



STATE OF WASHINGTON
GAMBLING COMMISSION

"Protect the Public by Ensuring that Gambling is Legal and Honest"

February Gambling Commission Meeting Minutes
Hampton Inn & Suites 4301 Martin Way E. Olympia
Public Meeting
February 14, 2019

Commissioners Present:

Bud Sizemore, Chair
Julia Patterson, Vice Chair
Chris Stearns
Ed Troyer
Alicia Levy-via phone

Ex Officio Members Present:

Staff Present:

David Trujillo, Executive Director; Tina Griffin, Assistant Director; Brian Considine, Legal and Legislative Manager; Julie Lies, Tribal Liaison; Heather Songer, Public Information Officer; Julie Anderson, Executive Assistant; and Suzanne Becker, Assistant Attorney General.

Public Meeting Call to Order

Chair Bud Sizemore called the Gambling Commission meeting to order at 10:00 a.m. He announced that the commissioners would be going into executive session and that the estimated time for the public meeting to start was 12:00 p.m. In executive session, the commissioners discussed litigation, pending criminal investigations and tribal negotiations for approximately 90 minutes. The last 30 minutes of executive session was dedicated to discussing legal matters.

At 12:01 p.m., **Chair Sizemore** welcomed everyone to the Hampton Inn & Suites and introductions were made. He announced he would have to excuse himself from the meeting at or around 12:30 and Vice Chair Patterson would take over until his return. He estimated his return to be at 1:45 p.m. He also announced that Commissioner Levy would be joining the meeting via phone.

Chair Sizemore asked for a moment of silence to recognize law enforcement officers across the country and in this state who were lost in the line of duty since we last met.

There were 23 people in attendance.

Tab 1

Commissioner Patterson moved to approve the consent agenda as presented by staff. Commissioner Stearns seconded the motion.

The motion was passed 4:0

Commissioner Levy was not present for the vote.

Commissioner Patterson moved to approve the Class III certifications for the Snoqualmie and Cowlitz tribes.

Commissioner Troyer seconded the motion.

The motion passed. 3:0

Commissioner Levy was not present for the vote.

Commissioner Stearns abstained.

Director's Report

Director Trujillo directed the commissioners to the sports betting memo in their packets. There was no discussion about the memo.

Chair Sizemore left the meeting at 12: 35 p.m. Vice Chair Patterson took over chairing the meeting. At this time, Commissioner Levy joined the meeting via phone.

Vice Chair Patterson rearranged the agenda starting with Tab 6 so that the petitioners could catch their flight.

Tab 6

Petition Sci-Games

Brian Considine, Legal and Legislative Manager (**LLM**), presented the materials for this tab. Jacqueline Hunter, Director for Technical Compliance for Scientific Games, Bally Corporation and Michale Vizzo, Product Manager for Utility Product Line spoke about their petition. Scientific Games submitted a petition to change rules regarding gambling equipment secure connections. The change would allow specific gambling equipment - like card shufflers - to be connected to a secure network for billing purposes only.

Commissioner Patterson asked about the cost of doing this and if this would be available to both tribal and commercial card rooms. **Ms. Hunter** said that the current rate was 18 cents per shuffle. The minimum rate is \$125 per month. It is currently available in tribal casinos.

Commissioner Stearns moved to accept the petition and file the CR 101 notice of rule-making.

The motion was passed 4:0

The vote was unanimous.

Chair Sizemore was not present for the vote.

Tab 3

Defaults

LLM Considine, and Ashlie Laydon, Rules Coordinator, presented the materials for this tab.

Brenda M. Woodward, Class III employee certification revocation.

Staff recommended that commissioners revoke a Class III employee's certification, due to her criminal history. Ms. Woodward was originally granted a conditional certification. She violated the conditions when she was charged with new crimes.

Vice Chair Patterson asked if Ms. Brenda M. Woodward was in the audience. She was not.

Commissioner Stearns moved to revoke the Class III employee certification for Brenda M. Woodward.

Commissioner Troyer seconded the motion.

The motion passed 4:0

Rodney M. Madison, public card room employee license revocation.

Staff recommended that commissioners revoke a public card room employee's license. While Mr. Madison was working as a security officer, he was tasked with securing a patron's credit card that was left behind. Instead, he was caught on camera attempting to withdraw cash at an ATM. His employment was terminated by the card room on August 10, 2018.

Vice Chair Patterson asked if Rodney M. Madison was in the audience. He was not.

Commissioner Stearns moved to revoke the public card room employee license certification for Rodney M. Madison.

Commissioner Levy seconded the motion.

The motion passed 4:0

Hung Le, public card room employee license revocation.

Staff recommended that commissioners revoke a public card room employee's license. While working as a blackjack dealer, he helped three players cheat by exposing his hole card & manipulating the deck to reveal the next card. He encouraged/discouraged bets based on this.

Vice Chair Patterson asked if Hung Le was in the audience. He was not.

Commissioner Stearns moved to revoke the public card room employee license certification for Hung Le.

Commissioner Troyer seconded the motion.

The motion passed 4:0

Carlos Rodriguez Bravo, public card room employee license revocation.

Staff recommended that commissioners revoke a public card room employee's license for Mr. Bravo as he was charged with, and pleaded guilty to, violating a domestic violence no-contact order. He failed to report the charges to WSGC as required.

Vice Chair Patterson asked if Mr. Bravo was in the audience. He was not.

Commissioner Stearns moved to revoke the public card room employee license certification for Carlos Rodriguez Bravo.

Commissioner Levy seconded the motion.

The motion passed 4:0

Duchess Tavern, Punchboard/Pull-Tab license suspension.

Staff recommended that commissioners suspend the punchboard/pull-tab license for Duchess Tavern in Seattle, as a result of failure to file reports and pay fees that were due on 10/30/18. However, payment was made within the last few days, so the licensee would be able to continue operations. The suspension decision would be documented in the licensee's file.

Commissioner Patterson asked for clarification on the different licenses for business entities and corporations. **Commissioner Stearns** asked for clarification on the quarterly payment amount that was due for a corporation.

Vice Chair Patterson asked if a representative from Duchess Tavern was in the audience. There was not.

Commissioner Troyer moved to suspend the Punchboard/Pull-Tab license for Duchess Tavern.

Commissioner Stearns seconded the motion.

The motion passed 4:0

Tab 5

Raffle Request: Puget Sound Flyers

Assistant Director (AD) Tina Griffin presented the materials for this Tab. AD Griffin introduced Mr. Richard Newman from the Puget Sound Flyers to the commissioners. Commissioners voted unanimously to approve the Puget Sound Flyers' request to exceed the \$40,000 raffle prize limit. They will be raffling off a single-engine plane.

Commissioner Stearns moved to approve the request to exceed the 40k raffle prize limit for Puget Sound Flyers.

Commissioner Troyer seconded the motion.

The motion passed 4:0

Tab 7

Petition for Rule Change: Trade Shows

LLM Considine presented the materials for this tab. In January, commissioners voted to enter into rule-making to clarify requirements for trade shows, including transportation and storage of gambling equipment. Commissioners voted unanimously to initiate rule-making regarding trade shows. The staff petition for rule change seeks to clarify requirements for trade shows, including transportation and storage of gambling equipment. In order to be deployed on Indian Lands, Tribal Lottery Systems have to be approved and go through the process. LLM Considine stated that at a trade show, oftentimes people are trying to determine whether or not a system or game is even viable. There was discussion among the commissioners and staff regarding next steps. Draft language will be presented at the next meeting.

Tab 8

2019 Legislative Update

LLM Considine presented the material for this tab.

Commissioners voted unanimously to support HB1929 and HB1919, which amend definitions and strengthen penalties for animal abuse and animal fighting paraphernalia.

Commissioners also voted unanimously to support HB1159 and SB5248, which changes the definition of theft to include when a person conceals the property of another intending that the concealment will deprive the other person of its use or benefit.

Commissioners voted unanimously to support HB1356, which modifies peer support group counselor provisions regarding privileged communication.

Chair Sizemore returned to the meeting at 1:40 p.m.

Tab 4

Petition for Review – Numerica Credit Union

LLM Considine addressed the materials for this Tab. Ms. Shelley Ripley (via phone) represented Numerica Credit Union (NCU) case number CR 2018-00200.

LLM Considine, stated “How the Gambling Commission views this was that, by our action last month we have said that credit unions are a bonafide non-profit for our statute, and that utilizing the existing rules that we have to continue the licensing process for Numerica, and to give us an update in May. LLM Considine asked if that was an accurate depiction of what we were after.

Whereas, **Ms. Ripley** replied, Yes. **Chair Sizemore** stated that the Commission would like Numerica to get a license no later than May.

Chair Sizemore called for public comment. There was no public comment.

Commissioner Troyer moved to approve the motion to file the CR 101, notice of rulemaking.

Commissioner Stearns seconded the motion.

The motion passed unanimously.

Tab 2

Problem Gambling Study

Dr. Kahlil Philander (WSU) and Dr. Ty Lostutter (UW) presented the results of their study on the availability of services for problem gamblers and their families, and their analysis of current prevention, treatment and recovery programs and services in our state. Staff discussed key findings and recommendations from problem gambling study. There should be two legislative priorities for 2019-20 legislative cycle – (1) create a statewide voluntary self-exclusion program, and (2) form a joint legislative task force on problem gambling.

Commissioners voted unanimously to support HB1880 and SB5818, which would create a legislative task force on problem gambling.

Chair Sizemore called for public comment.

Public Comment

Maureen Greeley, Evergreen Council on Problem Gambling. Ms. Greeley thanked the commission for contracting for the study by WSU and UofW. Even though it was a very tight timeframe to get this study done, there were a number of us who said, "Don't even attempt it, don't try it, don't go there because there isn't enough time or funding" she said. In her opinion, there were positives that come from the study. The most positive thing to come out of the study was this public forum and sharing that information. Though there have been brief studies done since the 1990s, nothing has been as extensive as the prevalence studies. This is the most complete discussion that has come out of any report that's been done since that time, and I think that's a great credit to the researchers, also to the people who participated in it. There are certain areas that you as a regulatory agency want to address and there are other areas you are going to say, "Not our bailiwick, somebody else needs to deal with this as a public health or social services area." And we are one of the partners who wants to help deal with that. So on the two areas that you brought up as most important. The study contains a wide range of results and recommendations, and among the key findings were suggestions regarding the need for comprehensive responsible gaming policies and training. Self-exclusion is one part of that, and a very important part of an overall responsible gaming policy or programs created by operators and partners to ensure a comprehensive program to meet the needs of guests and patrons according to Ms. Greeley.

Roxane Waldron, MPA, Problem Gambling Program Manager, Behavioral Health Programs Division of Behavioral Health and Recovery commented that as the program manager for the State Problem Gambling Program, on behalf of the Health Care Authority/Division of Behavioral Health & Recovery, extend her appreciation for this major efforts that the Problem Gambling Study Report represents to quantify the problem needs, treatment, and services in WA State. She says they have three main priorities for the State Problem Gambling Program in the next 6-24 months:

- Identifying greatest needs for problem gambling treatment providers and coordinate with partners to increase access to care, especially focusing on outside the I-5 corridor and priority populations such as Asian, African-American Tribal, and Youth.
- Adopting at least one treatment outcome measure to track effectiveness of state treatment program over time. Other states, such as California, are using more robust methods and we can learn from them.
- As part of behavioral health integration, increasing coordination with internal Health Care Authority Prevention and Communications units as well as the Department of Health. Currently updating the state program materials, website, and preparing for Problem Gambling Awareness Month in March.

Ms. Waldron also said she would be willing to present to the Gambling Commission on their addiction programs.

Dolores Chiechi, Executive Director, Recreational Gaming Association (RGA). Ms. Chiechi said “I wanted to speak to the task force legislation that's up for a hearing tomorrow, and just so no one's blindsided, while we will be supporting the bills we will also be mentioning that we think that is the horse, and the cart is the self-exclusion legislation. So, let's do the task force, look at everything we need to be doing, and then perhaps at a future date that self-exclusion program will come in. As you can imagine, what came to light in the study today makes us even more leery that in the future, in the next two years, that there will be full participation. So, I just wanted to make sure everybody is aware that's going to be our testimony at the hearing tomorrow.”

Commissioner Patterson asked **Ms. Chiechi** if RGA was no longer planning to support the self-exclusion bill.

Ms. Chiechi stated, “Correct. Although, RGA supports the concept of self-exclusion, we believe that the task force was the pre-requisite to self-exclusion.”

Other Business/General Discussion/Public Comment

Chair Sizemore called for any further comment. There were no further comments.

The next commission meeting will be on March 14 at the Hampton Inn & Suites Olympia/Lacey

Meeting adjourned at 3:58 p.m.