GAMING INDUSTRY BULLETIN 51

December 15, 2006

Revised: September 25, 2014

## **License Required for Manufacturer of Slot Machine**

C.R.S 12-47.1-501(1)(a) states in pertinent part:

"A slot machine manufacturer or distributor license is required for all persons who import, manufacture, or distribute slot machines in this state, or who otherwise act as a slot machine manufacturer or distributor."

Slot machines cannot be sold or distributed in Colorado unless the manufacturer of the slot machine is licensed in the state. Therefore, Colorado licensed manufacturer/distributors are prohibited from selling or distributing slot machines in Colorado manufactured by an unlicensed manufacturer.

However, a Colorado licensed manufacturer/distributor may import slot machines manufactured by an unlicensed manufacturer as long as the Division of Gaming is provided proof of such unlicensed manufacturer's registration with the United States Attorney General pursuant to the requirements set forth in the Johnson Act, and such machines are not sold or distributed in Colorado.

Additionally, a licensed retailer may sell slot machines manufactured by a manufacturer who is no longer licensed to a Colorado licensed manufacturer/distributor in order to remove them from the retailer's inventory. The licensed manufacturer/distributor may then sell them out of state.

## Other relevant citations:

C.R.S. 12-47.1-501(1)(c) C.R.S. 12-47.1-1102 C.R.S. 18-10-105 (1.5) 15 USC §§ 1171 et seq (Johnson Act)