations by the bingo-raffle licensee or suspension or revocation of the bingo-raffle licensee's license by the licensing authority.
2. **Termination by landlord licensee.** A landlord licensee may terminate a rental agreement between the landlord licensee and any bingo-raffle license by giving at least two weeks notice to the bingo-raffle licensee or upon failure of the bingo-raffle licensee to make payment for at least three bingo occasions,

13.0 LANDLORD LICENSEES

A. Application

1. **Forms.** Application for a landlord license shall be made on forms prescribed and provided by the secretary of state.
2. **Fees.** All applications for a landlord license must be accompanied by the fee established by the licensing authority.

3. **Duration.** A landlord license is issued for a period of one calendar year. No prorating of the annual license fee will be allowed.

B. Lease agreements

1. **Copy to licensing authority.** A landlord licensee shall submit an executed copy of the rental agreement between the landlord licensee and each bingo-raffle licensee to the licensing authority prior to the conduct of any games of chance in or on the licensed premises.
2. **Equipment lease.** If a landlord licensee provides equipment on the licensed premises and the bingo-raffle licensee has agreed to the use of such equipment, the landlord licensee shall submit an executed copy of the equipment agreement between the landlord licensee and each bingo-raffle licensee to the licensing authority prior to the conduct of any games of chance in or on the licensed premises.
3. **Termination.** A landlord licensee may terminate a rental agreement between the landlord licensee and any bingo-raffle license by giving at least two weeks notice to the bingo-raffle licensee or upon failure of the bingo-raffle licensee to make payment for at least three bingo occasions.
4. **Substitutions.** A landlord licensee may negotiate with a bingo-raffle licensee to have the bingo-raffle licensee operate a bingo-raffle occasion that was not provided in the original rental agreement between the landlord licensee and the bingo-raffle licensee. The landlord licensee shall submit an executed copy of the rental agreement to the licensing authority within five (5) working days of the date of the substituted occasion.

- C. Promotions.** A landlord licensee may award a prize 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.

- D. Assistance with bingo-raffle licensee games.** A landlord licensee and its employees, and any parent, son, daughter or sibling of an employee shall not assist a bingo-raffle licensee in the conduct or operation of games of chance to include:

1. Acting as a caller,
2. Selling bingo packs, sheets or electronic aids,
3. Acting as a floor worker,
4. Operating any bingo computer aid system other than instructing a bingo-raffle licensee on its use and maintenance.
5. Providing any bookkeeping or accounting services to a bingo-raffle licensee.

E. Prohibited Activities

1. A landlord licensee shall not require any bingo-raffle licensee that operates games of chance on the premises to adopt a specific set of occasion rules.

2. A landlord licensee shall not require, coerce or induce a bingo-raffle licensee to purchase supplies from a specific supplier as a condition of rental of the premises.
3. A landlord licensee shall not require, coerce or induce a bingo-raffle licensee to charge players any set pack price, admission to the premises, or other fee as a condition of rental of the premises.
4. A landlord licensee shall not require, coerce or induce a bingo-raffle licensee to conduct any set number of bingo games during an occasion and shall not require, coerce or induce a bingo-raffle licensee to set a minimum prize amount per game or occasion as a condition of rental of the premises.

14.0 MANUFACTURER AND SUPPLIER LICENSEES

A. Application

1. **Forms.** Application for a manufacturer's or supplier's license shall be made on forms prescribed and provided by the licensing authority.
2. **Fees.** All applications for a manufacturer's or supplier's license must be accompanied by the fee established by the licensing authority.
3. **Duration.** A manufacturer's or supplier's license is issued for a twelve month period commencing April 1 and ending March 31 of the following calendar year. There is no pro-ration of the annual license fee.

B. Authorized sales

1. **Licensed purchasers.** A licensed supplier or manufacturer may sell supplies and equipment only to licensed bingo-raffle licensees.
2. **Financial terms.** A licensed supplier or manufacturer may sell supplies and equipment to licensed bingo-raffle licensees for cash or on terms agreed to between the licensed supplier or manufacturer and the bingo-raffle licensee but such terms shall not exceed sixty (60) days.

C. Delinquent accounts. Each supplier or manufacturer shall report to the licensing authority by the tenth day of each month, the name of any bingo-raffle licensee whose account is in arrears by more than sixty (60) days as of the last day of the preceding calendar month. The licensing authority shall notify all licensed suppliers, suppliers' agents, and manufacturers and the bingo-raffle licensee that until further notice from the licensing authority, all sales of bingo supplies and equipment to the delinquent bingo-raffle licensee shall be on a cash-only basis. No supplier, supplier's agent or manufacturer shall extend credit to the delinquent licensee until such time as the licensing authority approves credit sales to such licensee in writing.

D. Discontinued pull tabs. A Colorado licensed supplier or manufacturer that sells progressive pull tab games to any bingo-raffle licensee in Colorado may elect to discontinue distribution or production of any specific progressive pull tab game that it has sold in Colorado if:

1. The licensed supplier or manufacturer provides at least sixty (60) days written notice to the licensing authority and to all bingo-raffle licensees that have purchased said pull tab game from such supplier or manufacturer within the

previous 12 months that the supplier or manufacturer intends to discontinue the distribution or the manufacture of said progressive pull tab game on a specified future date, which date shall be not less than sixty (60) days after such notice is received by the licensing authority; and

2. The supplier or manufacturer maintains a sufficient inventory of pull tab deals for that progressive pull tab game to ensure that all bingo-raffle licensees that have purchased said game within the preceding year can close the game by awarding a jackpot.

15.0 ELECTRONIC DEVICES USED AS BINGO AIDS AND BINGO AID COMPUTER SYSTEMS – MANUFACTURERS AND SUPPLIER REQUIREMENTS

A. General

1. **Application for approval.** Any Colorado licensed manufacturer of an electronic bingo aid device and computer system may apply for a letter ruling pursuant to C.R.S. 12-9-103(1)(d) by submitting a written request to the licensing authority. The request shall include the manufacturer's name, license number, address, telephone and fax numbers, and an email address if available; the make, model and description of the bingo aid device and computer system for which approval is sought and the name and specific contact information of at least one representative of the manufacturer who is available to the licensing authority as an expert on the construction, programming, and operation of the device and system for which approval is sought. All requests shall include:
 - a. A complete user's manual of the bingo aid device/system for which approval is sought; and
 - b. Either a working prototype or a location in Colorado where the prototype can be demonstrated by the manufacturer; and
 - c. An affirmation from the manufacturer stating that the manual(s) and prototype(s) submitted to the licensing authority do not differ materially from the manual(s), device(s) and system(s) that will be distributed in Colorado after approval of the prototype(s); and
 - d. In the case of a bingo aid device, a verified certificate from the manufacturer stating that the device meets all the standards set forth at C.R.S. 12-9-107(29) (a) (II) (A) through (D) and that the device is or can be restricted to allow the play of no more than fifty-four (54) faces per bingo game, and will be so restricted for distribution of the device in Colorado; and
 - e. In the case of a bingo aid computer system, a verified manufacturer's certificate stating that the system meets all the requirements set forth in C.R.S. 12-9-107(30)(a) through (c), and that the system, if constructed or intended for more than one bingo-raffle licensee, is capable of segregating and securing each licensee's data in such a manner that each licensee has a secure access to its own data but no licensee has access on any level to any other licensee's data.
 - f. If a bingo aid computer system is designed for use by more than one user, each user shall have access to the system through its own

identification and password, smart card or token or other method.
Identification and access shall:

- (1) Ensure that the bingo-raffle licensee's data is accessible only to the bearer of the licensee's unique identifier, the licensing authority and the personnel of the system's manufacturer; and
 - (2) Clearly identify all of the licensee's data and only the licensee's data.
2. **Letter ruling.** The licensing authority shall issue a letter ruling regarding an electronic bingo aid device or bingo aid computer system within forty-five (45) days after receipt of the request for letter ruling. For purposes of calculating start of the forty-five (45) days, a request shall not be considered received unless it has been received in the office of the licensing authority complete with all attachments required by these rules.
3. **Authorization required.** A manufacturer or supplier licensee shall not distribute any electronic bingo aid device or bingo aid computer system that differs materially in construction, hardware, software, or operation from a previously approved device or system until such manufacturer or supplier has requested approval of the device or system and has received authorization in writing from the licensing authority approving the differing device or system. A manufacturer or supplier does not have to request authorization for nonfunctional differences in a device or system, including but not limited to, changes in screen appearance, case color or size, or power supply.

B. Agreements with bingo-raffle licensees. Any contract or agreement between a manufacturer, supplier or agent and a bingo-raffle licensee concerning the rental, lease or use of any bingo aid device or bingo aid computer system shall be subject to the following:

1. **Initial term.** The initial term and any subsequent term of the contract or agreement shall not exceed one year; and
2. **Extensions.** The contract or agreement may be extended only upon the affirmative consent of the bingo-raffle licensee in writing.
3. **Termination.** The contract shall be terminated if:
 - (1) The bingo-raffle licensee ceases games of chance operations;
 - (2) The licensing authority suspends or revokes the license of the bingo-raffle licensee;
 - (3) The bingo-raffle licensee gives the other party to the contract or agreement written notice at least thirty (30) days in advance, of the bingo-raffle licensee's intention to terminate the contract.

C. Licensing Authority powers.

1. **Violation of law.** The licensing authority, in addition to or in lieu of any other penalties or corrective actions may restrict or prohibit the use by a bingo-raffle licensee of any electronic bingo aid device or computer system that violates any provision of law or these rules regulating such devices and systems.

2. **Access.** The licensing authority shall have access to all bingo aid computer systems in use within the state upon written request to the manufacturer, supplier or agent. Such access will be for the purpose of allowing the licensing authority to audit any system and verify that the system is operated in compliance with the law and rules regulating bingo aid computer systems. When an audit is initiated by the licensing authority, any electronic bingo aid device, bingo aid computer system, random number generator, or operating software of any of the above systems may be submitted, at the manufacturer's expense, for testing by any independent testing facility specified by the licensing authority. The licensing authority, in consultation with the independent testing facility shall determine if the electronic device and software is operating in compliance with the requirements and restrictions of the Bingo and Raffles Law and these rules. If the licensing authority has requested access to a particular system and the manufacturer, supplier or agent has not complied, the manufacturer, supplier and agent are prohibited from allowing a bingo-affle licensee to put such bingo aid computer system into play until authorized by the licensing authority.

D. Random number generators. Any manufacturer or supplier that intends to sell or lease bingo equipment that generates numbers electronically rather than the use of balls, blowers and master boards must submit the following to the Licensing Authority prior to the sale or lease of such equipment to bingo-affle licensees:

1. An operator's manual for the model or models intended for sale or lease; and
2. Technical specifications for the model or models intended for sale or lease that describe the method and algorithm of randomly generating numbers, along with the method used to ensure that duplicate numbers cannot be called; and
3. All letters of authorization from all other jurisdictions regarding the sale, lease, use or restrictions on use for each state in which the model or models is currently being sold, leased or otherwise used; and
4. Upon request of the Licensing Authority, a working model capable of demonstrating play or a location where such equipment can be demonstrated to the Licensing Authority.

16.0 Fines.

The schedule of fines provided in this rule applies to any violation of the Bingo and Raffles Law or Rules for which the Licensing Authority elects to impose an administrative fine in lieu of seeking a license suspension or revocation.

A. Class 1 Violations.

A Class 1 violation is one that demonstrates an element of willfulness, in that it involves the licensee's performance of any act specifically prohibited by statute or rule, when such violation does, may, or is intended to result directly in the profit or enrichment of the violator or any person(s) associated with the violator. The fine for each citation of a Class 1 violation shall be \$100.00. Class 1 shall include, but is not limited to:

1. Employing a device, scheme, or artifice to defraud or deceive in connection with any charitable gaming activity;
2. Engaging in an act, practice, or conduct that constitutes fraud or deceit, including any intentional misstatement of fact, in charitable gaming operations;

3. Transferring any license issued pursuant to the Colorado Bingo and Raffles Law;
4. Authorizing or permitting any person(s) other than active members of a bingo- raffle licensee to assist in the management and/or operation of games of chance;
5. Conducting more than 158 bingo occasions in one calendar year under color of a single bingo- raffle license;
6. Possessing, using, selling, offering for sale or putting into play any computerized or electro-mechanical facsimile of a pull tab game, any pull tab game not purchased from a licensed supplier and accompanied by a complete supplier's invoice; any pull tab game that is marked, altered, tampered with, commingled or known to be defective; any pull tab game in any unlicensed premises, other than the bingo- raffle licensee's own premises; or any pull tab game that does not conform to the definitions and requirements of the Bingo and Raffles law.
7. Permitting any person under the age of eighteen to purchase the opportunity to participate in a game of chance.
8. Allowing any person other than a licensee's owner, officer, director, member, shareholder of more than 10% of the licensee's ownership interests, or licensed agent to represent a supplier, manufacturer or landlord licensee with regard to any Colorado transaction.
9. Buying, selling, receiving, furnishing, or distributing games of chance equipment to any person in Colorado other than a bingo- raffle licensee, a supplier licensee and its licensed agents, or a manufacturer licensee.
10. Filing any falsified and/or materially misleading renewal application or quarterly financial statement.
11. Authorizing, permitting, or receiving any remuneration or inurement for participating in the management or operation of a licensed game of chance.
12. Requiring, inducing or coercing a bingo- raffle licensee to enter into any agreement contrary to the Bingo and Raffles law, or to purchase supplies or equipment from a particular supplier as a condition of conducting games of chance at a commercial bingo facility.

B. Class 2 Violations.

A Class 2 violation is one demonstrating an element of willfulness, in that it involves a licensee's performance of any act specifically prohibited by statute or rule, when such violation is not intended to and does not directly result in the profit or enrichment of the violator. The fine for each citation of a Class 2 violation shall be \$75.00. Class 2 shall include, but is not limited to:

1. Using bingo- raffle equipment that is not owned or leased by a landlord licensee or owned or leased by a bingo- raffle licensee.
2. Paying other than reasonable, bona fide, lawful expenses in connection with the conduct of licensed games of chance, purchasing games of chance prizes or equipment at prices exceeding reasonable and usual amounts, or other use of games of chance proceeds for other than the lawful purposes of the bingo- raffle licensee.

3. Converting into or redeeming for cash any bingo merchandise prizes.
4. Offering or giving any alcoholic beverage as a prize in a licensed game of chance.
5. Giving, receiving, authorizing, or permitting the assistance in the conduct of games of chance of any person(s) disqualified or prohibited by statute or rule from rendering such assistance.
6. Offering or giving any bingo door prizes or jackpot prizes exceeding the statutory maximum amounts set for such prizes.
7. Reserving or setting aside bingo cards or pull tabs for use by players.
8. Drawing a check on a bingo-raffle account payable to "cash" or to a fictitious payee.
9. Authorizing or allowing the play of bingo by a person not present on the premises where the game is conducted, or the play of any game of chance on credit, or without collecting the consideration required in full and in advance.
10. Engaging in any act, practice or conduct shown above as a Class 1 violation, or that would otherwise be a Class 1 violation, when such act or conduct is not intended to and does not directly result in the profit, inurement or remuneration of the violator.

C. Class 3 Violations.

A Class 3 violation is one that occurs when a licensee omits, fails or neglects to comply with a requirement set forth in the statutes or rules, but that does not involve the affirmative performance of an act specifically prohibited by statute or rule. Class 3 violations shall be deemed negligent rather than willful, unless a specific violation is repeated with a two-year period and/or the facts of the violation show that the violator knowingly and deliberately failed or refused to comply with a requirement or standard set by statute or rule. The fine for a class 3 violation shall be \$20.00 unless the violation is repeated or knowing and deliberate, as described above, in which case the fine shall be \$50.00. Class 3 shall include but is not limited to:

1. Neglecting to display a license or other document at a time and place where such display is required.
2. Failing to file with the licensing authority any quarterly report, administrative fee, or rental or other document at the time required for such filing, or omitting required information on such a filing.
3. Failing to keep and/or furnish required records in connection with any licensed activity.
4. Omitting any required procedure in the conduct of bingo-raffle activities.
5. Failing to designate an officer responsible for the use of games of chance proceeds.
6. Neglecting to have a certified games manager present continuously during the conduct of any raffle or bingo occasion and for thirty minutes after the last game in an occasion.

7. Failing to have games of chance premises or equipment open or available for inspection by the licensing authority or police officers.
8. Failing to deposit and/or maintain all games of chance receipts in a special segregated checking or savings account of the licensee, or to withdraw any funds expended from such account by means of consecutively numbered checks or withdrawal slips signed by officer(s) of the bingo-raffle licensee and showing the payee and a description of reason for the payment for which such check or withdrawal slip is made, or by electronic funds transfer.
9. Failing to submit the required administrative fee, or a portion thereof, at the time of filing a required quarterly financial report.
10. Neglecting to give required notice of the termination of a rental agreement or the cancellation of a bingo occasion.
11. Omitting required information from a raffle ticket, if such ticket has been offered for sale or sold without the approval of the licensing authority.
12. Violating any provision of the bingo and raffles law but not specifically mentioned.

D. Citations.

1. **Issuance.** The licensing authority shall issue all citations in writing, signed and dated by the authorized agent of the licensing authority and shall identify the licensee cited; the facts and/or conduct constituting the violation, the specific rule or statutory provision violated, the fine assessed in accordance with this rule and the Bingo and Raffles Law.
2. **Delivery.** Citations may be delivered to the cited licensee, to the attention of its games manager(s) or officer(s) on record in the files of the licensing authority, either personally or by first class mail.
3. **Suspension or reduction of fine.** The licensing authority, for good cause shown, may suspend or reduce any fine imposed pursuant to this rule. Requests for fine suspensions or reductions must be in writing, must be received by the licensing authority within twenty (20) days of the date of the citation, and must state and document with particularity the facts, circumstances and/or arguments supporting such request.

E. Hearings.

1. **Request for hearing.** In accordance with 12-9-103(1) (a) (II), C.R.S., a licensee may request a hearing to appeal the imposition of a fine to an administrative law judge. Requests for an administrative hearing must be in writing and must be received by the licensing authority within twenty (20) days of the date the licensing authority refused a request to suspend or reduce any fine pursuant to F. above.
2. **Payment of fines.** Unless a licensee has submitted a request for a suspension or reduction of any fine imposed by the licensing authority, or has submitted a request for a hearing before an administrative law judge, any fine imposed pursuant to this rule must be paid within twenty (20) days of the date of the citation imposing such fine. All fines must be paid by check or money order, payable to the Colorado Secretary of State. If the licensing authority denies a

request for a suspension or grants a request for a reduction of the fine, the fine or reduced fine must be paid within twenty (20) days of the date of the notice of denial or reduction. If an administrative law judge finds that an appeal of a fine must be denied, the fine that was appealed must be paid within twenty (20) days of the date of issuance of the administrative law judge's order.