



STATE OF WASHINGTON  
GAMBLING COMMISSION

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

**November Gambling Commission Meeting Minutes**

Hampton Inn and Suites

4301 Martin Way E.

Olympia, WA 98516

**Public Meeting**

**November 14, 2019**

**Commissioners Present:**

**Bud Sizemore, Chair**

**Julia Patterson**

**Chris Stearns**

**Ed Troyer**

**Alicia Levy**

**Ex Officio Members Present:**

**Senator Steve Conway**

**Representative Shelley Kloba**

**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 Sizemore** called the Gambling Commission meeting to order at 10:06 a.m. and welcomed everyone to the Hampton Inn. Chair Sizemore acknowledged a moment of silence to recognize law enforcement officers who were lost in the line of duty since our last meeting.

Chair Sizemore announced that Commissioner Levy was stuck in traffic and would join the meeting as soon as she could.

There were 26 people in the audience.

**Tab 1**

*Commissioner Patterson moved to approve the consent agenda as presented by staff.*

*Commissioner Stearns seconded the motion.*

*The motion passed 4:0*

*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 Stearns abstained.*

**Director's Report**

**Director Trujillo** announced that Chief Information Officer Sayee Vaitheesvaran started at the Gambling Commission on October 16. He brings 25 years of technology and leadership

experience to the agency. Director Trujillo also mentioned that he attended the Washington State Centennial Accord Meeting on Nov. 7, 2019. The agenda covered tribal leader round table discussion as well as reports from the Tribal Tax Advisory group and the Travel Safety Advisory Board. He also highlighted the house-banked cardroom summary of activity report, noting that in 2005-2006, the number of house-banked cardroom licensees was as high as 97, and 2018, as low as 47. The full report was handed out to the commissioners at the meeting. Director Trujillo mentioned that he received a letter from the Board of Directors of the Midwest Gaming Investigators and Regulators, thanking Special Agents Egon Dezihan and Tony Czar for their presentations on bookmaking and investigating operations. Director Trujillo read the letter from the Board to the commissioners for the record. He recognized Assistant Director Tina Griffin and her team because their work continues to demonstrate why the Gambling Commission is recognized nationally as experts in the field of illegal sports wagering enforcement. Lastly, Director Trujillo mentioned the Comprehensive Health Care Authority's Request for Proposal for the Problem Gambling Task Force Facilitator closes Nov. 15, 2019 at 3:00 p.m. The Gambling Commission and the Health Care Authority will collaborate to select the facilitator, who will begin work in early 2020.

### **Staff Recognition**

Director Trujillo announced that the Nov.14, 2019 Gambling Commission meeting would be Commissioner Stearns' last commission meeting. Commissioner Stearns was recently elected to the Auburn City Council. Director Trujillo presented Commissioner Stearns with a plaque and a letter from the Governor acknowledging his years of service to the citizens of Washington. He also presented Commissioner Stearns with a Medal of Merit for all the hard work he has done for the Gambling Commission. Chair Sizemore and the commissioners thanked Commissioner Stearns for his significant contributions to the community and to the gambling industry over the years. Commissioner Stearns thanked the Commission for a wonderful opportunity.

Director Trujillo also recognized two Gambling Commission staff members who have significant years of service with the agency and the state of Washington. Tribal Liaison Julie Lies and Fiscal Analyst Lori Boyd both have 30 years of service. Director Trujillo presented Ms. Lies and Ms. Boyd with certificates of service. Chair Sizemore announced a short recess for photo to commemorate the moment.

### **Tab 2**

#### **Petition for Review Christopher R. Dotson**

**Mr. Christopher Dotson** appeared pro se and argued that the Commission should grant his petition for review. **Assistant Attorney General Kellen Wright** appeared on behalf of commission staff and argued for denial of Mr. Dotson's petition for review.

After deliberation, the commissioners agreed with the administrative law judge's decision to revoke Mr. Dotson's public card room employee license.

### **Tab 3**

#### **Petition for Review Gregory P. Means**

**Attorney Bryan Hershman** appeared on behalf of licensee Greg Means and argued that the Commission should grant his client's petition for review. **Assistant Attorney General Kellen**

**Wright** appeared on behalf of commission staff and argued for denial of Mr. Means' petition for review.

After deliberation, the commissioners granted Mr. Means' petition for review and remanded the case back to the administrative law judge to allow Mr. Means to file a response to the Commission's summary judgment motion.

#### **Tab 4**

##### **Petition to Adopt – Credit Union Raffles Packet**

**Rules Coordinator Ashlie Laydon** presented the materials for this tab and recommended that the commissioners adopt the final proposed credit union raffle rules. **Chair Sizemore** asked if these raffles were members-only raffles or open to the public. **Ms. Laydon** replied that these raffles were members only.

*Commissioner Troyer moved to approve the Credit Union Raffle Rules for final action with an effective date of 31 days after filing with the Code Reviser's Office.*

*Commissioner Stearns seconded the motion.*

*The motion passed. 5:0*

**Chair Sizemore** thanked staff for the work on this rules packet.

#### **Public Comment**

**John Beetle, Seattle Junior Hockey League** informed the commissioners that he was working with Representative Carolyn Eslick on a bill to amend the current sports boards' statute, RCW 9.46.0335. The bill would raise the maximum wager limit from \$1 to \$5 and raise the number of sports boards per event from one to two boards.

Senator Steve Conway and the commissioners discussed the possibility of moving the authority to set sports board wagering limits and number of board limits from statute to the Commission's rule-making authority, consistent with most other gambling activities. Mr. Beetle stated that he did not have any issue with this idea and would pass the information along to Representative Eslick.

**Commissioner Stearns** asked if he knew how many bars offer sports boards. **Mr. Beetle** replied, "Almost everyone". **Commissioner Troyer** asked Director Trujillo if there was a way to make this change by rule. Director Trujillo replied that the wager limit is set in statute; there are no rules that govern sports pools. **Chair Sizemore** asked what happens if a winning square does not get claimed. **Mr. Beetle** replied, "The establishment holds onto the winning money until after the Superbowl. If the money isn't claimed by then the winning amount is given to the person responsible for running the boards all year." **Chair Sizemore** also informed Mr. Beetle that he should talk with LLM Considine about any bill language he is proposing and ensure that Mr. Considine is aware of any changes to this bill so he can properly monitor the situation for the commissioners.

#### **Public Comment**

**Chris Dodson** addressed the Commission and asked that it take a closer look into its policies and procedures for notification and the mailing system.

### **Executive Session**

**Chair Bud Sizemore** announced that the Commission would take a short break for executive session at 12:20 p.m. to discuss pending criminal investigations, tribal negotiations and litigations. He announced that the meeting would reconvene at 1:30 p.m.

### **Tab 5**

#### **Petition to Repeal-Poker Wager Limits**

**Rules Coordinator Ashlie Laydon** and LLM **Brian Considine** presented the materials for this tab and provided commission staff's basis for their recommendation to deny the petition.

### **Public Comment**

**George Teeny** provided public comment for an increase in card room wager limits.

**Commissioner Troyer** asked if the commissioners could amend the petition to focus on an increase in current house-banked card room wager limits. **LLM Considine** informed Commissioner Troyer that the commissioners likely could not take such action. However, Mr. Teeny could file a separate rules petition requesting an increase in the wager limit and, if done timely, could be presented to the commissioners for review at their January meeting.

*Commissioner Troyer moved to deny the removal of the poker wager limits because it is not in the spirit of social gaming and because expanding gambling should be done through legislation.*

*Commissioner Stearns seconded the motion.*

*The motion passed. 5:0*

### **Tab 6**

#### **Gambling Commission Financial Update**

**Chief Financial Officer (CFO) Chris Stanley** presented the quarterly financial update to the commissioners. CFO Stanley stated that the overall health of the agency was good.

### **Tab 7**

#### **Special Olympics of Washington**

**Special Agent (SA) Donna Khanhasa** presented the materials for Special Olympics 2019 Western Washington Enhanced Raffle Results. Meryl Newman Chief Financial Officer, of Special Olympics; Mary Do, Senior Vice President of Development, for Special Olympics and Jaymelina Esmele, Director of Marketing for Special Olympics presented on behalf of Special Olympics. They discussed the 2019 results and answered questions. SA Khanhasa presented the materials for Special Olympics 2020 Western Washington Enhanced Raffle Plan. **Meryl Newman** presented on behalf of Special Olympics, and discussed the 2020 enhanced raffle plan and answered questions.

*Commissioner Stearns moved to approve the licensee's 2020 enhanced raffle plan as presented by staff.*

*Commissioner Levy seconded the motion.*

*The motion passed. 4:0*

*Commissioner Troyer abstained.*

## **Tab 8**

### **AmVets Tacoma Program Review**

**Special Agent (SA) Greg Allen** presented the materials for this tab. SA Allen completed a program review for AmVets Tacoma, which is a nonprofit organization that encourages fellowship among veterans. SA Allen found that AmVets Tacoma complied with all gambling rules and laws last year and is suitable for continued licensure. Communications Officer, Danette Gundy; General Manager, Christopher Chance; and Commander Chuck Wharton of AmVets Post 1 presented a short video and were available to answer questions.

## **Tab 9**

### **Sports Gambling Presentation**

LLM **Brian Considine** presented the materials for this tab. LLM Considine discussed the sports gambling black market in Washington State and provided examples of how illegal bookies operate from within the state and how illegal offshore internet books operate. He also discussed the importance of sports gambling wagering integrity and the need for strong money laundering and problem gambling laws and policies if sports gambling is authorized in the state.

**Chair Sizemore** thanked everyone for their time and for what they do.

## **Tab 10**

### **Problem Gambling Update**

LLM **Brian Considine** and Health Care Authority Problem Gambling Program Manager **Roxane Waldron** presented the materials for this tab. Ms. Waldron provided a timeline overview for the Problem Gambling Task Force. She indicated that a facilitator has been identified and the first meeting would likely be Jan. 6, 2020.

LLM **Considine** discussed the timeline for the agency's self-exclusion rule-making, indicating that he recommends commissioners begin review of final rule language no later than their January 2021 public meeting, and have all final rule language passed for filing no later than their May 2021 public meeting. LLM Considine confirmed with the commissioners that their preference is for staff to lead a rules work group and identify stakeholders for that workgroup. Then, the workgroup will send proposed rules and decision points to the commissioners for their review/approval, as needed.

### **Public Comment**

**Denny Eliason** spoke on behalf of the Washington Hospitality Association. He said that they represent a large portion of the hotels and restaurants in the state. **Bob Materne**, owner and operator of the Swinging Doors Restaurant in Spokane, and **Jon Scheffler**, representing Games Away, presented to the Commission. They informed the commissioners that they were working on a bill to increase the current pull-tab wager limit in RCW 9.46.110 from \$1 to \$5 and would likely ask that pull-tab prize rules change in 2020. **Chair Sizemore** invited them to stay after the meeting to speak to staff about the rule making process.

**Chair Sizemore** announced that the next meeting will be at the Hilton Garden Inn on Jan. 9, 2020.

The meeting adjourned at 4:29 p.m.