CHARITABLE SKILL GAMING FOR COLORADO FRATERNAL & VETERANS ORGANIZATIONS

A Focused Constitutional Path

This is a community-benefit issue, not a partisan one. Stronger local nonprofits mean more resources for the causes they already support.

Colorado should adopt a narrow, carefully regulated path that would allow longstanding nonprofit fraternal organizations (such as the Fraternal Order of Eagles, Elks, Moose, VFW, American Legion, and similar groups that already hold Colorado bingo-raffle licenses) to operate a limited number of skill-gaming devices at their principal premises, similar to what New Mexico, Wyoming, Nebraska, Illinois, Ohio, West Virginia, and others already have in place.

These organizations already raise funds for local scholarships, veterans, youth programs, first responders, food assistance, medical needs, and other community causes. Some organizations once offered these games and removed them when it became clear Colorado law did not allow them, and local charitable work lost real support as a result. Neighboring states and other states already permit limited electronic gaming for qualifying 501(c)(8) and 501(c)(10) organizations under age restrictions, licensing, testing, monitoring, auditing, and charitable-use rules. Colorado can do the same without creating a new commercial casino industry.

The Colorado General Assembly should refer to voters a focused constitutional amendment that:

- Authorizes a limited number of qualified charitable skill-gaming devices only at the principal premises of organizations already licensed to conduct bingo and raffles;
- Leaves detailed rules (machine caps, age 21+, testing that skill is genuine, central monitoring, taxation or revenue share, responsible-gaming protections, and use of proceeds) to statute;
- Preserves Colorado's existing charitable-gaming framework and does not open the door to convenience stores, gas stations, or commercial gaming parlors.

THE AMENDMENT IN ONE SENTENCE

The amendment could read something conceptually along the lines of:

"Notwithstanding Section 9 of this article, the General Assembly may authorize and regulate a limited number of qualified charitable skill-gaming devices at the principal premises of organizations licensed to conduct bingo and raffles pursuant to Section 2 of this article."

1. Who Benefits

Colorado's fraternal and veterans organizations serve communities represented by Republicans, Democrats, independents and everyone in between, and they have raised money for those communities for generations. Their support reaches:

Scholarships for local students	**Veterans** and their families	**Youth programs** and activities
First responders and public safety	**Disaster relief** for victims of fires, floods and other tragedies	**Medical needs** and families in crisis

A real example: After a recent fire destroyed hundreds of homes in one Colorado community, a single local Fraternal Order of Eagles Aerie raised and donated more than $11,000 for the victims. **Had a limited charitable skill-gaming framework already been in place, that donation could have been much, much greater.**

The central question is simple:

> ***Should Colorado allow longstanding, highly regulated nonprofit fraternal organizations to use a limited modern gaming tool to strengthen the charitable work they are already performing and significantly expand what they are able to accomplish in their local communities?***

A properly designed charitable skill-gaming framework creates a true win/win/win: more resources for local communities and charitable causes, appropriate tax and regulatory revenue for the State of Colorado, and a meaningful, sustainable fundraising tool for nonprofit fraternal and veterans organizations that are actively giving back to the communities they serve.

2. Colorado Law and Why an Amendment Is Needed

Article XVIII, Section 2: bingo and raffles

Article XVIII, Section 2 gives qualifying nonprofit organizations that have existed with dues-paying members for five years a constitutional right to obtain a state license to conduct bingo or lotto and raffles. Only members may run the games, and all net proceeds go to lawful purposes. Section 2 also allows the General Assembly to enact laws that are supplementary to those provisions, so long as they are not contrary to them.[1][2]

That explains why Colorado can modernize an already authorized game through ordinary legislation. House Bill 13-1101 is a good example: it authorized progressive raffles, in which a jackpot can carry over and grow from one drawing to the next, effective January 1, 2014.[3][4] A progressive raffle is still a raffle, however. The lesson is encouraging: once the Constitution clearly authorizes a category, the operational details can be handled by statute and rule. That is exactly the logic of a focused amendment.

Article XVIII, Section 9: the definition of “slot machine”

Section 9 authorizes limited casino gaming in Black Hawk, Central City and Cripple Creek. It defines a slot machine broadly enough to include a mechanical, electrical, video or electronic device that accepts consideration and can award something of value “whether by reason of the skill of the player or application of the element of chance, or both,” with a payoff made by the machine or “in any other manner.”[5][6] Because even a device in which skill is the controlling factor can fit that definition, a focused constitutional amendment is the clear and durable solution.

Current statutes point to the same answer

Colorado law directs the Colorado Charitable Gaming Board to study new technology and the practices of other states, while providing that new charitable-gaming activities must comport with Article XVIII, Section 2(3).[7–9] Colorado's pull-tab statute likewise permits devices that dispense, read or validate physical pull-tab tickets, but not a device that qualifies as a slot machine under Section 9(4)(c).[10]

Recent case law confirms the need for clear constitutional authority. Colorado's simulated-gambling law covers electronic devices whose result is determined by skill, chance or both. In June 2026, the U.S. Court of Appeals for the Tenth Circuit affirmed convictions in *United States v. Arvay* and explained that Colorado's bona fide contest-of-skill exception does not apply to simulated-gambling-device charges.[11]

Attorney General opinions and Colorado precedent

In 1983, Colorado Attorney General Duane Woodard concluded that slot machines and other chance-dominated casino games could not be authorized for charities under Section 2 without a constitutional amendment.[12] Formal Opinion 14-03 (2014) likewise explains that expanding machine gaming requires constitutional approval, and that gaming outside the three casino towns calls for statewide and local approval, which a focused amendment can address with clear local-option or local-approval language.[13] By contrast, Formal Opinion 18-02 concluded that sports betting needed only a statutory change because it was not a “lottery” under Section 2.[14] The principle is consistent: an activity that falls within an express constitutional restriction calls for a constitutional answer.

Colorado has considered this concept before. In 1996, the Colorado Supreme Court held that proposed constitutional initiatives for nonprofit electronic gaming satisfied the single-subject requirement because every provision related to gaming conducted by nonprofit organizations. Those proposals included

members-and-guests-only play, age 21 and older, and General Assembly authority to set the number of devices.[15] A targeted amendment focused on nonprofit electronic gaming is a natural fit for Colorado's constitution.

A narrow, focused amendment

A narrowly targeted amendment leaves Colorado's existing bingo, raffle and charitable-gaming framework intact while creating constitutional authority for a limited class of regulated skill-gaming devices at already licensed organizations. The final text can state expressly that an authorized charitable skill-gaming device is not “limited gaming” or a “slot machine” for purposes of Section 9 and can address Section 9's geographic and local-election provisions. Regulators are already modernizing as well: the Charitable Gaming Board's October 2026 report recommends moving charitable-gaming enforcement to the Department of Revenue, with license approval staying with the Secretary of State.[16]

3. The Policy Case: Colorado Already Regulates Commercial Gaming

Colorado already permits extensive regulated gaming by for-profit commercial operators in constitutionally designated locations. Those businesses provide employment, pay gaming taxes and contribute to public purposes. The case for charitable skill gaming does not require attacking that system.[5]

The policy question is narrower: if Colorado can regulate commercial gaming conducted for private profit, it can also create a tightly limited category for longstanding nonprofit organizations whose lawful purposes include service to their members and communities. A program with a small statutory cap, such as New Mexico's 15 devices per premises, at the principal premises of existing licensed organizations is not a new commercial casino industry.

The Colorado Constitution already recognizes a relationship between nonprofit charitable organizations and limited gaming: Section 9(5)(e) directs the General Assembly to provide special licensing for qualifying nonprofit charitable organizations that periodically host charitable gaming activities in licensed gaming establishments. A focused amendment extends that recognition, under far tighter limits, to regulated devices at the nonprofit's own licensed premises.[5]

4. Other States Already Do This

Neighboring states and other states already permit limited, regulated gaming for fraternal and veterans organizations

Colorado would not be inventing anything new. Multiple states already distinguish bona fide fraternal and nonprofit organizations from ordinary commercial businesses and permit limited electronic gaming under licensing, age restrictions, testing, monitoring, auditing, taxation, location restrictions and charitable-purpose requirements.

State	Who and where	Limits	Tax and charity share	Regulator
New Mexico Since 1997[17–20]	Licensed nonprofit veterans and fraternal operators (501(c)(8) and (c)(10)) at their own premises; play by active and auxiliary members only	Up to 15 machines; $10,000 maximum prize	10% gaming tax for nonprofit operators; 20% or more of the balance to charity or education	Gaming Control Board
Wyoming Since 2020[21][22]	Licensed establishments, including qualifying fraternal club locations; skill must be the primary factor; 21+ only	Up to 4 machines; $3 maximum play; $3,000 maximum payout	20% of net proceeds: 45% local government, 45% schools, 10% regulator	Wyoming Gaming Commission
Nebraska Since 2019[23]	Licensed locations under LB685 (2024), with special treatment for fraternal benefit societies and veterans organizations; 21+	Generally 5 devices; independent lab testing; central monitoring	Device tax administered by the state	Department of Revenue

State	Who and where	Limits	Tax and charity share	Regulator
Illinois Since 2009[24][25]	Licensed locations, including fraternal and veterans establishments (501(c)(8), (c)(10), (c)(19)); 21+; towns may opt out	Up to 6 video gaming terminals, centrally monitored	State tax on net terminal income; remainder shared by operator and location	Illinois Gaming Board
Ohio Since 2021[26–28]	Veterans and fraternal organizations at their principal place of business; members and guests	Up to 10 electronic instant bingo devices	Required charitable shares: 25% or more of the first $250,000 in net profit, 50% or more above that	Attorney General
West Virginia Since 2001[29]	Retailers plus 501(c)(8), (c)(10) and (c)(19) organizations, in adult-only restricted areas	Up to 10 limited video lottery terminals	State-run revenue distribution	Lottery Commission

Proven results. In New Mexico, 46 nonprofit clubs gave about $1 million to charity in fiscal year 2024.[20] In Ohio, electronic instant bingo operated at 901 sites with 6,750 machines as of March 2024.[28]

What Colorado can adopt

- **New Mexico:** the longest-running example of gaming machines inside qualifying fraternal nonprofits, with members-only play and a low tax rate for nonprofits paired with a required minimum charitable share.
- **Wyoming and Nebraska:** clear statutory frameworks from two neighbors, with 21+ play, independent testing and central monitoring, and in Nebraska, special treatment written into law for fraternal and veterans organizations.
- **Illinois:** express inclusion of fraternal and veterans establishments in a mature regulatory system, with a local opt-out.
- **Ohio:** an eligibility lock limited to veterans and fraternal organizations at their principal place of business. In Colorado, the equivalent is existing bingo-raffle licensees that meet the 5-year rule.
- **West Virginia:** about 25 years of experience, with express recognition of 501(c)(8), (c)(10) and (c)(19) organizations in machine-gaming law.

These states use different legal structures, and Colorado need not copy any of them word for word. Together they show that limited electronic gaming inside bona fide fraternal and veterans organizations is proven, workable public policy.

5. Guardrails

Strong, and mostly statutory: what goes in the Constitution and what goes in statute

With narrow constitutional authority, the General Assembly can build a rigorous regulatory system without locking technical details into the Constitution.

Guardrail	Where it belongs	Model
Only existing Art. XVIII, Sec. 2 bingo-raffle licensees that meet the 5-year rule and are 501(c)(8) or (c)(10) fraternal organizations or veterans organizations	Constitution	Ohio
Only at the licensee's principal premises; never convenience stores, gas stations, bars, storefront parlors or unrelated retail locations	Constitution	Ohio
A limited number of devices per premises: a small statutory cap, such as New Mexico's 15 devices per premises	Constitution (limit); statute (number)	New Mexico
Net proceeds go to charitable and lawful purposes, keeping the Sec. 2 framework	Constitution	Art. XVIII, Sec. 2(4)
Local-option or local-approval language consistent with AG Opinion 14-03	Constitution	Illinois opt-out

Guardrail	Where it belongs	Model
Ages 21 and up; members and bona fide guests	Statute	New Mexico, Wyoming, Ohio
Independent lab certification that skill is genuine and materially decides the outcome; sham skill does not qualify	Statute	Wyoming, Nebraska
State approval of every game, software version, machine and vendor, with background checks and revocation authority	Statute	New Mexico, Nebraska
Central monitoring system, auditable reporting and a separate bank account	Statute	Nebraska, Ohio
Wager and prize limits and responsible-gaming protections	Statute	Wyoming, New Mexico
Minimum charitable share, clear rules on use of proceeds, and public reporting of community impact	Statute	New Mexico, Ohio
Tax or revenue share that funds regulation, with part dedicated to problem-gambling help	Statute	Nebraska
Licensed distributors with caps on distributor share; no vendor control of the nonprofit; no transferable gaming privilege	Statute	New Mexico (40% cap)
Annual audits, a public report to the General Assembly, and strong penalties for unlicensed devices, manipulated software or diversion of proceeds	Statute	Colorado Charitable Gaming Board

6. How the Amendment Reaches the Ballot

A legislative referral of a focused constitutional amendment

1 **A legislator introduces a concurrent resolution**
The resolution contains the focused amendment, with details left to statute. The target is the 2027 or 2028 legislative session.

2 **Two-thirds of all members of each chamber vote yes**
That is 44 of 65 House members and 24 of 35 senators. A referred amendment goes directly to voters; the governor cannot veto it.[30]

3 **It appears on the next general-election ballot**
The realistic target is the November 7, 2028, general election.

4 **55% of voters approve**
Amendment 71 (2016) set a 55% approval threshold for new constitutional language.

5 **The General Assembly passes the enabling statute**
The guardrails in Section 5 become law.

A citizen initiative is also available under Colorado law. It requires signatures equal to 5% of the votes cast in the last Secretary of State election, including 2% of registered voters in each of the 35 Senate districts, and the same 55% approval.[31][32]

7. Colorado's Fraternal and Veterans Organizations

State bodies whose local aeries, posts and chapters carry out the community work described here. Listed for reference.

State organization	Affiliation	Website
FOE Colorado State Aerie	Fraternal Order of Eagles	coloradostatefoe.com
Colorado Elks Association	Benevolent and Protective Order of Elks	coloradoelksassociation.org
Colorado Moose Association	Loyal Order of Moose	colorado-moose-association.square.site
VFW Department of Colorado	Veterans of Foreign Wars	vfwco.org
American Legion Department of Colorado	The American Legion	coloradolegion.org

Public resources: the Colorado Charitable Gaming Board[33] and Secretary of State Bingo-Raffle Licensing (coloradosos.gov).

8. Path Forward

This effort builds on the substantial work already done by the Colorado Charitable Gaming Association, the Colorado Charitable Gaming Board, fraternal and veterans organizations, lawmakers and other stakeholders in charitable-gaming modernization, and adds one focused option to it.

1 **Unite fraternal and veterans organizations**
Build a statewide coalition of Eagles, Elks, Moose, VFW, American Legion and similar organizations that hold Colorado bingo-raffle licenses.

2 **Share the community impact**
Gather local figures on scholarships, veterans' aid, youth programs and other charitable giving, and on what restored support would mean for each community.

3 **Work with legislators on a referral**
Seek a concurrent resolution referring the focused amendment in the 2027 or 2028 session, with sponsors from across the political spectrum.

4 **Engage the Colorado Charitable Gaming Board**
Encourage the Board to study the other-state models, as Colorado law already directs, and to include them in its annual report.

5 **Win at the ballot and pass the enabling statute**
Present the amendment to voters in November 2028, then enact the statutory guardrails that make the program transparent and accountable.

We urge legislators to study the other-state models and advance a tightly limited, transparent framework.

Sources

For printed copies, the source domain is shown in brackets at the end of each citation.

1. Colorado Constitution, Art. XVIII, Sec. 2 - bingo, lotto and raffles; supplementary legislation [codes.findlaw.com]
2. Colorado Secretary of State - Bingo-raffle license FAQ [sos.state.co.us]
3. HB13-1101 (2013), Progressive Raffles - enacted language [coloradosos.gov]
4. Colorado Secretary of State, 2013 Bingo & Raffle Newsletter - progressive raffles added as an allowable activity [coloradosos.gov]

5. Colorado Constitution, Art. XVIII, Sec. 9 - limited gaming and the constitutional definition of “slot machine” [olls.info]
6. Colorado Division of Gaming - What is limited gaming [sbg.colorado.gov]
7. HB24-1326, Bingo and Raffles Law continuation - bill page [leg.colorado.gov]
8. HB24-1326 amendment L.008 - new game types limited to Art. XVIII, Sec. 2(3) [leg.colorado.gov]
9. C.R.S. 24-21-631 - Colorado Charitable Gaming Board duties and limitation on new game types [law.justia.com]
10. Colorado Bingo and Raffles Law, including C.R.S. 24-21-619 - electronic pull-tab device restrictions and Section 9 cross-reference [coloradosos.gov]
11. *United States v. Arvay*, No. 24-1497 (10th Cir. June 29, 2026) (unpublished order and judgment) [ca10.uscourts.gov]
12. Colorado Attorney General Duane Woodard opinion to Alan N. Charnes (Aug. 4, 1983) - charitable casino-style games [casemine.com]
13. Colorado Attorney General Formal Opinion No. 14-03 - expansion of limited gaming and sweepstakes-style devices [coag.gov]
14. Colorado Attorney General Formal Opinion No. 18-02 - sports betting required a statutory, not constitutional, change [coag.gov]
15. *In re Proposed Initiative Bingo-Raffle Licensees (I & II)*, 915 P.2d 1320 (Colo. 1996) [law.justia.com]
16. Colorado Charitable Gaming Board report, October 2026 [coloradosos.gov]
17. New Mexico NMSA 60-2E-28 [law.justia.com]
18. New Mexico NMSA 60-2E-47 [law.justia.com]
19. New Mexico 15.1.10.32 NMAC [srca.nm.gov]
20. New Mexico Gaming Control Board FAQ - nonprofit gaming operators and licensed clubs [gcb.nm.gov]
21. Wyoming Gaming Commission - Skill Based Amusement Games [gaming.wyo.gov]
22. Wyoming Statutes 11-25-304 [law.justia.com]
23. Nebraska Mechanical Amusement Device Tax Act, as amended by LB685 (2024) [nebraskalegislature.gov]
24. Illinois Video Gaming Act [ilga.gov]
25. Illinois Gaming Board - Video gaming FAQ [igb.illinois.gov]
26. Ohio Revised Code 2915.14 [codes.ohio.gov]
27. Ohio Revised Code 2915.101 [codes.ohio.gov]
28. Ohio Attorney General - Electronic instant bingo [ohioago.gov]
29. West Virginia Code 29-22B-1101 - limited video lottery for qualifying 501(c)(8)/(10)/(19) organizations [code.wvlegislature.gov]
30. Office of Legislative Legal Services - Resolutions and memorials (referral rules) [leg.colorado.gov]
31. Colorado General Assembly - How to file initiatives [leg.colorado.gov]
32. Colorado Secretary of State - Initiative signature requirements [coloradosos.gov]
33. Colorado Charitable Gaming Board [coloradosos.gov]