

**Colorado Bingo Raffle Advisory Board Annual Report
To the Colorado General Assembly for Calendar year 2001.**

This report is made in accordance with;

Colorado Revised Statutes 12-9-202 Board Duties:

(1)© To prepare and make available an annual report to the general assembly and the licensing authority setting forth the findings and recommendations of the board for changes to this article or the rules promulgated thereunder.

The Bingo Raffle Board met its statutory requirements in calendar year 2001. Those requirements included monthly meetings and preparation and submission of an annual report to the Colorado General Assembly and to the Secretary of State. This report will set forth the findings of the board and its recommendations for changes to the Bingo Raffle law or the rules promulgated thereunder.

During the calendar year 2001 the board made itself available for public access for all participants involved in charitable gaming. Time was set aside at each meeting for input from anyone who wanted to express their concerns regarding the bingo raffle industry. The board also met at various locations and times for the convenience of the public. Those locations included: Fort Collins, Colorado Springs, Golden, Denver, Englewood, and Arvada. The minutes of all meetings were posted on the Secretary of State web page as well as dates and times of meetings of the board.

The Colorado Bingo Raffle Advisory Board is committed to ensuring the viability of bingo fund raising for licensed non-profit organizations and to ensure the industry operates in a fair and equal manner for all participants involved in the industry

FINDINGS:

GAMES MANAGERS: Games Managers for Bingo Raffle licensees receive a lifetime certification. There are approximately 17,000 certified games managers on record with the Secretary of State. This list has now become unmanageable by the Secretary of State staff. There is no minimum age requirement for games managers in Colorado

PROMOTIONS: There still appears to be some landlord abuse directed at non-profit operators who cannot afford or do not want to participate in a bingo hall owner's promotion. There are no set guidelines for what kind of promotions can be done, by whom, and what can be offered during a promotion. Some hall owners are reported to be forcing non-profits to participate in their promotions.

PARTICIPATION: Individuals participating in charitable gaming is declining while the population of Colorado has been increasing. There has been a 13% decline in the number of bingo occasions in the last five years and a 24% decline in the number of licensees in the same period.

VIOLATION OF STATE LAW: Some organizations, suppliers, manufacturers, landlords and games operators violate state laws, wittingly or unwittingly, because they do not receive enough information. There needs to be a coordinated effort among all the various participants in the industry and the Secretary of State to work together on training procedures concerning various issues of the bingo raffle industry.

RENTS: C.R.S. 12-9-108 and CR 12-9-104.5 concerning rentals of Bingo halls were in conflict. The board's position is that free enterprise should control rents. New rule 11 on rents brought these provisions into line.

PROCEEDS: Colorado Statute is not clear on net proceeds, these need to be clarified. Time in which proceeds must be spent is one year. However, the statute does not define a year. The ambiguities need to be cleared up by statute.

SUPPLIERS: The Secretary of State does not have the authority to discipline suppliers who sell games in Colorado that are not legal for sale.

RULES: The Board and the Secretary of State's staff worked together with input from the public and developed rules to improve the administration and operation of charitable gaming in Colorado as follows:

Rule 10: Identification of Bingo Workers

Rule 11: Rents

Rule 11.5: Promotions

Rule 16: Pull Tab Operations

Rule 21: Fines for Violations

Rule 23: Defined Auxiliaries

Rule 24: Electronic Game Devices

RECOMMENDED CHANGES TO THE BINGO RAFFLES LAW:

GAMES MANAGERS: Legislature should require recertification of Games Managers every three years. This would keep them up to date on law changes and reduce the number of violations, thus reducing administrative costs for the Secretary of State. The legislature should establish a minimum age requirement for games managers. One Games Manager in Colorado is fourteen years of age

PROMOTIONS: The legislature should establish statutory requirements for promotions that are fair to everyone. There are still several questionable areas in the current rules on promotions or eliminate promotions.

VIOLATIONS: There are no statutory provisions in place for collecting and administering fines concerning bingo raffle issues. The legislature needs to write procedures for collecting and administering those fines. The licensee should be required by law to be current on his fines

before a bingo raffle license can be reissued for a subsequent year.

PARTICIPATION: If charitable Bingo is to remain a source of money that is put back into local communities then there has to be legislative changes to include:

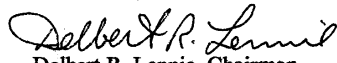
1. Changing the definition of pull tabs to allow more games.
2. Allow progressive bingo games. Progressive bingo is in operation in 30 states.

SUPPLIERS: Need statutory changes written that will give the Secretary of State authority to take some sort of action against suppliers who sell illegal games in Colorado.

CASH FUNDING: Change the statute so that proceeds from bingo operations (Fees and Fines) can be put into Secretary of State funds. Bingo funds can be tracked separately. This will allow better administration of the program

MEETINGS OF THE BINGO RAFFLE ADVISORY BOARD. The board meets once every month as required by C.R.S.12-9-201 111(I). Each receiving \$50.00 for each meeting, however the funding provided to the Secretary of State only allows the board to meet 10 times a year. Statutory changes need to be written to allow meetings to be canceled if weather is poor or if there is nothing to be discussed. The Board Chairman should be given the authority to set board meetings with a ten day written notice or the board should meet every other month unless the Secretary of State and/or the Board Chairman determine it is necessary to meet on a more frequent basis.

Respectfully Submitted


Delbert R. Lennie, Chairman
Colorado Bingo Raffle Advisory Board

12-18-01
Date: