

November 3, 2015

**Title 31 CFR Requirements**

The Colorado Division of Gaming has received information that legal and illegal marijuana operations may be using local casinos to launder their money. Legal operators do not have access to the Colorado banking industry and are often in possession of large sums of cash. They may be vulnerable to robbery, burglary or other types of violent crime and may believe it safer to launder money through the casinos rather than holding large sums of cash at their business locations.

Money laundering methods may include:

- Inserting large bills into an electronic gaming device, playing for a short time, obtaining a TITO ticket and redeeming the ticket at a later time.
- Exchanging cash for chips, retaining the chips for a period of time and exchanging them for larger bills and/or checks.
- Exchanging smaller denominations for larger bills at the cashier's cage.

They may be using other techniques as well.

This bulletin is intended to alert casino management in an effort to prevent cases of money laundering. It is essential that all casino employees, especially cashiers, dealers, slot technicians, kiosk personnel, and security officers be aware of the issues and alert casino management when they observe or are aware of any unusual financial transactions or suspected incidents of money laundering.

Casinos must be diligent to comply with IRS Title 31 CFR (anti-money laundering) reporting requirements. Consistent and timely reporting will document suspected incidents of money laundering and provide information necessary for any subsequent investigation.

Vigilance and effective communication is important to our collective success.