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UNLICENSED VENDORS

Due to some recent problems with some slot machine products provided by an unlicensed vendor to some Colorado casinos, the Division is providing the following clarification for all casinos. Colorado Limited Gaming Regulations 47.1-1257, 1258, and 1259 address this issue. Component parts for a slot machine can only be procured from a Colorado licensed manufacturer or distributor. Regulation 1257 defines a component part as: (1) A component part of a slot machine is a part (including equipment, system, or device) which is necessary for the proper operation and essential function of the slot machine as it relates to accepting money or tokens, paying out money or tokens, determining or displaying the outcome of the game, record keeping, and security. Some examples of component parts are: hoppers, coin acceptors, microprocessors and related circuitry, programmed EPROMS, bill acceptors, progressive systems, slot monitoring systems that create their own slot machine meters, and any other parts the Division determines are component parts. (2) A component part does not include those parts which, if removed, do not impair the essential function of a slot machine, such as light bulbs, lamps, buttons, switches, speakers, wires, cabinets, decorative glass, batteries, fuses, screws, bolts, nuts, brackets, hinges, locks, springs, handles, payable glass, video display units, stepper motors, reel strips, and power supplies.

Casinos in Colorado may purchase non-component parts from unlicensed vendors after ensuring that the vendor is reputable and that the part will not affect the proper operation of the slot machine. For example, if a casino acquires a pay glass and reel strips for a slot machine from an unlicensed vendor, the casino is responsible to ensure that the pay glass and reel strips contain the same information and meet the same specifications as the original glass and reel strips provided by the licensed manufacturer. Since the Division does not license the vendor, the vendor cannot be held responsible for any problems with the glass, so the casino assumes all responsibility for the glass.

Further, Regulation 47.1-1259 states that "the licensed operator is responsible for ensuring that all service and repairs on its slot machines, including the installation or repairs of component parts such as, bill acceptors, progressive systems, slot monitoring systems, or other parts which would significantly alter the current or subsequent operation of the slot machine, are done correctly and are in compliance with Division of Gaming requirements." This means that any casino that performs installations or repairs on their slot machines assumes the full responsibility for those slot machines and any subsequent problems should they arise.