



**WASHINGTON STATE
GAMBLING COMMISSION PUBLIC
MEETING - November 2017**

Hampton Inn and Suites
4301 Martin Way E.
Olympia, WA

COMMISSIONERS



Bud Sizemore
Chair



Julia Patterson
Vice Chair

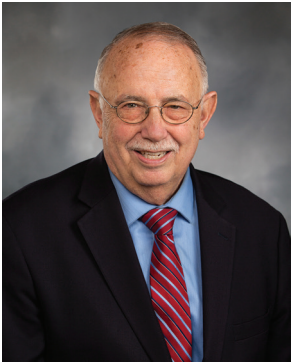


Ed Troyer



Chris Stearns

EX OFFICIOS



Senator
Steve Conway



Senator
Lynda Wilson



Representative
David Sawyer



Representative
Brandon Vick

STAFF



David Trujillo
Director



Amy Hunter
Deputy Director





**STATE OF WASHINGTON
GAMBLING COMMISSION**

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

**Hampton Inn and Suites
4301 Martin Way E., Olympia, WA 98516
November 16, 2017**

Please note, agenda times are estimates only. Items may be taken out of sequence at the discretion of the Chair.

10:30 AM	Rules Discussion – Public Welcome	<i>Amy Hunter, Deputy Director Tina Griffin, Assistant Director</i>
11:00 AM	Call to Order	<i>Bud Sizemore, Chair</i>
	Executive Session - Closed to the Public Discuss Pending Investigations, Tribal Negotiations, and Litigation The public meeting will reconvene at approximately 12:30 pm	
PUBLIC MEETING		
ADMINISTRATIVE PROCEDURE ACT PROCEEDINGS		
12:30 PM	Welcome and Introductions	<i>Bud Sizemore, Chair</i>
Tab 1	Consent Agenda (Action) <ul style="list-style-type: none"> • October 12, 2017 Commission Meeting Minutes • October 19, 2017 Special Commission Meeting Minutes • New Licenses and Class III Employees Class III Employees/Snoqualmie (Action) Defaults <ul style="list-style-type: none"> • Charles Dangerfield – Card Room License Revocation (Action) • Dezaray J. Pacheco – Class III Certification Revocation (Action) 	<i>Haylee Mills, Staff Attorney</i>
Tab 4	Presentation -Special Olympics of Washington <ul style="list-style-type: none"> • Program Review (Action) • 2017 Western Washington Enhanced Raffle Results • 2018 Western Washington Enhanced Raffle Plan Request (Action) 	<i>Kevin Maxwell, Special Agent Tina Griffin, Assistant Director</i>
ADMINISTRATIVE PROCEDURE ACT PROCEEDINGS		
RULE UP FOR DISCUSSION AND POSSIBLE FILING		
Tab 6	Staff Request for Rule Changes/Fee Simplification (Package #3) <ul style="list-style-type: none"> • WAC 230-05-175 Individuals license fees (Action) 	<i>Tina Griffin, Assistant Director</i>
ADMINISTRATIVE PROCEDURE ACT PROCEEDINGS		
RULE UP FOR FINAL ACTION		
Tab 10	Petition for Rule Change (Ducks Unlimited) WAC 230-11-087 Other pricing plans for members-only raffles (Action)	<i>Tina Griffin, Assistant Director</i>

ADMINISTRATIVE PROCEDURE ACT PROCEEDINGS

RULES UP FOR FURTHER DISCUSSION

Tab 7	<p>Staff Request for Rule Changes/Fee Simplification (Package #1) <i>Tina Griffin, Assistant Director</i></p> <ul style="list-style-type: none"> • Chapter 230-05 Fee Rules • Chapter 230-03 Permitting and Licensing Rules
Tab 8	<p>Staff Request for Rule Changes/Fee Simplification (Package #2) <i>Tina Griffin, Assistant Director</i></p> <ul style="list-style-type: none"> • Chapter 230 - 06 Rules for all licensees. • Chapter 230 - 07 Charitable and nonprofit rules. • Chapter 230 - 09 Fund-raising event rules. • Chapter 230 - 10 Bingo rules. • Chapter 230 - 11 Raffles. • Chapter 230 - 13 Amusement game rules. • Chapter 230 - 14 Punchboard and pull tab. • Chapter 230 - 15 Card game rules. • Chapter 230 - 16 Manufacturer, distributor, and gambling service supplier rules. • Chapter 230 - 17 Brief Adjudicative Proceedings. • WAC 230-03-085 Denying, suspending, or revoking an application, license or permit. • WAC 230-05-102 All licensed organizations report activity quarterly beginning with the July 1, 2018 through September 30, 2018 quarter.
	<p>New Petition for Employees Contributing and Winning Player Supported Jackpots (Meir Lowenthal) WITHDRAWN</p> <ul style="list-style-type: none"> • WAC 230-15-410 Owners, prize fund custodians, and card room employees participating in player supported jackpots.
Tab 9	<p>Staff Request for New Rule <i>Tina Griffin, Assistant Director</i></p> <ul style="list-style-type: none"> • WAC 230-17-192 Submission of electronic or mechanical gambling equipment during rule making
Tab 3	<p>Presentation -2017 G2E Update <i>Jennifer Lamont, Agent In Charge</i> <i>Melissa Velencia, Lab Administrator</i></p>
Tab 2	<p>Presentation - Legal and Records Unit Update <i>Brian Considine, Legal and Legislative Manager</i></p>
Tab 1	<p>2018 Legislative Update <i>Brian Considine, Legal and Legislative Manager</i></p>
Tab 1	<p>Director's Report <i>David Trujillo, Director</i></p>
	<p>Other Business/General Discussion/Public Comments</p>
	<p>Meeting Adjourn</p>

Upon advance request, the Commission will pursue reasonable accommodations to enable persons with disabilities to attend Commission meetings. Questions or comments pertaining to the agenda and requests for special accommodations should be directed to Julie Anderson, Executive Assistant at (360) 486-3453 or TDD (360) 486-3637. Questions or comments pertaining to rule changes should be directed to the Rules Coordinator (360) 486-3447.



STATE OF WASHINGTON
GAMBLING COMMISSION

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

October Gambling Commission Meeting Minutes

Hampton Inn & Suites 4301 Martin Way E.
Olympia, WA 98516

**Public Meeting
October 12, 2017**

Commissioners Present:

Bud Sizemore, Chair
Kelsey Gray, PhD.
Chris Stearns
Ed Troyer

Ex Officios Present:

Senator Steve Conway

Staff Present:

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

Executive Session Call to Order

Chair Sizemore called the October Gambling Commission Meeting to order at 11:10 a.m. and immediately went into Executive Session to discuss Tribal Negotiations, Pending Investigations and Litigation.

Public Session Call to Order

Chair Sizemore called the Gambling Commission to order at 1:05 p.m. and welcomed everyone to the Hampton Inn & Suites and introductions were made.

There were 30 people in attendance.

Tab 1

Consent Agenda:

September Commission Meeting Minutes/ New Licensees

Commissioner Gray moved to approve the Consent Agenda as presented.

Commissioner Stearns seconded the motion.

The motion passed. 4:0

Snoqualmie Class III Gaming Employees Licensees

Commissioner Gray moved to approve Snoqualmie Class III Gaming Employees as presented.

Commissioner Troyer seconded the motion.

The motion passed. 3:0

Commissioner Stearns abstained.

Director's Update:

Director Trujillo reported on a recent visit he and Julie Lies had with the Yakama tribal leaders and their staff. The meeting was coordinated by the Governor's Office of Indian Affairs and included many other state agencies. He introduced Tommy Oakes, Special Agent Supervisor for the Law Enforcement Unit to the Commissioners and mentioned Chair Sizemore was able to attend the Swearing in Ceremony that was held at the Gambling Commission Headquarters October 11, 2017. Director Trujillo updated the Commissioners on the 2017 Centennial Accord Ceremony that was held October 10, 2017 at Swinomish Casino. He, along with Julie Lies and Commissioner Stearns attended the celebration. Commissioner Stearns shared some of the topics that were covered at Centennial Accord. Commissioner Stearns was pleased to announce that the Accord was very well attended. Director Trujillo gave an update on the agency's upcoming Re-Accreditation process that will occur in early 2018. He directed the Commissioners to the House bank card room activity report that was in their Commission packet. Director Trujillo announced that Commissioner Gray would be retiring from the Commission and that this meeting would be her last meeting. The Gambling Commission presented Commissioner Gray with a token of appreciation for her term on the Commission and Chair Sizemore read the letter of appreciation from the Governor.

Commissioner Stearns spoke briefly about World Mental Health Awareness day. He reminded everyone that the national council on problem gambling estimates that 1 in 5 gambling addicts attempts suicide.

Tab 2 Defaults

Staff Attorney, Haylee Mills presented the materials for Tab 2.

***Commissioner Troyer moved to revoke the Class III Certification for James D. Garner.
Commissioner Gray Seconded the Motion.
The Motion passed. 4:0***

***Commissioner Troyer moved to revoke the Card Room License for Anthony Ward.
Commissioner Stearns seconded the Motion.
The Motion passed. 4:0***

***Commissioner Stearns moved to revoke the Card Room License for Justin O. Madison.
Commissioner Gray seconded the Motion.
The Motion passed 4:0***

Commissioner Troyer asked if the information regarding Wesley L. Johnson was forwarded to the prosecutor's office or if there are plans to send it forward based on this specific dollar amount. Ms. Mills explained based on the information that was found during the investigation, it was not referred to the prosecuting authority. Commissioner Stearns asked for clarification on whether Wesley L. Johnson received warning for failing to make the said transfer. Haylee explained that he had received prior warning for prior conduct. Director Trujillo interjected that Wesley L. Johnson did not take the said funds, they just weren't transferred to his account but the money was preset. Ms. Mills confirmed Director Trujillo's statement.

*Commissioner Troyer moved to revoke the Card Room License for Wesley L. Johnson.
Commissioner Gray seconded the Motion.
The Motion passed. 4:0*

*Commissioner Troyer moved to revoke the Card Room License for Nouviris Real.
Commissioner Gray seconded the Motion.
The Motion passed. 4:0*

Tab 3

Staff Request for Rule Changes/Fee Simplification (Package #2)

Assistant Director, Tina Griffin, and Legal and Legislative Manager, Brian Considine presented the materials for Tab 3. This Rule Changes/Fee Simplification packet is the second of at least packets to be brought before the Commission for the Fee Simplification. Senator Conway asked if all changes have been distributed to the licensees. AD Griffin confirmed that these changes have been posted on the website. She also mentioned that the website has all the updated information including a fee calculator.

Chair Sizemore asked for public comment after each chapter in Tab 3 individually.

Chapter 6, Rules for all Licensees. No comment.

Chapter 7, Charitable and nonprofit rules. No comment.

Chapter 9, Fund-raising event rules. No comment.

Chapter 10, Bingo rules. No comment.

Chapter 11, Raffles rules. No comment.

Chapter 13, Amusement game rules. No comment.

Chapter 14, Punchboard and Pull tab rules. No comment.

Chapter 15, Card game rules. No comment.

Chapter 16, Manufacturer, distributor, and gambling service supplier rules. No comment.

Chapter 5, WAC 230-05-102. No comment.

Chair Sizemore asked Mr. Considine to join the table to continue the presentation. Mr. Considine presented the material for Chapter 17, Brief Adjudicative Proceedings (BAP) rules.

Commissioner Stearns asked for clarification on the presiding officer and the discretion they have to convert any BAP to a formal proceeding whenever it appears. Mr. Considine clarified the question and agreed with what Commissioner Stearns heard. Chair Sizemore asked for public comment.

Public Comment: There was no public comment.

*Commissioner Stearns moved to file the Rule Changes/Fee Simplification Package #2 as presented by staff with an effective start date of July 1, 2018.
Commissioner Gray seconded the Motion.
The Motion passed. 4:0*

Tab 4

Petition for Rule Change to Restrict Employee Gambling at their Place of Employment (Great American Gaming)

Assistant Director, Tina Griffin introduced the other presenters for Tab 4. Richard Proctor, Regional General Manager for Great American Gaming Corporation and Stacey Hess Regional Manager of Surveillance and Compliance of Great American Gaming Corporation. AD Griffin said the petitioners are seeking to restrict employees from gambling at the facilities where they work. This petition excludes the game of poker. Poker games or pot games need to allow employees to participate in the games. Mr. Proctor stated that they put forward this rule change and it does not include poker. As an industry, Mr. Proctor believes that they have a responsibility to protect their internal as well as external stakeholders. By facilitating, enabling, encouraging, or requiring employee gambling in the workplace, it is not only disingenuous to our employees but a direct contradiction to the vision statement of the Washington State Gambling Commission, which states providing a workplace that allows employees to excel at their jobs. Senator Conway asked why Great American Gaming Corporation considered poker an exemption from gambling. Mr. Proctor explained that in his opinion poker is a player-banked game verses a house-banked game.

Chair Sizemore asked for public comment. Rich Lemieux, representing Wizard's Casino in Burien, Washington commented that he is originally from Las Vegas, operates Wizards Casino, and is not in favor of this rule. Maureen Greeley, representing Evergreen Council of Problem Gambling said she didn't have any particular feeling, one way or the other, on how the Gambling Commission moves forward on this rule. Except, that there are several things that have happened over the past 5 to 10 years. - and Senator Conway knows this better than anyone in the room - on how we have expanded our understanding of responsible gaming, and problem gambling, and put into place effective measures to deal with it. And yet we still have a long way to go. I have to compliment the industry in our state, as well as the Commission for being proactive in the area of responsible gaming and problem gambling. Ms. Greeley spoke specifically about the August meeting where Special Agent Lisa Saila, Gambling Commission's Problem Gambling Liaison, spoke at length about problem gambling and responsible gaming measures. Ms. Greenly mentioned that Commissioner Patterson, Senator Conway, and Commissioner Stearns came forward with measures that they would like the Gambling Commission staff to work with Evergreen Council on Problem Gambling, and with others in the field. Ian Rawley, representing The Black Pearl in Spokane, Washington, thanked Mr. Proctor for clarifying that he intended not to include poker in his rule petition. Mr. Rawley said they do not encourage gambling. He recognized that a small percentage of their business would be reliant on employee participation. But, he is not in favor of this rule. Gary Malcolm, General Manager of Macau Casino in Lakewood, and is also speaking for Caribbean Casino and Macau Casinos said he spoke to Bill Zender regarding this rule quite a bit. Mr. Zender is a game protection expert. Mr. Zender's job is to protect the house and protect the businesses and he will also tell you that this is the most unique gaming environment in the world. Mr. Malcolm is not in favor of this rule.

After hearing the public comment the Commission took a short break. When the Commission reconvened the petitioner decided during the break to withdraw his petition. No Motion Needed.

Tab 5

Staff Request for Rule Changes/Fee Simplification (Package #1)

Assistant Director, Tina Griffin presented the materials in Tab 5. This packet is the first of at least three fee simplification packets to be brought before the Commission. This packet was first heard at the September Meeting and will be up for Final Action at the January Commission Meeting. The Commissioners had no comments on this packet.

Public Comment: There was no public comment.

Tab 6

Staff Request for New Rule – Gambling Equipment

Assistant Director, Tina Griffin presented the materials for Tab 6. Staff is requesting a new rule to require a manufacturer or its designee to submit electronic or mechanical gambling equipment for evaluation during rule-making. This petition was up for further discussion.

Public Comment: There was no public comment.

Tab 7

Petition for Rule Change – Ducks Unlimited

Assistant Director, Tina Griffin presented the materials for Tab 7. This rule was up for further discussion and Final Action will be at the November meeting. There were no questions from the Commissioners.

Public Comment: There was no public comment.

Other Business/General Discussion/Public Comment

Deputy Director, Amy Hunter introduced the new Lab Administrator, Melissa Velencia. Melissa has worked for the agency for 17 years and was acting Lab Administrator while the recruitment process took place. Congratulations Melissa.

Commission meeting adjourned at 4:42 pm.



STATE OF WASHINGTON
GAMBLING COMMISSION

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

October Special Gambling Commission Meeting Minutes

John L. O'Brien Building
Hearing Room D
Olympia, WA

Public Meeting October 19, 2017

Commissioners Present:

Bud Sizemore, Chair
Chris Stearns
Ed Troyer

Ex Officios Present:

Senator Steve Conway
Senator Lynda Wilson
Representative Brandon Vick
Representative David Sawyer

Staff Present:

David Trujillo, Director; Amy Hunter, Deputy Director; Tina Griffin, Assistant Director; John Meader, Assistant Attorney General; Julie Lies, Tribal Liaison; Heather Songer, Public Information Officer; Julie Anderson, Executive Assistant.

Public Session Call to Order

Chair Sizemore called the Special Gambling Commission meeting to order at 12:36 pm and welcomed everyone to the John L. O'Brien building and introductions were made.

There were about 10 people in attendance.

Tab 1

Puyallup Tribe of Indians Compact Amendment

Bill Sterud, Chairman, Puyallup Tribe of Indians, David Bean, Puyallup Tribe Council Member, David Trujillo, Director WSGC, Frank Wright, General Manager, Emerald Queen Casinos and Julie Lies, Tribal Liaison WSGC presented the materials for the Puyallup Tribe of Indians Compact Amendment.

Chair Sizemore stated that "This is the first of two amendments that will reflect current regulatory practices, reduce duplication between tribal and state regulators and clarify the roles for each party."

Below is a summary of the major changes in the proposed amendment.

- Restriction on Electronic Benefits Cards: Each tribe must ensure all cash dispensing outlets and point of sale machines within its gaming facilities do not accept electronic benefits cards.

- Player Terminal Allocations: Each tribe's allocation of player terminals (gaming machines) is increased from 975 to 1,075. In addition, the proposed amendment does not change the maximum number of machines allowed at a facility.
- Annual Regulatory Fees
- Cost Allocation: Regulatory fees for each tribe's gaming activities shall be determined according to the state's current cost allocation model. The amendment eliminates the 10% pre-payment discount, credit, and alternative regulatory fee agreement options.
- Revisions to the State's Cost Allocation Model: The state may revise its cost allocation model upon 90-day notice to a tribe. In the event of a dispute, the parties shall meet informally then follow the Regulatory Fee Dispute section in Appendix X2, if needed.
- Audit: The state shall give each tribe an audited accounting of its actual costs by April 30 of the following year.
- Problem Gambling Smoking Cessation Contributions: Each tribe's annual contributions towards problem gambling and smoking cessation services established in Appendix X2 shall be paid within one year of the close of the tribe's fiscal year to match other required contribution timeframes.
- Appendix X2 Addendum: Each tribe may increase its allocation by 50 player terminals, but only if the following conditions are met:
 - A tribe provides the state with written notice that there are 500 or fewer player terminals available for lease among all tribes participating in the Tribal Lottery System, along with a certification from an independent accounting firm confirming the number of machines available.
 - Within 30 days, the state reviews the certification and verifies the player terminals available for lease in the state. Any allocation change would be effective 30 days after notification by the state to the tribe.
 - This allocation is limited to one (1) per twelve (12) month period. However, if any Washington tribe will operate more than 1,075 player terminals upon opening a new gaming facility, a tribe can notify the state, and with state concurrence, receive an additional 50 player terminal increase within the twelve month period.
 - When a tribe receives an increase under this section, any other compacted Washington tribe shall receive the same increase.

These changes are consistent with several other tribes' gaming compacts. Negotiations regarding several other changes are ongoing and will be included in a separate amendment.

Commissioner Troyer moved to forward the proposed compact amendment to the Governor for review and final execution.

Senator Conway seconded the motion.

The motion passed. 7:0

Meeting adjourned at 1:15



COMMISSION APPROVAL LIST
(New Licenses & Class III Gaming Employees)
November 2017

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Based upon the licensing investigations, staff recommends approving all new Licenses and Class III employees listed on pages 1 to 19.

R

ORGANIZATION NAME

FILE NUMBER

PREMISES LOCATION

NEW APPLICATIONS**BINGO**

ST JOSEPH PARISH 00-15535 01-02738	A	3720 E COLBERT RD COLBERT WA 99005
VFW 07392 00-01628 01-01838	A	3037 N GOLDIE RD OAK HARBOR WA 98277

RAFFLE

BPOE 02435 00-00319 02-00441	A	216 S TOWER AVE CENTRALIA WA 98531
COLLEGE PLACE BOOSTERS 00-24012 02-20784	B	712 ELECTRIC AVE WALLA WALLA WA 99362
CROSS TRAIL OUTFITTERS WA 00-24007 02-20780	F	77400 MEADOWOOD WESTON OR 97886
DUCKS UNLIMITED/ENUMCLAW 00-24023 02-20794	A	44426 244TH AVE SE ENUMCLAW WA 98022
FESTIVAL OF TREES AUTISM GUILD SEATTLE CHILDREN 00-23378 02-09529	C	FAIRMONT OLYMPIC SEATTLE WA 98101
FOE WA STATE AUX/ELMA 00-23800 02-20789	B	962 COAL CREEK RD CHEHALIS WA 98532
GIFTS FOR OUR COMMUNITY 00-24016 02-20788	C	8210 NE 16 ST VANCOUVER WA 98664
HILLCREST ELEMENTARY PTA 00-24022 02-20793	C	9315 4TH ST SE LAKE STEVENS WA 98258
ISSAQUAH HIGH SCHOOL BOOSTER CLUB 00-24010 02-20783	A	PO BOX 2542 ISSAQUAH WA 98027
MAPLE VALLEY ROTARY FOUNDATION 00-20721 02-08684	C	22010 SE 248TH ST MAPLE VALLEY WA 98038
MARYSVILLE GETCHELL BOOSTER CLUB 00-24020 02-20791	B	6224 93RD ST NE MARYSVILLE WA 98270
MISS WAPATO SCHOLARSHIP PROGRAM 00-24009 02-20785	C	809 N WASCO AVE WAPATO WA 98951
NORTHWEST ART CENTER 00-24015 02-20787	B	14140 BATTEN ROAD NE DUVALL WA 98019

ORGANIZATION NAME

FILE NUMBER

PREMISES LOCATION

NEW APPLICATIONS**RAFFLE**

SEATTLE 2030 DISTRICT 00-24018 02-20790	B	220 2ND AVENUE S STE 307 SEATTLE WA 98104
SEATTLE ART MUSEUM 00-14493 02-08874	A	1300 FIRST AVE SEATTLE WA 98101
STUDIO EAST TRAINING FOR THE PERFORMING ARTS 00-24039 02-20804	B	11730 118TH AVE NE 100 KIRKLAND WA 98034
VFW 09301 00-24027 02-20796	A	7011 HANNEGAN RD LYNDEN WA 98264

PUNCHBOARD/PULL-TAB COMMERCIAL STIMULANT

99 SALOON AND GRILL 00-23950 05-21487	A	7005 NE HWY 99 VANCOUVER WA 98665
CASTAWAYS 00-23974 05-21496	A	208 S PACIFIC HWY LONG BEACH WA 98631
COLUMBIA RIVER ROADHOUSE 00-23975 05-21497	A	782 STATE RT 101 CHINOOK WA 98614
FAST EDDIES BAR & GRILL 00-23977 05-21499	A	1 W SPOKANE FALLS BLVD SPOKANE WA 99201
PRESS PUBLIC HOUSE 00-23978 05-21500	A	909 S GRAND AVE SPOKANE WA 99202
TABS BAR AND GRILL 00-24011 05-21505	C	7211 NE 181ST ST KENMORE WA 98028
THE MIX 00-23966 05-21493	A	635 ST HELENS AVE TACOMA WA 98407

COMMERCIAL AMUSEMENT GAMES

DENNY'S RESTAURANT 07862/LYNNWOOD 00-23013 53-21502	A1	4109 196TH ST SW LYNNWOOD WA 98036
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PUBLIC CARD ROOM (65)

ORGANIZATION NAME

FILE NUMBER

PREMISES LOCATION

NEW APPLICATIONS

PUBLIC CARD ROOM (65)

RED DRAGON CASINO
00-22459 65-07478

F15

21917 HWY 99
MOUNTLAKE TERRACE WA 9804

PUBLIC CARDROOM - HOUSE BANKED

RC'S AT VALLEY LANES
00-16220 67-00336

5

1802 E EDISON AVE
SUNNYSIDE WA 98944

PERSON'S NAME
LICENSE ISSUE NUMBER

EMPLOYER'S NAME
PREMISES LOCATION

NEW APPLICATIONS

DISTRIBUTOR REPRESENTATIVE

EBEY, TRAVIS M
22-01175

NRT TECHNOLOGIES INC
LAS VEGAS NV 89118

MANUFACTURER REPRESENTATIVE

BANGALORE, SHEILA
23-02492

ARISTOCRAT TECHNOLOGIES
LAS VEGAS NV 89119

BASS, ASHLEY D
23-02489

EVERI PAYMENTS INC
LAS VEGAS NV 89113-2175

BOLGER, FRANCIS K
23-02482

IGT
LAS VEGAS NV 89113

CARPER, JOHN D II
23-02484

IGT
LAS VEGAS NV 89113

CHAMPION, THOMAS B JR
23-02478

ARISTOCRAT TECHNOLOGIES
LAS VEGAS NV 89119

CHU, EDWARD H
23-02473

BALLY TECHNOLOGIES
LAS VEGAS NV 89118

ELLIS, STEVEN J
23-02479

BALLY TECHNOLOGIES
LAS VEGAS NV 89118

FIELD, KAYLA M
23-02481

AGS LLC
LAS VEGAS NV 89118

GARCIA, RACHEL E
23-02475

BALLY TECHNOLOGIES
LAS VEGAS NV 89118

HARVIE, WILLIAM E
23-02480

ARISTOCRAT TECHNOLOGIES
LAS VEGAS NV 89119

HEACOCK, DEREK M
23-02471

M3 TECHNOLOGY SOLUTIONS LLC
NORMAN OK 73069

HIRSCH, MICHAEL J
23-02485

IGT
LAS VEGAS NV 89113

KOPPARTHI, RAJESH K
23-02487

IGT
LAS VEGAS NV 89113

KORICH, COLLIN L
23-02491

ARISTOCRAT TECHNOLOGIES
LAS VEGAS NV 89119

PERSON'S NAME

EMPLOYER'S NAME

LICENSE ISSUE NUMBER

PREMISES LOCATION

NEW APPLICATIONS**MANUFACTURER REPRESENTATIVE**LITTLE, DANIEL J
23-02490ARISTOCRAT TECHNOLOGIES
LAS VEGAS NV 89119MANJARRES, MICHELLE L
23-02476BALLY TECHNOLOGIES
LAS VEGAS NV 89118MARTINEZ-HOLSTEN, MARGARITA
23-02493ARISTOCRAT TECHNOLOGIES
LAS VEGAS NV 89119MCBEAN, ALLISON N
23-02477EVERI PAYMENTS INC
LAS VEGAS NV 89113-2175MONTENEGRO, LELIS S
23-02483BALLY TECHNOLOGIES
LAS VEGAS NV 89118MULLIGAN, MARK C
23-02474BALLY TECHNOLOGIES
LAS VEGAS NV 89118**NON-PROFIT GAMBLING MANAGER**BARNES, WILLIAM C
61-04651BPOE 02524
FORKS WA 98331LITTLE, KIMBERLY R
61-04490FOE 02298
AUBURN WA 98002MCNETT, LAURA L
61-04060FLEET RESERVE ASSN 00029
BREMERTON WA 98312ROSS, LOTA M
61-04655LOOM 02394
WOODLAND WA 98674**SERVICES SUPPLIER REPRESENTATIVE**GEBHARDT, EDWARD C
63-00802RELIABLE SECURITY SOUND & DATA
EVERETT WA 98206-1295HALE, MARK H
63-00804SALISHAN-MOHEGAN LLC
VANCOUVER WA 98660MCWHIRTER, JACOB M
63-00805SIMPLE SECURITY SOLUTIONS
BOTHELL WA 98021ULINSKI, ANDREW L
63-00803RELIABLE SECURITY SOUND & DATA
EVERETT WA 98206-1295

PERSON'S NAME
 LICENSE ISSUE NUMBER

EMPLOYER'S NAME
 PREMISES LOCATION

NEW APPLICATIONS

PUBLIC CARD ROOM EMPLOYEE

BAUTISTA, CHRISTIAN B 68-34518	B	ROXY'S BAR & GRILL SEATTLE WA 98126
BEANE, MATRYAL J 68-34502	B	LAST FRONTIER LA CENTER WA 98629-0000
BECKETT, BENJAMIN C 68-34529	B	ZEPPOZ PULLMAN WA 99163
BERNARD, EDDIE 68-34521	B	SILVER DOLLAR CASINO/RENTON RENTON WA 98057
BOOB, WAYNE R 68-20872	B	GREAT AMERICAN CASINO/EVERETT EVERETT WA 98204
BRANN, BRADY R 68-34531	B	ALL STAR CASINO SILVERDALE WA 98383
BURKE, FE F 68-34503	B	ALL STAR CASINO SILVERDALE WA 98383
CALVERT, WILLIAM K 68-34553	B	SILVER DOLLAR CASINO/SEATAC SEATAC WA 98188
CHEN, ANNIE 68-34532	B	FREDDIE'S CLUB RENTON WA 98055
COSTENTINE, FRANK W 68-34533	B	LUCKY 21 CASINO WOODLAND WA 98674
CROFUTT, RONALD L JR 68-34557	B	GREAT AMERICAN CASINO/EVERETT EVERETT WA 98204
CUSHMAN, TAMMY L 68-34493	B	CRAZY MOOSE CASINO/PASCO PASCO WA 99301
DALTON, AMY R 68-34555	B	SLO PITCH PUB & EATERY BELLINGHAM WA 98225
DEAFLAD, MICHAEL R 68-34490	B	BLACK PEARL RESTAURANT & CARD SPOKANE VALLEY WA 99206-471
DINH, LEE K 68-34499	B	SILVER DOLLAR CASINO/RENTON RENTON WA 98057
DOUMIT, SHANA V 68-12359	B	PAPAS CASINO RESTAURANT & LOUN MOSES LAKE WA 98837

PERSON'S NAME

EMPLOYER'S NAME

LICENSE ISSUE NUMBER

PREMISES LOCATION

NEW APPLICATIONS**PUBLIC CARD ROOM EMPLOYEE**

ECKART, DOMINQUE A 68-34559	B	MACAU CASINO LAKEWOOD WA 98499
GODINEZ, ENO R 68-34530	B	CASINO CARIBBEAN YAKIMA WA 98901
HAK, SOTH 68-34495	B	RIVERSIDE CASINO TUKWILA WA 98168
HAN, JING 68-34510	B	MACAU CASINO LAKEWOOD WA 98499
HUDSON, DARIN M 68-30792	B	WILD GOOSE CASINO ELLENSBURG WA 98926
HUNTER, DONTE 68-34546	B	MACAU CASINO LAKEWOOD WA 98499
ISAAC, STEVEN M 68-32243	B	CRAZY MOOSE CASINO/PASCO PASCO WA 99301
JACOBI, ANDREW Y 68-34558	B	ALL STAR CASINO SILVERDALE WA 98383
JAMISON, ZACKARY T 68-34483	B	GOLDIE'S SHORELINE CASINO SHORELINE WA 98133
JAWARA, SOTHIRY P 68-22767	B	WIZARDS CASINO BURIEN WA 98166-2524
JONES, ADRIAN D 68-31653	B	HAWKS PRAIRIE CASINO LACEY WA 98516
KETH, MALEN 68-34550	B	WIZARDS CASINO BURIEN WA 98166-2524
KIRKPATRICK, KEITHER M 68-13647	B	LANCER LANES/REST AND CASINO CLARKSTON WA 99403-2219
KOLDA, MICHAEL D 68-20807	B	PAPAS CASINO RESTAURANT & LOUN MOSES LAKE WA 98837
LANTZ, WILLIAM E 68-34505	B	WIZARDS CASINO BURIEN WA 98166-2524
LARA RAMOS, JORGE O 68-34494	B	BUZZ INN STEAKHOUSE/EAST WENAT EAST WENATCHEE WA 98802

PERSON'S NAME
 LICENSE ISSUE NUMBER

EMPLOYER'S NAME
 PREMISES LOCATION

NEW APPLICATIONS

PUBLIC CARD ROOM EMPLOYEE

LEDRIDGE, BRITTNEY M 68-34506	B	LANCER LANES/REST AND CASINO CLARKSTON WA 99403-2219
LI, TERENCE Y 68-34513	B	THE HIDEAWAY SHORELINE WA 98133-6524
LIEN, VINHKY C 68-09406	B	MACAU CASINO TUKWILA WA 98188-2437
LOPEZ, HECTOR L 68-34507	B	GREAT AMERICAN CASINO/TUKWILA TUKWILA WA 98168
MAI, KIM HUE T 68-33116	B	MACAU CASINO TUKWILA WA 98188-2437
MCCLURE, RUSSELL A 68-34523	B	THE PALACE LA CENTER WA 98629
MCCLURG, JOHN N 68-08197	B	GREAT AMERICAN CASINO/EVERETT EVERETT WA 98204
MCCOLLUM, KEVIN M 68-18283	B	LUCKY 21 CASINO WOODLAND WA 98674
MCGUIRE, SHAUN K 68-34522	B	ALL STAR CASINO SILVERDALE WA 98383
MEN, HANK H 68-30672	B	MACAU CASINO LAKEWOOD WA 98499
MENDOZA, JOSE E 68-34551	B	CRAZY MOOSE CASINO/PASCO PASCO WA 99301
MURPHY, WILLIAM J 68-34536	B	ZEPPOZ PULLMAN WA 99163
MYERS, MARJORIE L 68-34491	B	CRAZY MOOSE CASINO/PASCO PASCO WA 99301
NAVONG, BANG O 68-34524	B	RIVERSIDE CASINO TUKWILA WA 98168
NAVONG, CHANSOUK K 68-34544	B	RIVERSIDE CASINO TUKWILA WA 98168
NGUYEN, MAI H 68-10251	B	SILVER DOLLAR CASINO/RENTON RENTON WA 98057

PERSON'S NAME

EMPLOYER'S NAME

LICENSE ISSUE NUMBER

PREMISES LOCATION

NEW APPLICATIONS**PUBLIC CARD ROOM EMPLOYEE**

OBANA, JOSELYN L 68-34537	B	SILVER DOLLAR CASINO/RENTON RENTON WA 98057
OELKE, FLORENCE C 68-13139	B	SILVER DOLLAR CASINO/MILL CREEK BOTHHELL WA 98012
PAN, SONG Y 68-26840	B	RIVERSIDE CASINO TUKWILA WA 98168
PATI, DARIUS V 68-34538	B	NOB HILL CASINO YAKIMA WA 98902
PERNULA, JAMES E 68-34500	B	LUCKY 21 CASINO WOODLAND WA 98674
PHAM, CINDY V 68-34543	B	THE PALACE LA CENTER WA 98629
PIKE, STEVEN L 68-34512	B	MACAU CASINO LAKEWOOD WA 98499
PRESLEY, ALTON C 68-34547	B	COYOTE BOB'S CASINO KENNEWICK WA 99336
QUEMUEL, VATSANA 68-13723	B	IRON HORSE CASINO AUBURN WA 98002
ROCK, JEREMY M 68-34501	B	ALL STAR CASINO SILVERDALE WA 98383
SANCHEZ SOTO, PILAR C 68-34496	B	BUZZ INN STEAKHOUSE/EAST WENAT EAST WENATCHEE WA 98802
SANDAINE, DEANNA M 68-34542	B	WIZARDS CASINO BURIEN WA 98166-2524
SCOTT, GEYANA M 68-34525	B	GREAT AMERICAN CASINO/TUKWILA TUKWILA WA 98168
SIMPSON, SHOSHAWNA J 68-34535	B	ZEPPOZ PULLMAN WA 99163
SMITH, GLORIA L 68-34508	B	ROMAN CASINO SEATTLE WA 98178
SPANSKI, MICHAEL S 68-34489	B	SLO PITCH PUB & EATERY BELLINGHAM WA 98225

PERSON'S NAME
LICENSE ISSUE NUMBER

EMPLOYER'S NAME
PREMISES LOCATION

NEW APPLICATIONS

PUBLIC CARD ROOM EMPLOYEE

STOKEN, BRITTANY J 68-34517	B	PALACE CASINO LAKEWOOD LAKEWOOD WA 98499-8434
TAPLIN, DELEON J 68-34541	B	RIVERSIDE CASINO TUKWILA WA 98168
TERRY, LISA A 68-14364	B	WIZARDS CASINO BURIEN WA 98166-2524
THONG, SOCHEATA 68-34539	B	CHIPS CASINO/LAKEWOOD LAKEWOOD WA 98499
THORNTON, JOSEPH M 68-34549	B	JOKER'S CASINO SPORTS BAR & FIEST RICHLAND WA 99352-4122
THORNTON, TAROYA S 68-34534	B	CHIPS CASINO/LAKEWOOD LAKEWOOD WA 98499
TRAN, GIAU D 68-19086	B	ROYAL CASINO EVERETT WA 98204
TRUONG, HOANG P 68-34497	B	RIVERSIDE CASINO TUKWILA WA 98168
VONGKHAMCHANH, VIENGXAY 68-34478	B	MACAU CASINO TUKWILA WA 98188-2437
WEBER, JOSHUA J 68-34516	B	PALACE CASINO LAKEWOOD LAKEWOOD WA 98499-8434
WILLSE, TYLER S 68-28984	B	FORTUNE POKER RENTON WA 98057
WOODRUFF, PATRICK J JR 68-34545	B	JOKER'S CASINO SPORTS BAR & FIEST RICHLAND WA 99352-4122

PERSON'S NAME

LICENSE ISSUE NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

CHEHALIS CONFEDERATED TRIBES

DELIN, DAVID R
69-43193

OSGOOD-SEMMEN, PAISLEY E
69-43339

PERRINE, CANDICE L
69-43218

PICKERNELL, DIANA R
69-08302

RIDDLE, CASEY R
69-43330

SALIHU, JETE
69-43182

COLVILLE CONFEDERATED TRIBES

AGOSTO, TYLER J
69-43328

BENNETT, ABRAHAM J
69-43284

BUCKMAN, ANGIE
69-43331

CLAFLIN, MARTHA E
69-43251

CLAUGHTON, CODY K
69-43250

RICHARDSON, BARBARA I
69-25994

WILLIAMS, KATRINA F
69-43257

COWLITZ INDIAN TRIBE

ALCALA, ALEJANDRO
69-28537

BEATTY, SAMANTHA A
69-43163

BROWN, ERIKA A
69-43209

CARLSON, STACIE L
69-43279

DANFORD-LAPIERRE, ALEXANDRIA M
69-43290

HARRIS, JERAMEY M
69-43288

HENSON, KYLENE R
69-43287

HETZNER, MELANIE
69-43241

PERSON'S NAME

LICENSE ISSUE NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

COWLITZ INDIAN TRIBE

HOFFMAN, RYAN A
69-43212

IMBER, DAX J
69-43323

JUHLIN, TERESA L
69-43186

LAFADY, ROBERT L
69-43242

LASSILA, JUSTIN T
69-43170

LOPEZ, SOLOMON R
69-43276

MAYNES, KAYLA R
69-43244

MCCULLY, STEPHANIE A
69-43289

MCPAHAN, AUSTIN L
69-43169

MERRILL, DANIEL P
69-43211

MERSHON, JAMES R
69-43277

MOORE, JENELLE A
69-43320

MORGAN, JOHNATHAN C
69-43291

OLSEN, JENNIFER J
69-43275

ROBINSON-RATLIFF, EBONY T
69-43185

SKOV, JENNIFER J
69-43243

SMITH FIGUEROA, EDWARD A
69-43322

STEELE, HEATHER D
69-43177

TEIGEN, WILLIAM J
69-43280

VIOLET, VERONICA J
69-43274

WINBUSH, COURTNEY M
69-43278

WITHROW, KATHY E
69-43210

YORK, BETHANNE R
69-43240

PERSON'S NAME
LICENSE ISSUE NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

JAMESTOWN S'KLALLAM TRIBE

CARVER, HANNAH M
69-43268

RIOS, KIMBERLI C
69-36050

ROSE, STEVEN R
69-43200

KALISPEL TRIBE

ARCE, JENNIFER V
69-43311

BLYLER, CARL S
69-43299

BOSCHEE, KELLEY M
69-43312

CRESS, CHANDRALYN L
69-43195

DAVIS, MARY K
69-43226

EHRENBERG, ANTHONY D
69-43228

GOMEZ, ALEAS D
69-43190

GRAGEDA VARGAS, ANGEL A
69-43198

LEON GUERRERO, LYONELL M
69-17872

NESMITH, KIMBERLY D
69-43305

SCHMIDT, DANNIEL V
69-24768

VARGAS, JULIE L
69-17241

LUMMI NATION

DE LA ROSA, MANUEL C
69-43313

FANTASIA, THOMAS J
69-43222

JAMES, MATTHEW R
69-23908

JONES, SUZANE L
69-43201

JULIUS, ALLEN P
69-39439

MOON, PATRICIA A
69-43178

PERSON'S NAME

LICENSE ISSUE NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

LUMMI NATION

SARTZ, GREGORY P
69-43224

MUCKLESHOOT INDIAN TRIBE

ANDY, KRISTINA M
69-29188

CHIN, VATANARK
69-24260

COMENOUT, LEA U
69-24422

DIAZ, ARMIDA T
69-43325

LAVERDURE, JEFFERY A JR
69-43296

MARCELO, JENNY H
69-35609

MILNE-RUSSELL, MATTHEW C
69-43281

UNDERWOOD, MATHEW R
69-43333

VIDAL, STACEY C
69-22717

WILLIAMS, LORETTA A
69-01806

NISQUALLY INDIAN TRIBE

AYERS, KERSTIN S
69-43252

BLACK, JACOB J
69-40032

GIAKONOSKI, VASIL
69-43135

IBARRA, PHILIP
69-43254

LE, TRINH D
69-43335

LINDSEY, MARIA E
69-43225

MOON, JESSE A
69-43327

OTTWELL, LINDA R
69-43221

SOOTO, VITALE L
69-43220

TELLEZ, ANGEL I
69-43248

PERSON'S NAME

LICENSE ISSUE NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

NISQUALLY INDIAN TRIBE

VEN, BORY M
69-43326

ZIMMERMAN, STEVEN W
69-43336

PORT GAMBLE S'KLALLAM TRIBE

BRYNDZA, MATHEW K
69-43263

DAYTON, MADISON D
69-43262

HORTON, SHAUN E
69-43266

SEASTRES, LESLIE A
69-43265

SHUMATE, CINDY L
69-43260

PUYALLUP TRIBE OF INDIANS

CHEN, TAO
69-43230

CRANDALL, WAYNE G
69-18435

ECKERT, TREVOR Q
69-43232

FAIFAI, MOANA
69-43213

FERRIS, JESSICA L
69-43286

GALLEGOS, CHRISTOPHER P
69-43205

JOHNS, LACHELL M
69-37358

JOHNSON, CHEYANNE B
69-43215

MALAE, NATHANIEL M
69-43306

MAMEA, LEPON D
69-43239

MAO, SAVIN
69-43199

MCCASLIN, DANIEL A
69-43203

MCGUIRE, YONG C
69-21574

MCLAUGHLIN, MARCEL W
69-43256

PERSON'S NAME

LICENSE ISSUE NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

PUYALLUP TRIBE OF INDIANS

TURNING ROBE, RYAN T
69-43233

VAUGHAN, MICHAEL L
69-43318

YAKIMOV, DANIIL E
69-43194

YIN, SOKHOEUN
69-43227

QUINAULT NATION

CESOLINI, EDWARD A
69-43304

DILLINGER, SUSAN G
69-43303

FREDRICKSON, RIKA M
69-13876

SMITH, CALVIN H
69-43189

SQUIEMPHEN, JOANNE E
69-08749

SPOKANE TRIBE

KIEFFER, CLINT G
69-43292

SCOTT, AARON T
69-43294

SILVA, RAYMOND L
69-43295

TAFT, DESIRAE M
69-43179

TRONO, BRANDON M
69-43259

WADE, SHANNON J
69-43293

SQUAXIN ISLAND TRIBE

ESCOBEDO, PORFIRIO
69-43202

JONES, KELLY J
69-43188

PEARSON, JEFFREY A
69-43223

PHILLIPS, STACEY J
69-43231

PERSON'S NAME

LICENSE ISSUE NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

STILLAGUAMISH TRIBE

ABSHER, ALEXIS-JEAN C
69-43245

ALDRICH, PAUL W
69-43285

COURTNEY, TYLER J
69-43192

DARGITZ, BRENDA M
69-43246

KENDALL, ALEXIS A
69-43308

LAWRENCE, DOROTHY L
69-27783

LEONARD, HOWARD O JR
69-43183

MENDOZA, SARAH P
69-43283

SUQUAMISH TRIBE

CROWELL, LAUREL D
69-05804

JONES-VERGEER, LEAHANN M
69-43214

O'NEILL, QUINN IRISH C
69-43310

PRATT, JENNIFER J
69-13226

SWINOMISH INDIAN TRIBAL COMMUNITY

BICKLEY, LOREN M
69-43247

BRONCHEAU, RICHARD D
69-43204

GUYUW, SHARLENE
69-43216

KENDIG, FRANKLIN P
69-02499

KENDIG, SOON H
69-02498

KING, BRANDON C
69-43298

LOFGREN, ANDIE L
69-43297

LYNCH, DONALD M
69-43337

REY, PATRICK J
69-38940

SKAGGS, ELIZABETH J
69-43197

PERSON'S NAME

LICENSE ISSUE NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

SWINOMISH INDIAN TRIBAL COMMUNITY

WONGCHAI, KATHRYN J
69-00498

THE TULALIP TRIBES

ANDRADE, CHARLES L
69-35032

BAKER, KOLTON J
69-38240

CARUTHERS, SATANNA L
69-03722

CONNELL, JOSEPH H
69-43236

EAGER, MELISSA J
69-43164

HARDY, AARON M
69-43235

JEANS, SAVY E
69-43165

MARX, CLIFFORD J
69-36055

MCCAFFREY, FRANCIS P
69-43272

NEISINGER, RYAN N
69-43208

NELSON, PERRY J
69-43171

ROSS, REYMAN T
69-43258

SOTERHOU, JESS D
69-43273

VIEIRA, JUSTIN S
69-43234

UPPER SKAGIT INDIAN TRIBE

FELIX, MADELINE O
69-43334

YAKAMA NATION

BOOTHE, CHARLES H
69-43270

CHENEY, AMANDA L
69-40073

GARCIA, JEANETTA R
69-43269

MESHELL, SHANTELL A
69-32545

PERSON'S NAME

LICENSE ISSUE NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

YAKAMA NATION

MOORE, ANDREA L
69-32113

MUNGUIA, RUBY E
69-43267

SENATOR, GWYNETH I
69-43264

STEWART, CHRISTOPHER L
69-43219

WHEELER, WALONA L
69-43271



COMMISSION APPROVAL LIST
(Class III Gaming Employees)

November 2017

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SNOQUALMIE CLASS III GAMING EMPLOYEE	1

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Based upon the licensing investigations, staff recommends approving all new Class III employees listed on pages 1.

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DATE: 10/20/2017

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PERSON'S NAME

LICENSE ISSUE NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

SNOQUALMIE TRIBE

HEDGES, AUSTEN M
69-31398

JOHNSON, JANICE P
69-43301

KOPLIN, STEPHANIE J
69-43315

PAGE, JEFFREY G
69-43237

SANDERFORD, CHRISTIAN I
69-43300

SHEIN, TANYA M
69-43207

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Licensed, But Not Operating							2
Licensee	City	Commission Approval Date	License Expiration Date	Tables	Org #	License #	
NEW PHOENIX	LA CENTER	Mar 12, 1998	Mar 31, 2018	1	00-12650	67-00005	
UBET CASINO	LONGVIEW	Oct 8, 1998	Jun 30, 2018	11	00-17449	67-00039	

Applications Pending							1
Licensee	City	Commission Approval Date	License Expiration Date	Tables	Org #	License #	
CARDS R' US INC	LONGVIEW			11	00-23997	67-00337	

PL



HOUSE-BANKED PUBLIC CARD ROOM REPORT

Current House- Banked Locations Operating				47		
Licensee	City	Commission Approval Date	License Expiration Date	Tables	Org #	License #
ACES CASINO ENTERTAINMENT	SPOKANE	Mar 13, 2014	Dec 31, 2017	7	00-23112	67-00325
ALL STAR CASINO	SILVERDALE	Jan 14, 1999	Jun 30, 2018	15	00-18357	67-00058
BLACK PEARL RESTAURANT & CARD ROOM	SPOKANE VALLEY	Jan 10, 2013	Sep 30, 2018	15	00-22440	67-00321
BUZZ INN STEAKHOUSE/EAST WENATCHEE	EAST WENATCHEE	Oct 10, 2002	Dec 31, 2017	10	00-11170	67-00183
CARIBBEAN CARDROOM	KIRKLAND	Aug 13, 2009	Mar 31, 2018	9	00-21882	67-00285
CASINO CARIBBEAN	YAKIMA	Mar 14, 2002	Dec 31, 2017	15	00-17603	67-00093
CASINO CARIBBEAN	KIRKLAND	Nov 15, 2005	Sep 30, 2018	15	00-20427	67-00238
CHIPS CASINO/LAKEWOOD	LAKEWOOD	Apr 8, 1999	Dec 31, 2017	15	00-17414	67-00020
CLEARWATER SALOON & CASINO	EAST WENATCHEE	Apr 9, 2015	Dec 31, 2017	11	00-23386	67-00328
CLUB HOLLYWOOD CASINO	SHORELINE	Sep 9, 2010	Jun 30, 2018	15	00-22132	67-00303
COYOTE BOB'S CASINO	KENNEWICK	Jul 10, 2009	Mar 31, 2018	13	00-21848	67-00282
CRAZY MOOSE CASINO II/MOUNTLAKE TERRACE	MOUNTLAKE TERRACE	Jul 10, 2009	Mar 31, 2018	15	00-21849	67-00283
CRAZY MOOSE CASINO/PASCO	PASCO	Jul 10, 2009	Mar 31, 2018	15	00-21847	67-00281
EMERALD DOWNS	AUBURN	May 11, 2017	Mar 31, 2018	15	00-23814	67-00335
FORTUNE CASINO	TUKWILA	Oct 8, 2015	Jun 30, 2018	12	00-23465	67-00329
FREDDIE'S CLUB	RENTON	Jan 8, 2015	Sep 30, 2018	15	00-23339	67-00327
GOLDIE'S SHORELINE CASINO	SHORELINE	May 13, 1999	Dec 31, 2017	15	00-17610	67-00016
GREAT AMERICAN CASINO/DES MOINES	DES MOINES	Jul 13, 2017	Mar 31, 2018	15	00-23795	67-00334
GREAT AMERICAN CASINO/EVERETT	EVERETT	Nov 12, 1998	Dec 31, 2017	15	00-19513	67-00194
GREAT AMERICAN CASINO/LAKEWOOD	LAKEWOOD	Aug 14, 2003	Jun 30, 2018	15	00-19258	67-00184
GREAT AMERICAN CASINO/TUKWILA	TUKWILA	Jan 15, 1998	Sep 30, 2018	15	00-12554	67-00012
HAWKS PRAIRIE CASINO	LACEY	Jul 12, 2001	Jun 30, 2018	15	00-17579	67-00091

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Current House- Banked Locations Operating

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Licensee	City	Commission Approval Date	License Expiration Date	Tables	Org #	License #
IRON HORSE CASINO	AUBURN	Jan 9, 2003	Dec 31, 2017	15	00-19477	67-00192
JOKER'S CASINO SPORTS BAR & FIESTA CD RM	RICHLAND	Nov 12, 1998	Dec 31, 2017	12	00-15224	67-00006
LANCER LANES/REST AND CASINO	CLARKSTON	Nov 13, 2008	Sep 30, 2018	8	00-21681	67-00276
LAST FRONTIER	LA CENTER	Feb 11, 1999	Sep 30, 2018	15	00-11339	67-00055
LILAC LANES & CASINO	SPOKANE	Jul 12, 2007	Jun 30, 2018	12	00-21305	67-00267
LUCKY 21 CASINO	WOODLAND	Oct 8, 2013	Jun 30, 2018	15	00-22918	67-00322
MACAU CASINO	LAKEWOOD	Jul 12, 2007	Mar 31, 2018	15	00-20428	67-00239
MACAU CASINO	TUKWILA	Jan 12, 2012	Sep 30, 2018	15	00-22573	67-00319
NOB HILL CASINO	YAKIMA	Sep 12, 2001	Dec 31, 2017	7	00-13069	67-00173
PALACE CASINO LAKEWOOD	LAKEWOOD	Jan 14, 1999	Dec 31, 2017	15	00-16542	67-00028
PAPAS CASINO RESTAURANT & LOUNGE	MOSES LAKE	Aug 13, 1998	Jun 30, 2018	12	00-02788	67-00004
RC'S AT VALLEY LANES	SUNNYSIDE		Mar 31, 2018	5	00-16220	67-00336
RIVERSIDE CASINO	TUKWILA	Aug 14, 2003	Jun 30, 2018	15	00-19369	67-00187
ROMAN CASINO	SEATTLE	Feb 10, 2000	Mar 31, 2018	15	00-17613	67-00057
ROXY'S BAR & GRILL	SEATTLE	Nov 18, 2004	Jun 30, 2018	12	00-20113	67-00231
ROYAL CASINO	EVERETT	Sep 9, 2010	Jun 30, 2018	15	00-22130	67-00301
SILVER DOLLAR CASINO/MILL CREEK	BOTHELL	Sep 9, 2010	Jun 30, 2018	15	00-22131	67-00302
SILVER DOLLAR CASINO/RENTON	RENTON	Sep 9, 2010	Jun 30, 2018	15	00-22134	67-00305
SILVER DOLLAR CASINO/SEATAC	SEATAC	Sep 9, 2010	Jun 30, 2018	13	00-22128	67-00299
SLO PITCH PUB & EATERY	BELLINGHAM	Aug 12, 1999	Jun 30, 2018	9	00-16759	67-00038
THE GETAWAY CASINO	WALLA WALLA	Mar 11, 2016	Jun 30, 2018	8	00-23485	67-00332
THE PALACE	LA CENTER	Apr 9, 1998	Jun 30, 2018	15	00-16903	67-00010
WILD GOOSE CASINO	ELLENSBURG	Apr 8, 2004	Dec 31, 2017	7	00-20009	67-00212
WIZARDS CASINO	BURIEN	Feb 11, 2010	Dec 31, 2017	15	00-21998	67-00287
ZEPP0Z	PULLMAN	Nov 13, 2008	Mar 31, 2018	6	00-18777	67-00209

TR



Washington State Gambling Commission

Pre-Licensing Report

House-Banked Public Card Rooms

Part I Licensing/Organization Information

Type of Approval House-Banked Card Room	Premises/Trade Name/Address RC's at Valley Lanes 1802 E. Edison Ave Sunnyside, WA 98944
Date of Application August 7, 2017	

APPLICANT INFORMATION

Name RC's, LP	License Application # 67-00336	Business Phone # (509) 839-6103
Address 1802 E. Edison Ave Sunnyside, WA 98944	Liquor License: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

ACTIVE LICENSES ISSUED BY GAMBLING COMMISSION

Description/Class	Exp. Date	License Number(s)
House-Banked Card Room - 5 tables	03/31/2018	67-00336
Punchboard/Pull-tabs Class "A"	03/31/2018	05-08930
Commercial Amusement Games Class "D"	03/31/2018	53-20347

COMMISSION STAFF

Licensing Specialist Isabel Corrigan, Licensing Unit	Special Agents Donna Khanhasa, Licensing Unit Mark Richart, Regulatory Unit
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Background/Structure

General Information:

RC's, LP, doing business as RC's at Valley Lanes, held a punchboard/pull-tab and commercial amusement game license. On August 7, 2017, they applied to add a house-banked card room license.

Ownership Information:

RC's, LP

Title	Name	Ownership %
CEO, COO	Rob Rice	0%
General Partner	R.S. Kids, LLC	80%
Limited Partner	R.S. Kids, LLC	20%

R.S. Kids, LLC

Title	Name	Ownership %
LLC Manager	Rob Rice (spouse Susan Rice)	100%

Affiliations:

RC's, LP owned and operated RC's, a punchboard/pull-tab Class "B" and licensee that operated as a house-banked card room from November 2004 until September 2017 when they moved the operations to RC's at Valley Lanes.

Part II Licensing Investigations Summary

A Special Agent from the Commission's Licensing Unit conducted criminal records investigations and financial investigations focusing on funding sources and beneficiaries for suitability in accordance with RCW 9.46 and WAC 230. The investigations found:

- No unreported people or businesses involved (i.e. substantial interest holders);
- No undisclosed ownership or undisclosed involvement in other activities/businesses;
- All funding sources were disclosed; and
- All substantial interest holders qualify.

A complete inspection and review was conducted of the accounting records, bank statements, and contracts and agreements of RC's at Valley Lanes at their premises in Sunnyside, Washington. In addition, the agent verified the funding sources, reviewed the financial records and discussed licensing requirements.

Source of Funds:

The addition of the card room was funded from cash from operations.

Part III Pre-Operational Review and Evaluation Summary

A Special Agent from the Commission's Regulation Unit completed an on-site Pre-Operational Review and Evaluation (PORE). The purpose of the PORE is to determine that the gambling operation complies with the requirements of RCW 9.46 and WAC 230. The review found that the following are in compliance:

- Nature, size, and scope of gambling operations;
- Regulations for the operation and management of gambling;
- Forms and recordkeeping;
- Surveillance and security; and
- Internal controls for surveillance, security, accounting, and the gambling activity.

The applicant proposes to operate the following games:

- Spanish 21 – 2 tables
- Texas Shootout – 1 table
- Heads Up Hold'em – 1 table
- High Card Flush – 1 table

Part IV Staff Recommendations

Based upon the licensing investigation and the PORE, staff recommends licensing RC's, LP, doing business as RC's at Valley Lanes, as a house-banked card room to operate up to five tables in accordance with the wagering limits of WAC 230-15-140.

Prepared By
Tina Griffin, Assistant Director
Licensing, Regulation & Enforcement Division

Signature



Date

10-19-17



STATE OF WASHINGTON
GAMBLING COMMISSION

“Protect the Public by Ensuring that Gambling is Legal and Honest”

November 1, 2017

TO: COMMISSIONERS:
Bud Sizemore, Chair
Julia Patterson, Vice Chair
Kelsey Gray, Ph.D.
Christopher Stearns
Ed Troyer

FROM: Haylee P. Mills, Staff Attorney
Legal and Records Division

**SUBJECT: Charles Dangerfield, CR 2017-00895
Final Order – November 16, 2017 Commission Meeting**

Mr. Charles Dangerfield had a gambling license authorizing Public Card Room Employee activity at Freddie’s Club in Renton, Washington. His license expires on February 16, 2018.

Freddie’s Club uses a Sonoma Player Tracking System for its Player’s Club. Player’s Club is a rewards program for players that rewards points for time spent playing card games. Floor supervisors at Freddie’s Club have access to this system and can manage a player’s point accumulation.

Surveillance footage from Freddie’s Club shows that between March 10, 2017 and March 30, 2017, Mr. Dangerfield, while working as a floor supervisor, improperly used a card room customer’s Player’s Club rewards on five separate occasions. On March 10, 11, 22, 24, and 30, 2017, Mr. Dangerfield accessed the Sonoma Player Tracking System and printed out receipts for food comps, then ordered food items which he consumed at the card room. His fraudulent use of the system allowed him to unlawfully take \$102.00 in rewards points.

Director Trujillo issued a Notice of Administrative Charges on August 22, 2017, to Mr. Dangerfield by regular and certified mail to his last known address. The regular mail was returned to the Commission as, “Return to Sender, Attempted-No Known, Unable to Forward,” on September 6, 2017. The certified mail was returned to the Commission, as, “Return to Sender, Vacant, Unable for Forward,” on September 27, 2017. As of the date of this memo, the Commission has not received a response from Mr. Dangerfield.

Mr. Dangerfield’s failure to respond to the charges or request a hearing is a waiver of Mr. Dangerfield’s right to a hearing in Case No. CR 2017-00895. You may take final action against his gambling license. Based on his conduct, Mr. Dangerfield cannot show by clear and convincing

Default Hearing – Charles Dangerfield

November 16, 2017

Page 2

evidence that he is qualified to keep his gambling license. Therefore, staff recommends that the Commission sign the proposed final order and revoke Charles Dangerfield's Public Card Room Employee license, License Number 68-32753.



STATE OF WASHINGTON
GAMBLING COMMISSION

“Protect the Public by Ensuring that Gambling is Legal and Honest”

November 1, 2017

TO: COMMISSIONERS:
Bud Sizemore, Chair
Julia Patterson, Vice Chair
Kelsey Gray, Ph.D.
Christopher Stearns
Ed Troyer

FROM: Haylee P. Mills, Staff Attorney
Legal and Records Division

SUBJECT: Dezaray J. Pacheco, 2017-00779
Final Order – November 16, 2017 Commission Meeting

Ms. Dezaray J. Pacheco has a gambling license authorizing Class III Employee activity at Lucky Dog Casino in Skokomish, Washington. Her license expired on September 14, 2017.

On November 9, 2016, while working as a Cash Operations Employee at Lucky Dog Casino, Ms. Pacheco was responsible for performing “Hot Seat” drawings for \$50.00 Tribal Lottery System (“TLS”) vouchers. During one such drawing, Ms. Pacheco drew out the name of a patron and discussed the patron’s name being drawn with a security officer and floor supervisor, subsequently discarding the valid winning draw and drawing another name, awarding the prize to that other patron. When interviewed by the Skokomish Tribal Gaming Agency (“TGA”), Ms. Pacheco and the two other employees admitted to their involvement in and/or knowledge of the intentional failure to pay the valid drawing winner. On November 22, 2016, the Skokomish TGA suspended Ms. Pacheco’s tribal gaming license, and then revoked it on January 6, 2017. Ms. Pacheco did not appeal the revocation, nor did she ever report the suspension or revocation to the Gambling Commission.

Director Trujillo issued a Notice of Administrative Charges on July 11, 2017, to Ms. Pacheco by regular and certified mail to her last known address. Charges were re-issued to Ms. Pacheco’s forwarding address on July 27, 2017. The Commission received a request for hearing on August 9, 2017, and a prehearing conference was scheduled for October 6, 2017. Ms. Pacheco was sent notice of the prehearing conference to her forwarding address on September 14, 2017. Ms. Pacheco failed to appear at the prehearing conference, and no further communication from Ms. Pacheco has been received by the Commission as of the date of this memo.

Ms. Pacheco’s failure to attend or participate in a hearing or other stage of an adjudicative proceeding is a waiver of Ms. Pacheco’s right to a hearing in Case No. CR 2017-00779. You may

Default Hearing – Dezaray J. Pacheco

November 16, 2017

Page 2

take final action against her gambling license. Based on her conduct, Ms. Pacheco cannot show by clear and convincing evidence that she is qualified to keep her gambling license. Therefore, staff recommends that the Commission sign the proposed final order and revoke Dezaray J. Pacheco's Class III Employee license, License Number 69-37116.



Washington State Gambling Commission Program Review Special Olympics Washington

Part I Licensing/Organization Information

Certification Approval	Name/Address
For Fiscal Year Ended	Special Olympics Washington
December 31, 2016	1809 7 th Ave. Suite 1509
	Seattle, WA 98101

MEMBERSHIP AND MANAGEMENT

38 Board Members and 7 Officers
 15 Meetings were conducted during the 2016 calendar year
 14 Employees (Full-Time) paid to provide program services
 1093 Volunteers provided 90,000 donated hours of program services

ACTIVE LICENSES ISSUED BY GAMBLING COMMISSION

Description/Class	Exp. Date	License Number(s)
Raffle Class B	05/10/2018	02-02549
Enhanced Raffle	09/30/2018	02-00507

COMMISSION STAFF

Regulatory Unit
 Kevin Maxwell, Special Agent
 Edward Ward, Special Agent

Organizational Purpose and Structure

Statement of Purpose

Special Olympics Washington is charitable/non-profit organization formed to provide year-round sports training and athletic competition in a variety of Olympic-type sports for children and adults with intellectual disabilities or a closely related developmental disability. It was formed in 1975.

Their stated purpose is to sponsor, promote, and conduct athletic activities, including sports, games, exercise programs and fitness programs, for individuals with intellectual disabilities, and to sponsor, promote and conduct the Washington Special Olympics athletic game events for individuals with intellectual disabilities. They also train and develop instructors, teachers, coaches, supervisors, and recreation personnel to programs of physical fitness for individuals with intellectual disabilities.

Charitable/Nonprofit Services

The primary service of Special Olympics Washington is to provide athletic competition for individuals with intellectual disabilities. Special Olympics Washington conducted 136 athletic competitions throughout the state involving 17,843 athletes in 2016. They also conducted sixteen 8 week sessions of sporting events for young athletes involving approximately 587 young athletes between 2-7 years of age and in all developmental stages.

Special Olympics Washington held 74 unified sporting events where individuals with intellectual disabilities participated in sporting events with individuals that did not have intellectual disabilities on the same team. These events helped promote social inclusion and benefit both categories of athletes.

Other programs included the healthy athlete where doctors and other health professionals learn how to interact with individuals with intellectual disabilities and helped the athletes to obtain better health care. Athlete leadership provided opportunities for athletes to attend workshops to help them develop leadership skills and to provide their ideas and suggestions for improvements. They even included three athletes with intellectual disability on the Board of Directors so that they had his input on their ongoing plans.

Part II Staff Findings

During the review of Special Olympics Washington, numerous steps were taken to ensure they are a bona fide nonprofit organization functioning in accordance with their stated Bylaws, the program services exist and are being supported, significant progress is being made towards their stated purpose and are in compliance with all the applicable WACs and RCWs.

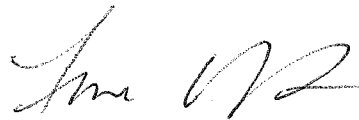
This is done in part by reviewing board meeting minutes, program services, internal controls, reviewing payroll for reasonable wages, ensuring funds and assets are not being misused, and making sure all contracts are reasonable. During our time onsite and reviewing this information it was determined that they are in compliance and suitable for licensure.

Part III Staff Recommendations

Based upon the on-site program review, staff recommends the continued licensure of Special Olympics Washington.

Prepared By
Tina Griffin, Assistant Director
Licensing, Regulation, and
Enforcement Division

Signature



Date

10-23-17




STATE OF WASHINGTON
GAMBLING COMMISSION

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

October 25, 2017

TO: **COMMISSIONERS** **EX OFFICIO MEMBERS**
Bud Sizemore, Chair Senator Steve Conway
Julia Patterson, Vice Chair Senator Lynda Wilson
Kelsey Gray, Ph.D. Representative David Sawyer
Chris Stearns Representative Brandon Vick
Ed Troyer

FROM: Donna Khanhasa, Special Agent 
Licensing, Regulation & Enforcement Division

SUBJECT: Special Olympics of Washington – 2017 Western Washington Enhanced Raffle Results

At the November 2016 commission meeting, the Commissioners approved a plan submitted by the Special Olympics of Washington (SOWA) to conduct an enhanced raffle in Western Washington. The grand prize drawing was held on May 12, 2017.

In accordance with WAC 230-11-103, charitable or nonprofit licensees conducting enhanced raffles must have an independent audit conducted on each enhanced raffle and the associated smaller raffles. SOWA submitted the auditor's report in accordance with the rule.

The purpose of this memo is to report the results of the enhanced raffle and the agents' review. This is the fifth enhanced raffle that SOWA has reported on.

The grand prize offered was a home located in the Puget Sound area or an annuity of \$4,000,000 paid over 20 years or a one-time \$2,800,000 cash payment based on 40,000 tickets being sold. If fewer than 37,000 tickets were sold, the grand prize winner would receive a choice between a sum equal to 50% of the net raffle proceeds paid as an annuity over 20 years, not to exceed \$4,000,000, or a one-time cash payment of 70% of the annuity value, not to exceed \$2,800,000.



The results of the May 12, 2017, enhanced raffle and the associated raffles are as follows:

Sales of Raffle Tickets	Prizes Awarded	Other Expenses	Net Proceeds from Enhanced Raffle
\$3,357,490	\$995,743	\$ 1,455,395	\$906,352

Drawing details and prizes:

Drawing	Date	Location	Prizes Awarded
Early Bird 1	March 10, 2017	SOWA Office	\$50,000
Early Bird 2	April 7, 2017	SOWA Office	\$10,000
Multi-Ticket	May 12, 2017	Seattle Center	\$50,000
Add-On (50/50)	May 12, 2017	Seattle Center	\$195,433
Grand Prize	May 12, 2017	Seattle Center	Grand prize: \$382,843 2 nd prize: \$50,000 3 rd prize: \$10,000 4 th to 10 th prize: \$5,000*

*In addition to prizes noted above, there was an additional 3,250 prizes awarded, with prize values ranging from \$50 to \$1,875.

Use of Proceeds:

Net proceeds of \$906,352 from the Enhanced Raffle will benefit SOWA by supporting program activities.

Regulatory Review:

An agent from the Regulatory Unit conducted an inspection of the enhanced raffle. Prior to the inspection, he reviewed the approved enhanced raffle plan and reviewed the case reporting system for compliance history.

The agent compared the enhanced raffle ticket sales to the bank statements and verified the money from all ticket sales was deposited. The agent contacted the top ten Grand Prize Drawing winners, the Early Bird #1 prize winner, the Early Bird #2 prize winner, Multi Ticket Drawing winner, and the 50/50 Add On prize winner and verified they received the prizes.

Agents conducting a simultaneous Program Review of the Special Olympics of Washington completed a review of the licensee's bank statements and check registers for the licensee's bank accounts and reviewed supporting documentation from a sample of items to determine there was no misuse of funds. They noted no discrepancies.

Commissioners and Ex Officios

October 25, 2017

Page 3 of 3

The agent noted the total grand prize amount awarded was \$382,842.74. In addition the 50/50 add on prize awarded was \$195,433. There were no discrepancies in calculating the grand prize and 50/50 prize amounts.

The agent reviewed the licensee's gambling records to verify accuracy and compliance with the WAC rules. They noted no discrepancies.

The agent confirmed that SOWA operated the enhanced raffle within the plan approved by the Commissioners.

Regulatory Actions:

There were no state or federal regulatory actions taken in relation to this enhanced raffle.



STATE OF WASHINGTON
GAMBLING COMMISSION

PO BOX 42400 OLYMPIA WASHINGTON 98504-2400 (360) 486-3440 TDD (360) 483-3637 FAX (360) 486-3624

November 3, 2017

TO: **COMMISSIONERS** **EX OFFICIO MEMBERS**
Bud Sizemore, Chair Senator Steve Conway
Julia Patterson, Vice Chair Senator Lynda Wilson
Kelsey Gray, Ph.D. Representative David Sawyer
Chris Stearns Representative Brandon Vick
Ed Troyer

FROM: Donna Khanhasa, Special Agent *DK*
 Licensing, Regulation, and Enforcement Division

SUBJECT: Special Olympics of Washington – 2018 Western Washington Enhanced Raffle
 Plan Request

Special Olympics of Washington (SOWA) is requesting your permission to conduct a “Dream House Raffle,” an enhanced raffle in Western Washington.

In the 2013 Legislative session, the Legislature passed Engrossed Substitute Senate Bill 5723 authorizing enhanced raffles. The Washington Administrative Code (WAC) 230-03-152 allows the commissioners to vote to approve a bona fide charitable or nonprofit organization whose primary purpose is serving individuals with intellectual disabilities, to conduct enhanced raffles when they meet the requirements of the law and submit a plan as set out in the rule.

Mission:

SOWA’s mission is to provide year-around sports training and athletic competition in a variety of Olympic type sports for children and adults with intellectual disabilities, giving them continuing opportunities to develop physical fitness, demonstrate courage, experience joy and participate in the sharing of gifts, skills and friendship with their families, other Special Olympics athletes and the community.



Programs and Clients Served:

SOWA currently serves 17,500 athletes and has a support system of nearly 8,000 volunteers. However, there are nearly 180,000 individuals in Washington State with intellectual disabilities.

Goal for Conducting the Raffle:

The organization's goal is to triple the number of athletes by 2020 and in the years ahead reach everyone with intellectual disabilities.

Enhanced Raffle Details:

Ticket costs: \$150 each, 3 for \$400, or 5 for \$550.

50/50 Add-on tickets are \$20 each, 3-pack for \$50, or 6-pack for \$75.

Drawing	Date	Location	Prizes Available
Early Bird 1	March 8, 2018	Western Washington – King County	Winner's choice: Vehicle or \$50,000 cash
Early Bird 2	April 11, 2018	Western Washington – King County	Winner's choice: Vacation or \$10,000 cash
Grand Prize	May 11, 2018	Western Washington – King County	Grand Prize Dream House, \$4 million annuity, or \$2.8 million onetime cash option.* Other prizes include a vehicle, trips, cash, and other prizes to be determined.
Multi-Ticket	May 11, 2018	Western Washington – King County	Winner's choice: Vehicle or \$50,000 cash.
50/50 Add-on Drawing	May 11, 2018	Western Washington – King County	Half of the gross proceeds of the 50/50 Add-on ticket sales.

*A minimum of 60,000 tickets must be sold for these prizes to be awarded.

Security and Purchase of Prizes:

All prizes will be purchased and awarded after each applicable drawing with the raffle revenue.

Protection of the integrity of the raffle:

All proceeds received from ticket sales processed by the call center will be deposited directly into a SOWA bank account. A third party raffle auditor will be engaged to audit the raffle ticket stubs to ensure that they accurately reflect tickets purchased, and conduct the drawing so that no employee of SOWA will have a hand in the raffle drawing. SOWA will print the raffle tickets.

Use of Proceeds:

The proceeds will be used to further drive the vision of the Special Olympics Washington.

Protection in the Event of Low Ticket Sales:

The law requires that in the event SOWA determines the ticket sales are insufficient to qualify for a complete enhanced raffle to move forward, the enhanced raffle winner must receive fifty percent of the net proceeds in excess of expenses as the grand prize. The enhanced raffle winner will receive a choice between an annuity value equal to fifty percent of the net proceeds in excess of expense paid by annuity over twenty years, or a one-time cash payment of seventy percent of the annuity value. In no case will the grand prize be less than \$50,000. Unless, the raffle ticket sales fall at or below the breakeven amount of 15,004 tickets sold, and net proceeds in excess of expenses produce a negative value, Special Olympics Washington will consider refunding all purchases and cancelling the raffle due to insufficient sales of tickets or issuing a flat \$5,000 to the Grand Prize winner.

Projected Budget:

SOWA estimates the breakeven number of ticket sales to be about 15,004. The net proceeds will depend upon the value of the grand prize house to be awarded. SOWA estimates net proceeds to be between \$0 and \$321,843 if a \$4,580,000 million dollar house is the grand prize.

Dedicated Employee Responsible for Oversight of the Enhanced Raffle Operation:

Dan Wartelle, SOWA Vice President Communications, will be overseeing the enhanced raffle operation.

Licensed Service Supplier Managing the Enhanced Raffle:

NZ Consulting, Inc., which is owned 100% by Neal Zeavy from Seattle, Washington, is managing the enhanced raffle for SOWA.

Licensed Call Center Contracted to Receive Enhanced Raffle Ticket Sales:

Cornerstone Administrative Services, LLC, which is owned 100% by Melissa Melcher-Hosni, is the licensed call center contracted to receive enhanced raffle tickets sales for SOWA.

Attachments (2)

**Special Olympics
Washington**



Special Olympics Washington
Enhanced Raffle Plan 2018
“Special Olympics Washington Dream House Raffle”

Purpose

The Special Olympics Washington Dream House Raffle is being conducted to provide the necessary resources for the organization to grow its athlete base. Currently Special Olympics Washington serves 17,500 athletes across the state. However, there are nearly 180,000 individuals in Washington State with intellectual disabilities. The organization’s goal is to triple the number of athletes by 2020 and in the years ahead reach everyone with an intellectual disability. There is much work to be done. With the funds earned from the “Dream House Raffle”, Special Olympics will begin the journey of reaching into every corner of the state. From Ocean Shores to Omak and Blaine to Olympia our goal will be to make sure EVERYONE has the opportunity to be tested like Champions!

About Special Olympics Washington

Special Olympics Washington was incorporated in 1975 and has the vision to help bring all persons with intellectual disabilities into the larger society under conditions whereby they are accepted, respected and given the chance to become useful and productive citizens. The mission of Special Olympics Washington is to provide year-round sports training and athletic competition in a variety of Olympic type sports for children and adults with intellectual disabilities, giving them continuing opportunities to develop physical fitness, demonstrate courage, experience joy and participate in the sharing of gifts, skills and friendship with their families, other Special Olympics athletes and the community. Special Olympics Washington currently serves more than 17,500 athletes and has a support system of nearly 8,000 volunteers. The organization is part of Special Olympics International, which serves more than 4 million athletes in more than 180 countries. Special Olympics Washington is a 501(c)(3) organization in Washington State.

MISSION: Special Olympics Washington BUILDS communities and LEADS in wellness through Sports & Inclusion.

About Our Athletes

Once an athlete joins Special Olympics, he or she typically participates in three sports per year. Special Olympics becomes a year-round endeavor bringing new friends, greater self-esteem and a place for family members to connect. 50% of Special Olympics athletes are employed vs. only 2% of those who have an intellectual disability but who are not currently competing. Once an athlete joins Special Olympics, they can participate until they can no longer compete and we have seen athletes in their 70s.

SPECIAL OLYMPICS WASHINGTON
Enhanced Raffle Rules
2018

Special Olympics Washington (SOWA), a tax exempt organization under Section 501(c)(3) of the Internal Revenue Code, is conducting this raffle pursuant to SB 5723, Washington Administrative Code 230-03-152, to raise funds for ongoing charitable purposes. The Rules and Regulations of the SOWA raffle are set forth below. By purchasing a raffle ticket the purchaser agrees to be bound by these rules and regulations. SOWA's interpretation and application of the rules and regulations shall be final.

The Grand Prize Drawing for Special Olympics Washington Dream House Raffle will be held on Friday, May 11, 2018 at the Seattle Center, Seattle WA. All early bird drawings will be held at 1809 7th Ave, Suite 1509, Seattle, WA 98101. Tickets will not be sold after April 27, 2018. Tickets may sell out before that time. An independent raffle auditor will supervise the drawing. The drawing for prizes may be open to the public, but the winner does not need to be present to win.

Only 65,000 tickets will be sold. The chances of winning are based on that number. If fewer tickets are sold, the chances of winning the Grand Prize and other prizes improve. The IRS has taken the position that amounts paid for chances in raffles, lotteries or similar drawings for valuable prizes are not gifts, and consequently do not qualify as deductible charitable contributions.

The Grand Prize Winner assumes all fees, local, state and federal taxes (including but not limited to income taxes based on the value of the prize). Likewise, there are federal taxes and there may be state and/or local tax consequences if the winner selects the alternate cash prize. (See Prizes section below) These consequences may apply to other prizes as well. SOWA takes no responsibility for any tax liabilities. Consult your tax advisor. This offer is void where prohibited by law, and all federal, state and local laws and regulations apply.

By entering this raffle, entrants accept and agree (1) to be bound by all the rules, limitations and restrictions set forth here and (2) that their names and/or likenesses may be disclosed to and used by the news media and may otherwise be used by SOWA for publicity purposes and in lists of prize winners to be published in area newspapers and announced on the SOWA raffle website. SOWA will provide purchasers all raffle information as required by WAC 230-11-015. Other rules and regulations may apply. Please contact SOWA if you have questions. SOWA's interpretation and application of the rules and regulations shall be final.

By entering this raffle, each participant releases SOWA, its directors, officers, employees and agents from any and all liability for injuries, losses or damages of any kind caused by participating in the raffle or winning any prize or resulting from acceptance, possession, use or misuse of any prize, and each winner agrees to indemnify and hold SOWA harmless from any and all losses, damages, rights, claims and actions of any kind rising in connection with or as a result of participating in the raffle or the winner's acceptance or use of any prize.

Tickets:

Tickets are \$150 each, 3-pack for \$400, or 5-pack for \$550. Only one method of payment, one name, and one mailing address are permitted per ticket pack. Only one eligible person may be entered in the raffle per ticket sold. If the name of more than one person is submitted with a ticket purchase, and that ticket is selected as a winning ticket, then the person named first will be deemed the holder of record of that ticket and declared the winner regardless of who paid for the ticket. Division of prize by a group purchasing a ticket in common shall be to the sole responsibility of the person named as the holder of record of that ticket, should that ticket be selected as a winner.

Early ticket purchases will be included in up to three drawings. Tickets purchased by February 23, 2018, will be eligible for the Early Bird Drawing 1 (drawing date: March 8, 2018). Tickets purchased by March 23, 2018, will be eligible for the Early Bird Drawing 2 (drawing date: April 11, 2018). All such tickets, including all winning tickets from Early Bird Drawings, will be included in applicable subsequent drawings as well as the Grand Prize Drawing. Tickets purchased by April 27, 2018, will be eligible for the Grand Prize Drawing (drawing date: May 11, 2018).

50/50 Add-On Tickets are one for \$20, 3-pack for \$50 or 6-pack for \$75.

Rules for purchasing 50/50 Add-On tickets are as follows:

Only one method of payment and only one mailing address are permitted.

Only one name can be listed per ticket.

50/50 Add-On Tickets must be ordered at the same time as your Dream House Raffle ticket order.

50/50 Add-On orders will not be accepted after your original raffle ticket order date.

SOWA reserves the right to reject any entry form that is submitted with payment that does not constitute "good funds." All defective or physically altered entry forms will be immediately disqualified by SOWA. Prior to the Grand Prize Drawing, SOWA will make a reasonable effort to notify the individual and/or entity that submits such an entry form or one which has been rejected because the credit card or check did not clear that the entry has been rejected by attempting to make contact through the information provided at the time of submitting the purchase request. All orders for tickets for the Early Bird Drawings must be received and/or purchased by the indicated deadline. Any orders received after these deadlines will be held for the subsequent drawings, if applicable and Grand Prize Drawing. SOWA assumes no responsibility for lost, late, misdirected or non-delivered mail or fax messages, or any other failure to receive orders or deliver receipts prior to the drawing deadlines.

A raffle participant's sole and exclusive remedy for SOWA's breach shall be limited to the return of the purchase price paid for his or her raffle ticket(s). In no event shall SOWA, its directors, officers, employees, agents or representatives be liable to any party for any loss or injuries to earnings, profits or goodwill, or for any incidental, special, punitive or consequential damages of any person or entity whether arising in contract, tort or otherwise, even if advised of the possibility of such damages.

How to Purchase:

To purchase tickets: use the order form provided and fax the order form to 206-775-8723, or you may mail it to SOWA Dream House Raffle, 1809 7th Ave, Suite 1509, Seattle, WA 98101 or call 1- 888-537-7518, providing your name, address, phone number along with your credit card number, credit card security code and expiration date. Tickets cannot be purchased on the raffle website or by email. Any entry form submitted by email will be rejected. All entries must include payment by cash, check, money order or

credit card in US dollars. SOWA reserves the right to reject any entry form that is submitted with payment that does not constitute "good funds." No refunds will be made except under the following circumstances: any ticket order with payment received after 65,000 tickets have been sold or after April 27, 2018, will be returned. No other refunds are available except in the exclusive discretion of SOWA. SOWA assumes no responsibility for lost, late, misdirected or non-delivered mail or fax messages, or any other failure to receive orders or deliver receipts prior to the drawing deadlines.

Selection of Winners:

The Special Olympics Washington Dream House Raffle Grand Prize Drawing will be held on May 11, 2018 from all eligible raffle tickets. Winners need not be present to win. SOWA will conduct the Early Bird drawings on March 8, 2018 (Early Bird Drawing 1) and April 11 (Early Bird Drawing 2). The Bonus Multi-Ticket Drawing and 50/50 Add-On Drawing (See Bonus Drawings) will be held on May 11, 2018. The Bonus Multi-Ticket Drawing, 50/50 Add-On Drawing, and Grand Prize Drawing will be held under the supervision of an independent raffle auditor. The Grand Prize Drawing, 50/50 Add-On Drawing, and Multi-Ticket Drawing, will be held on Friday, May 11, 2018 at the Seattle Center, Seattle WA. All early bird drawings will be held at 1809 7th Ave, Suite 1509, Seattle, WA 98101. All drawings may be open to the public or available for viewing on television. Winners will be notified according to the contact information provided to SOWA at the time of ticket purchase. If the grand prize winner cannot be located by 5:00 p.m., May 25, 2018, after attempting to make contact through the information provided at the time of purchasing the ticket, such winner will be deemed to have elected the onetime cash alternate prize and another winner will not be selected for such prize. In addition to the list of winners posted on the SOWA raffle web site, a list of winners may be obtained from SOWA or by sending a self-address, stamped envelope to Special Olympics Washington Dream House Raffle, 1809 7th Ave, Suite 1509, Seattle, WA 98101 within one week of the drawing.

In order to collect prizes valued greater than \$4,999, a ticket winner must sign and deliver to SOWA: (a) a sworn affidavit of eligibility in accordance with these Rules and applicable law, including without limitation that he or she is at least 18 years old; (b) such written information as is required by any applicable tax and/or real estate laws, including without limitation his or her Social Security Number; (c) proof of identity in forms satisfactory to the SOWA showing that the person claiming the prize is the same person who is named on the winning raffle ticket.; and (d) the winning ticket stub. Winners of prizes of \$5,000 or more may be required to submit a W-2G, Form 5754 or similar tax form (provided by SOWA) for tax withholding purposes.

Winning Odds:

The odds of winning a prize will depend on the number of tickets sold. If all 65,000 tickets are sold the odds of winning the Grand Prize is 1 in 65,000. If fewer tickets are sold, the chance of winning the Grand Prize, Early Bird Prizes and all secondary prizes improves. The odds to win a prize are no less than 1 in 20.

Eligibility:

Anyone 18 years of age or older may enter. SOWA employees, members of the Board of Directors, authorized agents and employees thereof, consultants, attorneys, independent accountant firm, and their spouses and children living in the same household are excluded from participating and are not eligible to win a prize. All federal, state, and local laws and regulations apply. The raffle is void where prohibited or restricted by law. An affidavit of eligibility may be required from prize winners.

Prizes:

The Grand Prize is the home located within the Puget Sound area of Washington, and a detailed description will be referred to in all raffle materials. Alternatively, the Grand Prize winner may elect to receive an annuity of \$4,000,000 paid over 20 years or a onetime \$2,800,000 cash payment (except as stated below) based on 65,000 tickets sold. The Grand Prize Winner must make an election in writing between the house, the annuity, or the onetime cash payment no later than 5:00 p.m. May 25, 2018. In the event of circumstances outside of the control of SOWA such as but not limited to: fire, earthquake, foreclosure and as determined by SOWA, the Grand Prize Winner will instead have no election as stated above and will instead have an election between an annuity of \$4,000,000 paid over 20 years or a onetime \$2,800,000 cash payment (except as stated below). A minimum of 60,000 tickets must be sold by April 27, 2018 for the Grand Prize Winner to have a choice of the House, the annuity of \$4,000,000 paid over 20 years, or a onetime \$2,800,000 cash payment alternate prize. If fewer than 60,000 tickets are sold by April 27, 2018, the raffle will be held as scheduled, and prizes will be awarded as advertised with the exception that the Grand Prize Winner will receive a choice between sum equal to 50% of the Net Raffle Proceeds paid as an annuity over 20 years, not to exceed \$4,000,000 or a onetime cash payment of 70% of the annuity value, not to exceed \$2,800,000. Net Raffle Proceeds will be calculated based on SOWA accounting, which shall be final and conclusive with respect to the Grand Prize Winner. For these purposes "Net Raffle Proceeds" are defined as the balance of funds left after paying all other prizes, all raffle expenses and all expenses for the House. SOWA will estimate the final prize ("Estimate Prize") just prior to the Grand Prize drawing so as to award 90% of the estimated prize payment. No later than 120 days from the drawing date, SOWA will verify that all expenses have been accounted for and a final Net amount will be calculated ("Actual Prize"). SOWA will issue a final check to the Grand Prize winner based on the difference between the Actual Prize and the Estimated Prize payment along with an updated W-2G.

All vehicles come base model factory equipped and winner(s) are also solely responsible for any and all state or local license, title, registration, cost differential between the value of the car and the cash alternate prize, taxes, or fees associated with the vehicle, as well as insurance (proof of which must be shown prior to delivery) and pickup or delivery costs at the dealership as well as any non-standard options chosen by the winner and negotiated with the dealership. All winners of vehicles must make an election in writing between the vehicle and the alternative cash payment no later than 5:00 p.m. on the fifth business day after the drawing. All contracted vehicles are subject to availability at the automobile dealer selected by SOWA and may be substituted with a comparable vehicle by SOWA or with the cash alternate prize.

Vacation travel prizes are for two economy round trip tickets from any continental US airport to the destination city and for one double occupancy standard hotel room in the destination city unless otherwise noted on the raffle website. Please note that some vacation travel is for land only and does not include airfare. All vacation and travel prizes are subject to space and availability. All gratuities, taxes and fees are the responsibility of the winner and each vacation prize has a maximum value of five thousand dollars in total. Winners of travel related prizes must comply with all applicable requirements and restrictions related to said prizes including without limitation applicable travel dates, age restrictions, liability waivers, travel documentation and reservation and confirmation procedures. All contracted vacations are subject to availability and may be substituted with a comparable vacation prize or with a cash alternate prize.

All unclaimed prizes will be returned to Special Olympics Washington 60 days after the Grand prize drawing date.

C (i) Dates of raffle and drawing:

January 22 – Start date
February 23 – Early Bird 1 deadline
March 8 – Early Bird 1 drawing
March 23 – Early Bird 2 deadline
April 11 – Early Bird 2 drawing
April 27 – Grand Prize Deadline
May 11 – Grand Prize, Multi-Ticket, and 50/50 Add-On Drawings

C(ii) Cost of raffle ticket:

Tickets are \$150 each, or 3-tickets for \$400, or 5 tickets for \$550
50/50 Add-On Tickets are one for \$20, 3-pack for \$50 or 6-pack for \$75.

C(iii) Prizes available:

Grand Prize: The Dream House or \$4,000,000 annuity or \$2,800,000 cash option
2nd Prize: Winner's choice between a TBD or \$50,000 cash*
3rd Prize: Vacation to TBD \$10,000 cash*
4th Prize: Vacation to TBD or \$5,000 cash*
5th Prize: Vacation to TBD or \$5,000 cash*
6th Prize: Vacation to TBD or \$5,000 cash*
7th Prize: Vacation to TBD or \$5,000 cash*
8th Prize: Vacation to TBD or \$5,000 cash*
9th Prize: TBD or \$5,000 cash*
10th Prize: Vacation to TBD or \$5,000 cash*

Prizes 11- 3250 TBD:

*Except as stated above

Bonus Drawings:

Multi-Ticket Drawing
Prize: TBD or \$50,000 cash

50/50 Add-On Drawing

Prize: 50% the gross proceeds of the 50/50 Add On raffle

C(iv) Security of prizes:

Prizes including cash, vacations, and cars, which will be purchased and awarded after each applicable drawing with raffle revenue, thus prizes don't need to be protected since they are not being purchased prior to the raffle drawing. Add-On Sales will be recorded in a separate account code based on the sales report/ticket ledger and deposited into the main Raffle bank account. 50% of the sales of Add-On tickets will be distributed to the 50/50 raffle winner.

C(v) Plans for selling raffle tickets:

Raffle tickets will be sold via phone, fax, mail, and in person.
Please refer to the Raffle Ticket Process document attachment.

C(vi) Description of how the integrity of the raffle will be protected:

A third party raffle auditor will be engaged to test the raffle ticket stubs to ensure that they accurately reflect tickets purchased and witness the drawings. An Employee of Special Olympics Washington will draw all winning raffle tickets.

d) Explanation of how the proceeds from the raffle will be used:

Depending on the actual amount of revenue the raffle generates, the funds will be used to further drive the vision of Special Olympics Washington as described on page 1 of this document.

e) Plan to protect the licensee in the event of low ticket sales and other risks:

In the event the bona fide charitable or nonprofit organization determines ticket sales are insufficient to qualify for a complete enhanced raffle to move forward, the enhanced raffle winner must receive fifty percent of the net proceeds in excess of expenses as the grand prize. The enhanced raffle winner will receive a choice between an annuity value equal to fifty percent of the net proceeds in excess of expense paid by annuity over 20 years, or a one-time cash payment of seventy percent of the annuity value. In no case will the grand prize be less than \$50,000. Unless, the raffle ticket sales fall at or below the breakeven amount of 15,004 tickets sold, and net proceeds in excess of expenses produce a negative value, Special Olympics Washington will consider refunding all purchases and cancelling the raffle due to insufficient sales of tickets or issuing a flat \$5,000 to the Grand Prize winner.

f) Explanation of how the prize(s) will be purchased for the raffle:

Cash prizes are offered from the sale of raffle tickets. Non-cash prizes, such as vacations and cars will be purchased if the winner chooses such prize in lieu of cash.

g) Projected budget including the following – (see attached projections)

- (i) Estimated gross gambling receipts, expenses, and net income for the raffle. See attached SOWA raffle budget projections.
- (ii) Corresponding sales and prize levels with projected revenues and expenses for each level. See attached SOWA raffle budget projections.
- (iii) Minimum and maximum prizes available.

- h) Sowa's dedicated employee is Dan Wartelle.
- i) NZ Consulting Inc. will be the licensed service supplier
- j) Cornerstone Administrative Services will be our licensed Call Center
- k) Raffle Ticket Process Document
- l) Raffle Budget

SPECIAL OLYMPICS WA

WSGC Ticket Sales

2018

S:\Raffle\2018\Budget\[2018 WSGC Format with breakeven.xlsx]Sheet1

	Breakeven	Annuity \$300k/Lump Sum \$210k GP	\$4M Annuity or \$2.8M Lump sum GP	House GP	
Total # of Tickets	15,004	20,174	60,000	60,000	
Average Price/ticket	\$ 125	\$ 125	\$ 125	\$ 125	
GROSS SALES	1,875,441	2,521,695	7,500,000	7,500,000	
<u>Expenses:</u>					
Advertising	528,310	528,310	528,310	528,310	Fixed
Professional Fees	290,159	385,837	1,122,875	1,122,875	Variable
Postage	422,204	422,204	422,204	422,204	Fixed
Personnel	58,008	58,008	58,008	58,008	Fixed
Sales Expense	72,760	72,760	72,760	72,760	Fixed
Prize Expense	422,000	422,000	422,000	422,000	Fixed
Regulatory Expense	32,000	32,000	32,000	32,000	Fixed
TOTAL EXPENSE	1,825,441	1,921,119	2,658,157	2,658,157	
NET INCOME BEFORE GP	50,000	600,576	4,841,843	4,841,843	
Grand Prize - Annuity		300,288	4,000,000		
Grand Prize - Lump Sum	50,000	210,202	2,800,000		
Net to SOWA - Lump Sum Pymt	0	390,375	2,041,843		
Net to SOWA - Annuity		360,346	1,641,843		
Grand Prize - House				4,520,000	
Net to SOWA - House Option				321,843	



Rule Changes / Fee Simplification (Package #3)

New Rule:

WAC 230-05-175 Individuals license fees.

November 2017 – Discussion and Possible Filing

Tab 6: NOVEMBER 2017 Commission Meeting Agenda. Statutory Authority 9.46.070

Who Proposed the Rule Change?

Staff

Describe the Rule Changes

This is third of at least four packages staff will bring forward to make changes to the Commission’s licensing fee structure. This third package sets the individual license fees under the new license fee structure. The key changes to individual license fees in this third package:

- Establishes the license fees for individuals. There are basically two annual license fee schedules for individuals:

License Type	New Application Fee	Renewal Fees
Class F and HBCR card room employees and all representatives	\$275 (in-state fee for CREs)	\$170
Nonhouse-banked card room employees, charitable or nonprofit gambling manager, and commercial gambling manager	\$200	\$95

- Requires all representatives to apply and pay a fee when adding or changing employers consistent with all other individual licensees. The fees are consistent with other fees for this transaction.
- Outlines in rule the card room employees required to pay “out-of-state” new application fees.

A fourth rules package will include any corrections or updates to the rules filed in packages #1, #2, or #3. This package will likely be on your January agenda.

Attachments:
WAC 230-05-175

Policy Considerations

The Commissioners began considering changing the fee structure in 2014. The current fee structure was created over 40 years ago. It began with 25 fees. Today the Gambling Commission has approximately 194 different fees for Commercial and Non-Profit organizations and individuals. This fee schedule is typically based on a “class” system, which can be cumbersome for licensees and agency staff. The

Gambling Commission is looking to simplify this current system to allow it to be easier to navigate and have a licensing fee schedule that is more predictable for both the agency and its licensees.

Staff Recommendation

Staff recommends filing for further discussion.
Staff anticipates asking for an effective date of May 1, 2018.

NEW SECTION

WAC 230-05-175 Individuals license fees. Individuals must pay the following fees:

(1) Annual license and additional employer fees:

License Type	New Application Fee	Annual Renewal Fee	Additional or Change of Employer Fee
Call center for enhanced raffle representative	\$275	\$170	-
Card room employee license - Nonhouse-banked (Class A)	\$200	\$95	\$65
Card room employee license - Class F and house-banked (Class B)	\$275 (in-state) \$340 (out-of-state)	\$170	\$65
Charitable or nonprofit gambling manager	\$200	\$95	\$95
Commercial gambling manager	\$200	\$95	\$95
Distributor representative	\$275	\$170	\$65
Linked bingo prize provider representative	\$275	\$170	\$65
Manufacturer representative	\$275	\$170	\$65
Gambling service sup-	\$275	\$170	\$65

plier representative			
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(2) Class B card room employees must pay the out-of-state application fee if over the last ten years the applicant lived outside of Washington for six non-consecutive months or more.

(3) Other service fees:

Transaction	Fee
Change of name	\$30
Card room employee emergency waiver request	\$65
Duplicate license	\$30

(4) **Military personnel returning from service**

If a license expires while an individual is on active military service, the individual may apply to have their license reissued at the renewal fee. The application must be received within six months after completing their active military service. The applicant must provide evidence of the completion date of active military service.



Petition for Rule Change

WAC 230-11-087 Other pricing plans for members-only raffles.

November 2017 – Final Action
October 2017 – Further Discussion
September 2017 – Further Discussion
August 2017 – Further Discussion
July 2017 – Discussion and Possible Filing

Tab 10: NOVEMBER 2017 Commission Meeting Agenda.

Statutory Authority 9.46.070

Who Proposed the Rule Change?

Scott Eisenhauer, State Chairman, Ducks Unlimited Washington. As of June 9, 2017, there were 52 Ducks Unlimited chapters in Washington that held raffle licenses.

Attachments:

- RCW 9.46.0277 “Raffle.”
- WAC 230-11-086 Discounted pricing plans for tickets to members-only raffles.
- Petition for Adoption, Amendment or Repeal of a State Administrative Rule received on May 23, 2017.
- Letter from John Tierney, Sr. Regional Director Northwest Washington, dated August 29, 2017 with attachments.

Petitioner’s Request

Mr. Eisenhauer submitted a petition for rule change “to increase the maximum value of a raffle ticket sold as part of a members-only raffle from \$25 to \$100. This rule change is necessary because it increase(s) predictability for licensees that a members-only (raffle), which involves selling tickets as part of a multi-component package, will result in a net profit for the licensee. By raising the maximum price of a raffle ticket from \$25 to \$100 for raffle packages containing multiple components, the proceeds of the raffle are far more likely to exceed the fair market value of the awarded prize.”

At the July 2017 Commission meeting, representatives from Ducks Unlimited explained that their rule change request would allow them to assign a value of up to \$100 for the raffle portion of their Bronze Sponsorship package. With this change the Bronze Sponsorship package would be \$350, of which \$250 goes to conservation efforts. The ability to assign a higher value to the raffle tickets included in this package would allow the licensee to offset the cost of the raffle prize offered.

A Small Business Economic Impact Statement was unnecessary because the rule does not impose any costs on the industry.

Policy Considerations

Our rules only authorize members-only raffles to offer multi-component packages to include a raffle ticket.

In 2009, the Legislature increased the cost of raffle tickets from \$25 to \$100. Today, when selling raffle tickets, bona fide and charitable organizations can charge up to \$100 for a raffle ticket. When using a

pricing scheme, bundling tickets or discounting tickets, such organizations must follow WAC rules that authorize such alternative methods of selling tickets. The petitioner is requesting to modify the WAC to address the petitioners pricing scheme.

Licensees could include multiple tickets at \$25 each as part of a multi-component package under the current rule. For example, Ducks Unlimited could include four raffle tickets in their multi-component package at \$25 each.

Staff Recommendation

Final action.

Effective Date

Effective 31 days from filing.

AMENDATORY SECTION (Amending WSR 06-20-040, filed 9/26/06, effective 1/1/08)

WAC 230-11-087 Other pricing plans for members-only raffles.

(1) Licensees may sell multiple tickets to enter one or more drawings as a package if the total price of the package does not exceed twenty-five dollars.

(2) Licensees may include tickets to enter a raffle as a part of a package that includes dues, entertainment, or other fund-raising activities if:

(a) The package discloses the value of each component of the package to the purchaser; and

(b) The value of each individual raffle ticket does not exceed (~~twenty-five~~) one hundred dollars.

RCW 9.46.0277 "Raffle."

"Raffle," as used in this chapter, means a game in which tickets bearing an individual number are sold for not more than one hundred dollars each and in which a prize or prizes are awarded on the basis of a drawing from the tickets by the person or persons conducting the game, when the game is conducted by a bona fide charitable or nonprofit organization, no person other than a bona fide member of the organization takes any part in the management or operation of the game, and no part of the proceeds thereof inure to the benefit of any person other than the organization conducting the game.

[2009 c 133 § 1; 1995 2nd sp.s. c 4 § 1; 1987 c 4 § 20. Formerly RCW 9.46.020(19).]

WAC 230-11-086 Discounted pricing plans for tickets to members-only raffles.

In discounted pricing plans, licensees may sell tickets for a discounted price based on the number of tickets a player purchases if:

- (1) The amount of the discount is set before any raffle tickets are sold; and
- (2) Participants are allowed to purchase a single ticket; and
- (3) There is only one discount plan for each raffle; and
- (4) The cost of a single ticket, without a discount, does not exceed ten dollars; and
- (5) The total cost of a discount package does not exceed twenty-five dollars; and
- (6) The cost of a single ticket is printed on each ticket (for example, one dollar each); and
- (7) The discounted tickets are identified by a unique ticket audit numbering system; and
- (8) The licensee establishes an audit system that includes internal controls and procedures to determine gross gambling receipts from the sale of tickets using a discounted pricing plan.

[Statutory Authority: RCW [9.46.070](#). WSR 06-20-040 (Order 602), § 230-11-086, filed 9/26/06, effective 1/1/08.]



PETITION FOR ADOPTION, AMENDMENT, OR REPEAL OF A STATE ADMINISTRATIVE RULE

Print Form

In accordance with [RCW 34.05.330](#), the Office of Financial Management (OFM) created this form for individuals or groups who wish to petition a state agency or institution of higher education to adopt, amend, or repeal an administrative rule. You may use this form to submit your request. You also may contact agencies using other formats, such as a letter or email.

The agency or institution will give full consideration to your petition and will respond to you within 60 days of receiving your petition. For more information on the rule petition process, see Chapter 82-05 of the Washington Administrative Code (WAC) at <http://apps.leg.wa.gov/wac/default.aspx?cite=82-05>.

CONTACT INFORMATION *(please type or print)*

Petitioner's Name Scott Eisenhauer, State Chairman

Name of Organization Ducks Unlimited Washington

Mailing Address 19727 SE Petrovitsky Road

City Maple Valley State WA Zip Code 98038

Telephone (425) 891-0964 Email majike@msn.com

COMPLETING AND SENDING PETITION FORM

- Check all of the boxes that apply.
- Provide relevant examples.
- Include suggested language for a rule, if possible.
- Attach additional pages, if needed.
- Send your petition to the agency with authority to adopt or administer the rule. Here is a list of agencies and their rules coordinators: <http://www.leg.wa.gov/CodeReviser/Documents/RClst.htm>.

INFORMATION ON RULE PETITION

Agency responsible for adopting or administering the rule: Washington State Gambling Commission

1. NEW RULE - I am requesting the agency to adopt a new rule.
- The subject (or purpose) of this rule is: _____
- The rule is needed because: _____
- The new rule would affect the following people or groups: _____

2. AMEND RULE - I am requesting the agency to change an existing rule.

List rule number (WAC), if known: WAC 230-11-087

I am requesting the following change: See Attached.

This change is needed because: See Attached.

The effect of this rule change will be: See Attached.

The rule is not clearly or simply stated: _____

3. REPEAL RULE - I am requesting the agency to eliminate an existing rule.

List rule number (WAC), if known: _____

(Check one or more boxes)

It does not do what it was intended to do.

It is no longer needed because: _____

It imposes unreasonable costs: _____

The agency has no authority to make this rule: _____

It is applied differently to public and private parties: _____

It conflicts with another federal, state, or local law or rule. List conflicting law or rule, if known: _____

It duplicates another federal, state or local law or rule. List duplicate law or rule, if known: _____

Other (please explain): _____

PETITION FOR AMENDMENT

Scott Eisenhauer
State Chairman
Ducks Unlimited Washington
19727 SE Petrovitsky Rd.
Maple Valley, WA 98038

May 22, 2017

Washington State Gambling Commission
ATTN: Rules Coordinator
P.O. Box 42400
Olympia, WA 98504-2400

SENT VIA REGISTERED MAIL, ELECTRONIC MAIL, AND FACSIMILE

Re: Petition for Amendment of WAC 230-11-087

Dear Sir or Ma'am:

On behalf of the nearly 12,000 members of Ducks Unlimited ("DU") in Washington state, I respectfully submit the below information in support of this Petition for Amendment of WAC 230-11-087. This Petition for Amendment is submitted pursuant to RCW 34.05.330.

Identity of Petitioners

Founded in 1937 by Joseph Knapp, DU is a 501(c)(3) nonprofit corporation dedicated to conserving, restoring, and managing wetlands and associated habitats for North America's waterfowl. DU has a worldwide membership of approximately 700,000 individuals dedicated to this purpose. Complete information on DU's history and mission may be found here: <http://www.ducks.org>.

Petition for Amendment of WAC 230-11-087

I am requesting the following change (continued):

DU respectfully requests that the Washington State Gambling Commission ("WSGC") amend WAC 230-11-087(2)(b) to increase the maximum value of a raffle ticket sold as part of a members-only raffle from \$25.00 to \$100.00.

The change is needed because (continued):

This amendment is necessary because it increases predictability for licensees that a members-only raffle, which involves selling tickets as part of a multi-component package, will result in a net profit for the licensee. By raising the maximum price of a raffle ticket from \$25.00 to \$100.00 for raffle packages containing multiple components, the proceeds of the raffle are far more likely to exceed the fair market value of the awarded prizes.

PETITION FOR AMENDMENT

The text of the rule as it currently exists is as follows:

WAC 230-11-087

Other pricing plans for members-only raffles

- (1) Licensees may sell multiple tickets to enter one or more drawings as a package if the total price of the package does not exceed twenty-five dollars.
- (2) Licensees may include tickets to enter a raffle as a part of a package that includes dues, entertainment, or other fund-raising activities if:
 - (a) The package discloses the value of each component of the package to the purchaser; and
 - (b) The value of each individual raffle ticket does not exceed twenty-five dollars.

The proposed amended rule is as follows:

WAC 230-11-087

Other pricing plans for members-only raffles

- (1) Licensees may sell multiple tickets to enter one or more drawings as a package if the total price of the package does not exceed twenty-five dollars.
- (2) Licensees may include tickets to enter a raffle as a part of a package that includes dues, entertainment, or other fund-raising activities if:
 - (a) The package discloses the value of each component of the package to the purchaser; and
 - (b) The value of each individual raffle ticket does not exceed ~~twenty-five~~ *one hundred* dollars.

At least three reasons directly support the proposed rule change. First, the amendment increases licensee predictability that a raffle conducted pursuant to WAC 230-11-087 will ultimately be profitable. In DU's case, this issue is acutely observed when conducting the DU sponsor board raffles. These raffles typically involve the sale of a ticket as part of a package pursuant to WAC 230-11-087, with winners usually receiving a firearm. Historically, the package included an opportunity for DU members to pay a portion of their existing dues or pledged support. The relatively small number of tickets purchased for the sponsor board raffles, combined with the relatively high value of the prizes awarded, results in the individual sponsor board raffle potentially being unprofitable. The proposed rule change is designed to address the issue for DU and other similarly-situated charitable or nonprofit organizations

Second, amending the provision as specified above promotes regulatory conformity in that it brings the amended WAC 230-11-087 into conformity with the \$100.00 maximum raffle ticket price limitation found at WAC 230-11-014. Such an amendment simplifies the rules applicable to raffles, thereby assisting licensees in ensuring compliance. Additionally, such an amendment

PETITION FOR AMENDMENT

facilitates the legislative authorization and intent found in RCW 9.46.010 and 9.46.0311 regarding raffle activities for nonprofit organizations.

Third, an increase in the maximum value of raffle tickets sold as part of a package is overdue, at least in part, as a standard adjustment for inflation. The \$25.00 limitation was first imposed in 1998, and, based upon research conducted to date, does not appear to have been adjusted since that date.

The effect of this rule change will be (continued):

The effect of the proposed rule change is that a raffle ticket may be sold for \$100.00 under WAC 230-11-087 as part of a package that includes other component, such as dues. This change would likely increase the revenue received from the raffle, thereby increasing the likelihood that the raffle will ultimately be profitable in light of the firearms (or other prizes) that are awarded.

The rule is not clearly or simply stated (continued):

DU believes the rule, as currently drafted, is sufficiently clear and simply stated. The proposed amendment to WAC 230-11-087 seeks only to change the specific dollar amount specified under the rule.

Additional factors under RCW 34.05.330:

RCW 34.05.330 encourages petitioners seeking repeal or amendment of an administrative rule to address a series of issues. The considerations identified in RCW 34.05.330, and DU's responses, are as follows:

- (1) Whether the rule is authorized.

DU response: *DU believes that the proposed amendment to the rule is authorized pursuant to RCW 9.46.070 and other existing statutory provisions.*

- (2) Whether the rule is needed.

DU response: *As articulated above, DU believes the amended rule is necessary to promote predictability for licensees, promote regulatory conformity with WAC 230-11-014, and reflect a periodic adjustment for inflation.*

- (3) Whether the rule conflicts with or duplicates other federal, state, or local laws.

DU response: *DU is unaware of any conflicts or duplication created by the proposed amended WAC 230-11-087.*

- (4) Whether alternatives to the rule exist that will serve the same purpose at less cost.

DU response: *DU has researched and proposed a regulatory interpretation under the existing version of WAC 230-11-087 that would address the concerns stated in this Petition for Amendment. Consultations with WSGC staff have occurred, and it is believed that the proposed amended WAC 230-11-087 satisfactorily addresses the concerns identified herein.*

PETITION FOR AMENDMENT

- (5) Whether the rule applies differently to public and private entities.
DU response: *WAC 230-11-087 applies only to members-only raffles conducted by nonprofit or charitable organizations.*
- (6) Whether the rule serves the purposes for which it was adopted.
DU response: *The proposed amended WAC 230-11-087 supports the legislative authorization and intent articulated at RCW 9.46.010 and RCW 9.46.0311.*
- (7) Whether the costs imposed by the rule are unreasonable.
DU response: *Any costs associated with the proposed amended WAC 230-11-087 are believed to be minimal or non-existent.*
- (8) Whether the rule is clearly and simply stated.
DU response: *As articulated above, DU believes the existing WAC 230-11-087 is clearly and simply stated, and seeks only to amend the specified maximum value of the raffle ticket. DU believes the proposed amended rule is clearly and simply stated.*
- (9) Whether the rule is different than a federal law applicable to the same activity or subject matter without adequate justification.
DU response: *DU is unaware of any substantive difference with federal laws or regulations on this subject matter.*
- (10) Whether the rule was adopted according to all applicable provisions of law.
DU response: *DU does not contend the existing version of WAC 230-11-087 was improperly adopted.*

Conclusion

Thank you for your consideration. Please do not hesitate to contact me if you have any questions or concerns. I may be reached at (425) 891-0964 or majike@msn.com. Alternatively, you may contact Hunter Abell at Williams Kastner & Gibbs at (206) 253-2885.

Very truly yours,



Scott Eisenhauer
State Chairman
Ducks Unlimited Washington

cc: John Tierney
Dave Marrone
Hunter Abell



John R. Tierney
Senior Regional Director • Northwest Washington

24250 SE Tiger Mountain Road • Issaquah, WA 98027 • 425.391.1521 • cell 425.891.2302 • jtierney@ducks.org

August 29, 2017

Washington State Gambling Commission
Attn: Ms. Tina Griffin
P.O. Box 42400,
Olympia, WA 98504

Dear Ms. Griffin:

The purpose of this letter is to provide information requested in your correspondence to Mr. Scott Eisenhauer on August 23, 2017. Specifically, this letter addresses how Washington State Ducks Unlimited is using raffle proceeds, how much is going to our efforts in Washington, and how raffle proceeds are used within the state.

Raffle proceeds are used to further our non-profit organizational mission to conserve, restore, and manage wetlands and associated habitats for North America's waterfowl. These habitats also benefit other wildlife and people. Since 1937, Ducks Unlimited, Inc., a 501(c) 3 organization, has conserved over 14 million acres in North America. Ducks Unlimited, Inc. has a membership base of 11,849 people within the state of Washington. In calendar year 2016, sixty-three volunteer coordinated local chapters raised over \$400 thousand dollars in raffle revenue at fund-raising events in Washington. In fact, for the fiscal year ending June 30, 2016, eighty-four (84) percent of funds raised by Ducks Unlimited, Inc. were directly leveraged to conservation work so vital to wetlands, waterfowl, other wildlife, and people.

Here in Washington State, raffle proceeds have assisted in conserving over 66,356 acres of critical habitat. As of January 1, 2017, Ducks Unlimited has spent over \$69.3 million dollars on habitat projects in Washington. These conservation projects occur throughout the state, are often completed in concert with the Washington State Department of Fish & Wildlife and the U.S. Fish & Wildlife Service. A prime example of this cooperation exists at the Billy Frank Jr. Nisqually National Wildlife Refuge. Here, in 2009, Ducks Unlimited led efforts to restore 762 acres of estuary tidelands in the Nisqually Delta - the largest such restoration project ever completed in the Pacific Northwest.

Enclosed to this letter are two documents that further illustrate our wetlands conservation mission: Washington State Ducks Unlimited Fact Sheet and Ducks Unlimited National Fact Sheet (January 2017).

Thank you in advance for your support of our rules petition and please contact me if I can assist further.

Sincerely,



FACT SHEET

WASHINGTON

(Based on numbers available 01/01/17)

MEMBERSHIP

GRAND TOTAL: **11,849**

• **Members: 11,571**

General Members: 10,000

Greenwings: 355

Legacy Greenwing Members: 535

Sponsor Members: 681

• **Major Sponsors: 278**

Life Sponsor: 161

Diamond Life Sponsor: 44

Sponsor in Perpetuity: 21

Diamond Sponsor in Perpetuity: 12

Heritage Sponsor: 16

Diamond Heritage Sponsor: 3

Benefactor Roll of Honor: 10

Gold Benefactor Sponsor: 2

Diamond Benefactor Sponsor: 2

Legacy Sponsor: 4

Gold Legacy Sponsor: 1

Platinum Legacy Sponsor: 1

Diamond Legacy Sponsor: 1

Conservation Pioneer Sponsor: 0

Waterfowl Patron Sponsor: 0

Wetland Guardian Sponsor: 0

FEATHER SOCIETY MEMBERS: 116

• Silver: 95

• Gold: 10

• Emerald: 4

• Platinum: 2

• Diamond: 5

• Legacy Conservation Pioneer: 0

• Legacy Waterfowl Patron: 0

• Legacy Wetlands Guardian: 0

U.S. CONSERVATION PROGRAMS

• Total acres conserved in flyway: 1,109,763

• Total acres conserved in this state: 66,356

• Total technical assistance acres in flyway: 3,032,456

• Total technical assistance acres in state: 61,609

• Amount spent to date on projects in flyway: \$482,661,859

• Amount spent to date on projects in state: \$69,356,063

• Primary waterfowl species that benefit from DU's efforts include:
Canada Goose; Green-Winged Teal; Blue-Winged Teal; Wood Duck; Mallard; American Wigeon; Cinnamon Teal; Lesser Snow Goose

STATE FUND-RAISING EFFORTS

• Total event income dollars raised: \$1,250,713

• Number of committees: 63

• Number of fund-raising events: 135

YOUR STATE GOVERNMENT'S CONTRIBUTION TO DU FOR CANADIAN PROJECTS:

• Total contributions granted: \$55,000

Location of projects: Alberta

WASHINGTON STATE CHAIRMAN

Scott Eisenhauer, State Chairman

19727 SE Petrovitsky Road, Maple Valley, WA 98038

H (425) 413-8873 B (425) 586-1659 C (425) 891-0964

majike@msn.com

FOR INFORMATION ON DUCKS UNLIMITED EVENTS

CONTACT:

John R. Tierney, Senior Regional Director, NW WA

24250 SE Tiger Mountain Road, Issaquah, WA 98027-7336

(425) 391-1521

jtierney@ducks.org

Garrett Coussens, Regional Director, W SW & E WA

5290 Pinehurst Street, West Richland, WA 99353

(509) 423-3954

gcoussens@ducks.org

Jason Rounsaville, DFVR, Region 1

(530) 526-1011

jrounsaville@ducks.org

FOR INFORMATION ON BECOMING A MAJOR SPONSOR

CONTACT:

P. Michael Drake, Director of Development – Pacific NW

(360) 885-2011

mdrake@ducks.org

Steve Schmitt, Managing Director of Development

(360) 885-2011

sschmitt@ducks.org

FOR INFORMATION ON DU'S GIFT PLANNING PROGRAM

CONTACT:

Chris Cole, Managing Director of Gift Planning

(901) 758-3763

ccole@ducks.org

FOR INFORMATION ON DU'S CONSERVATION PROGRAMS

CONTACT:

Chris Bonsignore, Manager of Conservation Programs – N Basin

(509) 893-2834

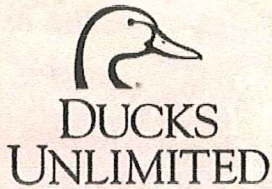
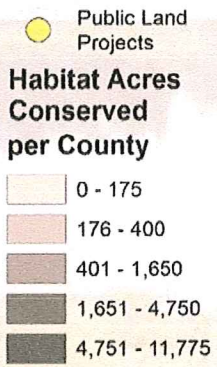
cbonsignore@ducks.org

Greg Green, Manager of Conservation Programs – Pacific NW

(360) 885-2213

ggreen@ducks.org

WASHINGTON



This illustration is intended for informational purposes only and the features depicted herein are not intended to be relied on as a survey, directional map, or legal instrument. Ducks Unlimited disclaims any liability associated with the use or misuse of this information. Please consult state and/or federal wildlife agencies for hunting regulations specific to any public hunting area in your state. For more information on National Wildlife Refuge Hunting Areas, visit: <http://www.ducks.org/hunting/waterfowl-hunting>. For more information on hunting regulations, visit: www.wa.gov

Data Current as of December 31, 2016

FACT SHEET



80 Years of Conservation



BACKGROUND

Ducks Unlimited got its start in 1937 during the Dust Bowl when North America's drought-plagued waterfowl populations had plunged to unprecedented lows. Determined not to sit idly by as the continent's waterfowl dwindled beyond recovery, a small group of sportsmen joined together to form an organization that became known as Ducks Unlimited. **Its mission: habitat conservation.**

Thanks to 80 years of abiding by that single mission, Ducks Unlimited is now the world's largest and most effective private, nonprofit, waterfowl and wetlands conservation organization. DU is able to deliver its work through a series of partnerships with private individuals, landowners, agencies, scientific communities and other entities.

Waterfowl are not the only beneficiaries of DU's habitat work. Wetlands improve the overall health of our environment by recharging and purifying groundwater, moderating floods and reducing soil erosion. Wetlands are North America's most

productive ecosystems, providing critical habitat to more than 900 wildlife species and invaluable recreation opportunities for people to enjoy. Unfortunately, the United States alone has lost more than half of its original wetlands, and tens of thousands of wetland acres continue to be lost—at an accelerating rate—each year.

MEMBERSHIP

Ducks Unlimited is a grassroots, volunteer-based organization. Its members are conservationists and outdoor enthusiasts who live primarily throughout the United States, Canada and Mexico.

For the fiscal year ending June 30, 2016, DU volunteers hosted more than 3,900 grassroots fundraising events such as member and sponsor banquets, shooting and fishing tournaments and golf outings. Event dollars represent some of DU's most important sources of revenue. Since event dollars are typically unrestricted, DU is able to spend these funds in our highest priority areas and use them to leverage additional funds from other sources.

OUR MISSION

is to conserve, restore and manage wetlands and associated habitats for North America's waterfowl. These habitats also benefit other wildlife and people.

HABITAT CONSERVATION PROGRAMS (As of January 1, 2017)

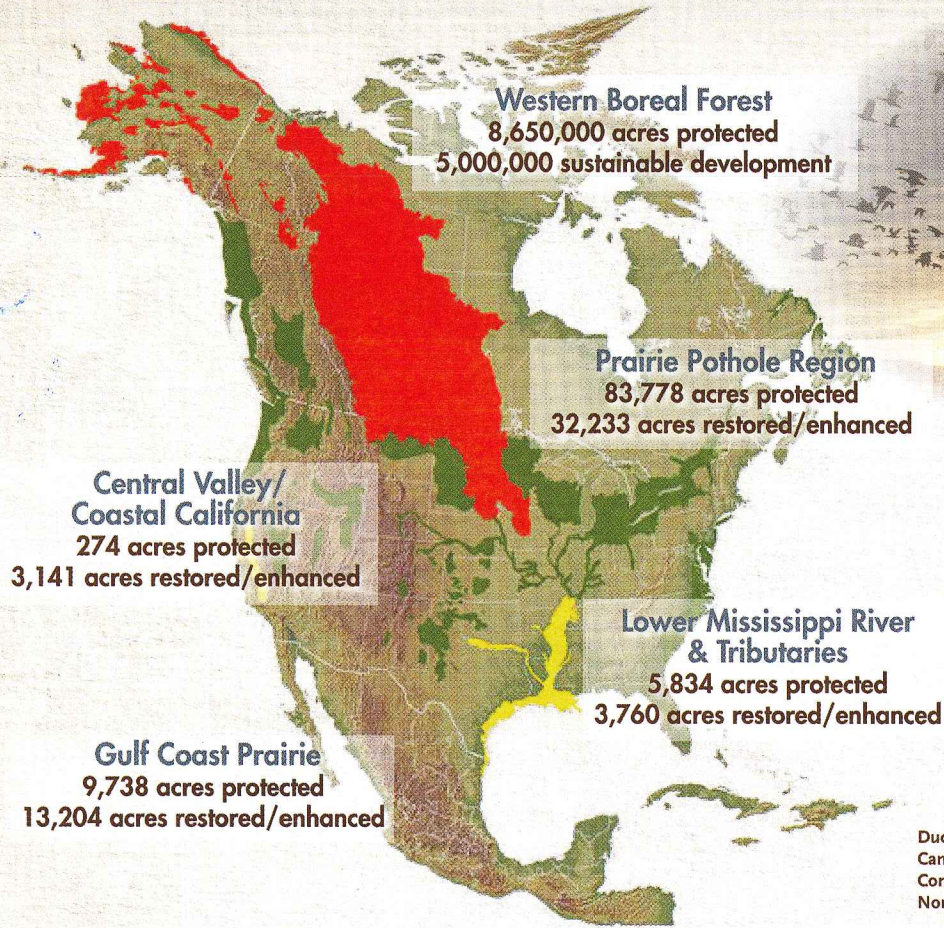
Acres conserved in Canada:	6,439,113	Acres Influenced in North America:	143,757,356*
Acres conserved in Mexico:	1,953,824	Total Acres Influenced and Conserved in North America	157,660,148
Acres conserved in the U.S.:	5,509,855		
Total Acres Conserved in North America:	13,902,792		

**Acres conserved in Canada through retention/restoration with agreements of <10 years or that DUC has influenced through policy measures.*

As of January 1, 2017, Ducks Unlimited Inc. had 620,853 adult members and 45,357 youth members. Ducks Unlimited Mexico had 4,662 members, while Ducks Unlimited Canada had more than 130,000 supporters.

HABITAT ACRES CONSERVED

BY DUCKS UNLIMITED AND OUR PARTNERS DURING FISCAL YEAR 2016



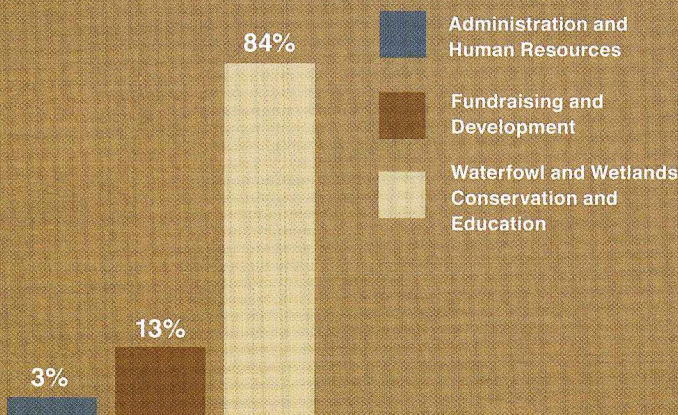
- Level I Breeding
- Level I Non-Breeding
- Additional Landscape Conservation Priorities

Ducks Unlimited habitat projects are in all 50 U.S. states, every Canadian province and in key areas of Mexico. The Landscape Conservation Priorities represent the most critical habitats in North America, where DU spends the majority of its resources.

WHERE THE MONEY GOES

(July 1, 2015 – June 30, 2016)

During the past fiscal year, 84 percent of DU's expenditures were converted directly to conservation work vital to ducks, geese and other wetland-dependent wildlife.



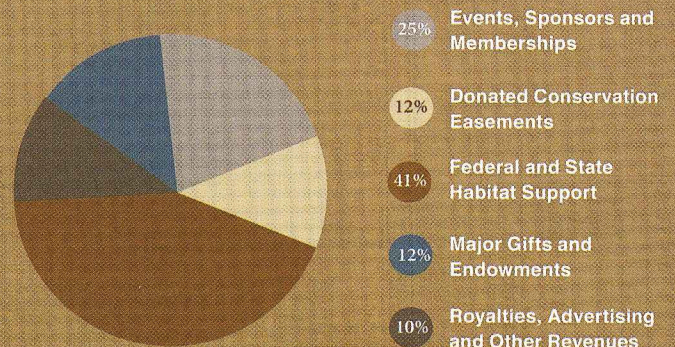
FUNDRAISING (U.S. ONLY)

(July 1, 2015 – June 30, 2016)

Revenue and support in 2015-2016 \$221.7 million
Revenue and support since 1937 \$4.5 billion

SOURCES OF SUPPORT AND REVENUE

(July 1, 2015 – June 30, 2016)





Rule Changes / Fee Simplification (Package #1)

Various Rules in:

- Chapter 230 – 05 WAC – Fees
- Chapter 230 – 03 WAC – Permitting and Licensing rules

November 2017 – Up for Further Discussion

October 2017 – Up for Further Discussion

September 2017 – Discussion and Possible Filing

Tab 7: NOVEMBER 2017 Commission Meeting Agenda.

Statutory Authority 9.46.070

Who Proposed the Rule Change?

Staff

Describe the Rule Changes

Bold/Underline = Changes made after the October 2017 Commission Meeting

This is the first of at least three packages to make changes to the Commission’s licensing fee structure.

In this first package, rule changes are being recommended in the following chapters:

- Chapter 230 – 05 WAC – Fees
- Chapter 230 – 03 WAC – Permitting and Licensing rules

Rules package #2 includes due dates for activity reports and deletes references to the term “classes.” While the current fee structure is based on a “classes” system, the new proposed system is based primarily on gross gambling receipts.

Rules package #3 sets the individual license fees under the new license fee structure.

A fourth rules package will include any corrections or updates to the rules filed in packages #1, #2 or #3. This package will likely be on your January agenda.

Some of the key rules in Chapter 05 (Fees) in this first package are:

- New proposed fee schedule (WAC’s 230 –05–160, 230–05–165 and WAC 230–05–170);
- Calculating quarterly license fees (WAC 230–05–122);
- Penalties for late filing of quarterly license reports or late payment of quarterly license fees (WAC 230-05-132);
- New definitions needed for this new way of calculating fees; for example:
 - Defining “base license fee.” (WAC 230–05–104)
 - Defining “maximum annual license fee.” (WAC 230–05–106)
 - Defining “quarterly license fees.” (WAC 230–05–108)
 - Defining “gross gambling receipts rate.” (WAC 230 – 05 – 110)

Some rules are simply being moved from Chapter 06 (Rules for all licensees) to Chapter 05 (Fees).

Most of the key rules in Chapter 03 (Permitting and Licensing rules) in this first package are being made because the current fee schedule includes descriptions of what a license authorizes, rather than simply stating the fee for the license.

Minor changes were made to the following rules and are highlighted in yellow in the attached packet: WACs 230-05-101, 230-05-112, 230-05-116, and 230-03-235.

Attachments:

Current Fee Schedule:

Fee Schedule – Bona Fide Charitable / Nonprofit Organization (Pink)

Fee Schedule – Commercial Stimulant / Profit-Seeking Organization (Blue)

WAC Chapters 230-03 and 230-05 containing changes.

Stakeholder feedback

Policy Considerations

The Commissioners began considering changing the fee structure in 2014. The current fee structure was created over 40 years ago. It began with 25 fees. Today the Gambling Commission has approximately 194 different fees for Commercial and Non-Profit organizations and individuals. This fee schedule is typically based on a “class” system, which can be cumbersome for licensees and agency staff. The Gambling Commission is looking to simplify this current system to allow it to be easier to navigate and have a licensing fee schedule that is more predictable for both the agency and its licensees.

Stakeholder Feedback

Ric Newgard, Seattle Junior Hockey – testified at the September commission meeting that he appreciated being able to participate in the process.

John McSweeney, Gambling Manager, past President Shoreline Elks – see attached.

Scott Johnson, Spokane Pulltab – see attached.

Walt Antioch, Tri-Focus Enterprises, Pull-tab Distributor

Aleena Schneider, Harlequin Productions, Raffle Licensee

Cory Thompson, FRE Distributor and Service Supplier

Mark Skoglund, Funtastic Shows, Amusement Game Licensee

Victoria Carlson, Service Supplier

David Thompson, Dave’s Bar & Grill, Pull-tab Licensee

Wes Fults, Bonanza Press, Pull-tab Manufacturer

Michael T. Hurley, Law Enforcement Association of Southwest Washington, Raffle Licensee

Staff Recommendation

Further discussion.

Staff anticipates asking for an effective date of May 1, 2018, to accommodate licensees who are renewing June 30, 2018.

WASHINGTON STATE GAMBLING COMMISSION
FEE SCHEDULE – BONA FIDE CHARITABLE / NONPROFIT ORGANIZATION

NOTE: Refunds of application and license fees will be sent directly to the applicant / licensee.

SEE RCW 9.46.070 AND CHAPTER 230-05 WAC

(1) AMUSEMENT GAMES (03)

<u>License</u>	<u>Annual Gross Gambling Receipts</u>	<u>Fee</u>
Class A	Premises Only	\$ 61
Class B	Up to \$ 10,000.....	\$ 61
Class C	Up to \$ 25,000.....	\$ 338
Class D	Up to \$ 50,000.....	\$ 544
Class E	Over \$ 50,000.....	\$ 948

(2) BINGO (01 / 11)

<u>License</u>	<u>Annual Gross Gambling Receipts</u>	<u>Fee</u>	<u>One Time Variance*</u>
Class A	Up to \$ 25,000	\$ 61	\$ 1,000
Class B	Up to \$ 75,000	\$ 196	\$ 1,000
Class C	Up to \$ 150,000	\$ 403	\$ 2,000
Class D	Up to \$ 350,000	\$ 1,088	\$ 4,000
Class E	Up to \$ 650,000	\$ 1,836	\$ 8,000
Class F	Up to \$ 1,500,000	\$ 3,696	\$ 15,000
Class G	Up to \$ 2,000,000	\$ 5,330	\$ 23,000
Class H	Up to \$ 3,000,000	\$ 7,126	\$ 30,000
Class I	Up to \$ 4,000,000	\$ 8,904	\$ 38,000
Class J	Up to \$ 5,000,000	\$ 10,684	\$ 45,000
Class K	Up to \$ 6,000,000	\$ 11,984	\$ 53,000
Class L	Up to \$ 7,000,000	\$ 13,698	\$ 60,000
Class M	Up to \$ 8,000,000	\$ 15,416	\$ 65,000
Class N	Up to \$ 9,000,000	\$ 16,768	\$ 70,000
Class O	Up to \$ 10,000,000	\$ 18,502	\$ 75,000
Class P	Up to \$ 11,000,000	\$ 20,236	\$ 80,000
Class Q	Up to \$ 12,000,000	\$ 24,282	\$ 85,000
Class R	Up to \$ 13,000,000	\$ 27,752	\$ 90,000
Class S	Up to \$ 14,000,000	\$ 31,222	\$ 95,000

* See WAC 230-06-130, Exceeding License Class

(3) CHARITABLE OR NONPROFIT GAMBLING MANAGER (61)

<u>License</u>	<u>Fee</u>
Original	\$ 196
Renewal	\$ 93
Change of Employer.....	\$ 93

If a license expires while an individual is on active military service, the individual may apply to have their license reissued at the renewal fee. The application must be received within six months after completing their active military service. The applicant must provide evidence of the completion date of active military service.

(4) CARD GAMES (60)

<u>License</u>	<u>Description</u>	<u>Fee</u>
Class A	Nonhouse-Banked – Fee to Play.....	\$ 679
Class B	Limited card games – hearts, rummy, pitch, pinochle, and cribbage – Fee to Play.....	\$ 196
Class C	Tournament only – no more than thirty consecutive days per tournament	\$ 61
Class D	Nonhouse-Banked – No Fee to Play	\$ 61

(5) PUNCH BOARDS / PULL-TABS (04)

<u>License</u>	<u>Annual Gross Gambling Receipts</u>	<u>Fee</u>	<u>One Time Variance*</u>
Class A	Up to \$ 50,000	\$ 648	\$ 5,000
Class B	Up to \$ 100,000	\$ 1,156	\$ 5,000
Class C	Up to \$ 200,000	\$ 2,186	\$ 10,000
Class D	Up to \$ 300,000	\$ 3,178	\$ 10,000
Class E	Up to \$ 400,000	\$ 4,106	\$ 10,000
Class F	Up to \$ 500,000	\$ 4,958	\$ 10,000
Class G	Up to \$ 600,000	\$ 5,746	\$ 10,000
Class H	Up to \$ 700,000	\$ 6,466	\$ 10,000
Class I	Up to \$ 800,000	\$ 7,126	\$ 10,000
Class J	Up to \$ 1,000,000	\$ 8,078	\$ 20,000
Class K	Up to \$ 1,250,000	\$ 8,968	\$ 25,000
Class L	Up to \$ 1,500,000	\$ 9,794	\$ 25,000
Class M	Up to \$ 1,750,000	\$ 10,474	\$ 25,000
Class N	Up to \$ 2,000,000	\$ 11,094	\$ 25,000
Class O	Up to \$ 2,500,000	\$ 12,190	\$ 30,000
Class P	Up to \$ 3,000,000	\$ 12,952	\$ 35,000
Class Q	Up to \$ 4,000,000	\$ 15,264	\$ 40,000
Class R	Up to \$ 5,000,000	\$ 17,344	\$ 50,000
Class S	Up to \$ 6,000,000	\$ 19,658	\$ 60,000
Class T	Up to \$ 7,000,000	\$ 21,972	\$ 70,000
Class U	Up to \$ 8,000,000	\$ 24,282	\$ 80,000
Class V	Over \$ 8,000,000	\$ 26,596	\$ 80,000

* See WAC 230-06-130, Exceeding License Class

(6) RAFFLES (02)

<u>License</u>	<u>Annual Gross Gambling Receipts</u>	<u>Fee</u>
Class A	Up to \$ 5,000	\$ 61
Class B	Up to \$ 10,000	\$ 196
Class C	Up to \$ 25,000	\$ 403
Class D	Up to \$ 50,000	\$ 679
Class E	Up to \$ 75,000	\$ 1,088
Class F	Over \$75,000.....	\$ 1,632

ENHANCED RAFFLES (30)

<u>License</u>	<u>Fee</u>
Annual	\$ 6,360
Additional fee per Enhanced Raffle.....	\$ 8,268

WASHINGTON STATE GAMBLING COMMISSION
FEE SCHEDULE – BONA FIDE CHARITABLE / NONPROFIT ORGANIZATION

(7) COMBINATION LICENSE (08)

<u>License</u>	<u>Description</u>	<u>Fee</u>
Class A	Allows gross gambling receipts of up to \$25,000 from bingo, \$7,500 from raffles, and \$7,500 from amusement games, not to exceed \$30,000 combined gross gambling receipts from all such activities. Allows Class D card games.	\$ 122
Class B	Allows gross gambling receipts of up to \$60,000 from bingo, \$15,000 from raffles, and \$15,000 from amusement games, not to exceed \$75,000 combined gross gambling receipts from all such activities. Allows Class D card games.	\$ 318
Class C	Allows gross gambling receipts of up to \$125,000 from bingo, \$30,000 from raffles, and \$30,000 from amusement games, not to exceed \$150,000 combined gross gambling receipts from all such activities. Allows Class D card games.	\$ 738

(8) SPECIAL PROPERTY BINGO (06)

(Bingo Occasion)	\$ 29
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(9) PERMITS

AGRICULTURAL FAIR – BINGO (41)	\$ 29
RECREATIONAL GAMING ACTIVITY (RGA) (19)	\$ 61

(10) CHANGES

<u>Type</u>	<u>Fee</u>
Name	\$ 29
Location	\$ 29
FRE Date or Time	\$ 29
License Class	\$ 29
Duplicate License	\$ 29

(11) FUND-RAISING EVENT (09)

<u>License</u>	<u>Description</u>	<u>Fee</u>
Class A	One event – not more than 24 consecutive hours	
	First time applicant	\$ 403
	Previously licensed applicant	\$ 236
Class B	One event – not more than 72 consecutive hours	
	First time applicant	\$ 679
	Previously licensed applicant	\$ 417
Class C	Additional participant in joint event – not lead organization	\$ 196
Class D	Limited fund-raising event – one event – not more than six consecutive hours	
	First time applicant	\$ 177
	Previously licensed applicant	\$ 118

FUND-RAISING EVENT EQUIPMENT DISTRIBUTOR (29)

<u>License</u>	<u>Description</u>	<u>Fee</u>
Class E	Rents or leases equipment for no more than ten times per year	\$ 268
Class F	Rents or leases equipment more than ten times per year	\$ 679

(12) SPECIAL FEES

<u>Type</u>	<u>Fee</u>
Replacement Identification Stamps	\$ 29
Failing to Apply for License Class Upgrade (WAC 230-06-135) ...Up to fifty percent of the difference between our fees for the licensee's present license class and the new license class or one thousand dollars, whichever is less, plus	\$ 28
Review, Inspection and / or Evaluation of Equipment, Paraphernalia, Services, or Schemes	Deposit and Fees as Required

(13) TWO PART PAYMENT PLAN PARTICIPATION

Annual Participation	\$ 29
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NOTE: Please note that all fees are subject to change. In that event, you will be notified by WAC rules, your next renewal notice, and by the commission newsletter.

**** RETAIN THIS SCHEDULE FOR YOUR RECORDS ****

WASHINGTON STATE GAMBLING COMMISSION
FEE SCHEDULE – COMMERCIAL STIMULANT / PROFIT-SEEKING ORGANIZATION

NOTE: Refunds of application and license fees will be sent directly to the applicant / licensee.

SEE RCW 9.46.070 AND CHAPTER 230-05 WAC

(1) CARD GAMES – NONHOUSE-BANKED (65)

<u>License</u>	<u>Description</u>	<u>Fee</u>
Class B	Up to five tables of limited card games – hearts, rummy, pitch, pinochle, and / or cribbage - fee to play charged	200
Class C	Tournament only, no more than thirty consecutive days per tournament.	
C-5	Up to five tables	200
C-10	Up to ten tables	367
C-15	Up to fifteen tables	611
Class D	Up to five tables - No fee to play	63
Class E	Fee to play	
E-1	One table only	488
E-2	Up to two tables	840
E-3	Up to three tables	1,398
E-4	Up to four tables	2,804
E-5	Up to five tables	4,220
Additional tables	Per Table – up to a maximum of fifteen	1,222
Class F	Endorsement / upgrade of Class E includes permission to use alternative fee collections and use of player-supported jackpots	1,836

(2) CARD GAMES – HOUSE BANKED (67)

All tables within a card room operating any house-banked card game shall be licensed under this license class.

<u>License</u>	<u>Fee</u>
Annual	7,362
Additional fee per table – up to fifteen tables	1,836

(3) COMMERCIAL AMUSEMENT GAMES (52 / 53)

<u>License</u>	<u>Annual Gross Gambling Receipts</u>	<u>Fee</u>
Class A	Premises only..... * \$	347 / 159
Class B	Up to \$ 50,000	488
Class C	Up to \$ 100,000	1,256
Class D	Up to \$ 250,000	2,804
Class E	Up to \$ 500,000	4,918
Class F	Up to \$ 1,000,000	8,446
Class G	Over \$ 1,000,000	10,568

* We reduce the license fee when you apply for additional licenses at the same business premises, apply for multiple licenses at the same business premises, or a licensee is renewing an annual license.

(4) PUBLIC CARD ROOM EMPLOYEE (68) ①

<u>License</u>	<u>Fee</u>
Class A – Performs card room employee duties in a Class E card room	
Original	200
Renewal	95
Class B – Performs card room employee duties in enhanced and house-banked card rooms	
Original, In-State	273
Original, Out-of-State	339
Renewal	167
Transfer / Additional Employee / Conversion / Emergency Waiver Request	65

(5) PUNCH BOARDS / PULL-TABS (05)

<u>License</u>	<u>Annual Gross Gambling Receipts</u>	<u>Fee</u>	<u>One Time Variance*</u>
Class A	Up to \$ 50,000	\$ 666	\$ 5,000
Class B	Up to \$ 100,000	\$ 1,190	\$ 5,000
Class C	Up to \$ 200,000	\$ 2,244	\$ 10,000
Class D	Up to \$ 300,000	\$ 3,266	\$ 10,000
Class E	Up to \$ 400,000	\$ 4,220	\$ 10,000
Class F	Up to \$ 500,000	\$ 5,094	\$ 10,000
Class G	Up to \$ 600,000	\$ 5,904	\$ 10,000
Class H	Up to \$ 700,000	\$ 6,646	\$ 10,000
Class I	Up to \$ 800,000	\$ 7,320	\$ 10,000
Class J	Up to \$ 1,000,000	\$ 8,302	\$ 20,000
Class K	Up to \$ 1,250,000	\$ 9,214	\$ 25,000
Class L	Up to \$ 1,500,000	\$ 10,064	\$ 25,000
Class M	Up to \$ 1,750,000	\$ 10,766	\$ 25,000
Class N	Up to \$ 2,000,000	\$ 11,402	\$ 25,000
Class O	Up to \$ 2,500,000	\$ 12,530	\$ 30,000
Class P	Up to \$ 3,000,000	\$ 12,952	\$ 35,000
Class Q	Up to \$ 4,000,000	\$ 15,264	\$ 40,000
Class R	Up to \$ 5,000,000	\$ 17,344	\$ 50,000
Class S	Up to \$ 6,000,000	\$ 19,658	\$ 60,000
Class T	Up to \$ 7,000,000	\$ 21,972	\$ 70,000
Class U	Up to \$ 8,000,000	\$ 24,282	\$ 80,000
Class V	Over \$ 8,000,000	\$ 26,596	\$ 80,000

* See WAC 230-06-130, Exceeding license class

(6) DISTRIBUTOR (21)

<u>License</u>	<u>Annual Gross Sales</u>	<u>Fee</u>
Class A	Non-Punch Board / Non-Pull-Tab Only	\$ 699
Class B	Up to \$ 250,000	\$ 1,398
Class C	Up to \$ 500,000	\$ 2,100
Class D	Up to \$ 1,000,000	\$ 2,804
Class E	Up to \$ 2,500,000	\$ 3,654
Class F	Over \$ 2,500,000	\$ 4,498

(7) FUND-RAISING EVENT EQUIPMENT DISTRIBUTOR (28)

<u>License</u>	<u>Description</u>	<u>Fee</u>
Class A	Rents or leases equipment for fund-raising event or recreational gaming activity up to 10 times per year	\$ 276
Class B	Rents or leases equipment for fund-raising event or recreational gaming activity more than 10 times per year	\$ 699

(8) MANUFACTURER (20)

<u>License</u>	<u>Annual Gross Sales</u>	<u>Fee</u>
Class A	Pull-tab dispensing devices only	\$ 699
Class B	Up to \$ 250,000	\$ 1,398
Class C	Up to \$ 500,000	\$ 2,100
Class D	Up to \$ 1,000,000	\$ 2,804
Class E	Up to \$ 2,500,000	\$ 3,654
Class F	Over \$ 2,500,000	\$ 4,498

WASHINGTON STATE GAMBLING COMMISSION
FEE SCHEDULE – COMMERCIAL STIMULANT / PROFIT-SEEKING ORGANIZATION

(9) SERVICE SUPPLIERS

GAMBLING SERVICE SUPPLIER (26)

<u>License</u>	<u>Fee</u>
Annual	\$ 728
Financing, Consulting, and Management Contract Review	\$ 152

PUNCH BOARD AND PULL-TAB SERVICE BUSINESS (27)

<u>Description</u>	<u>Fee</u>
Initial application fee	\$ 250
Renewal	\$ 59

(14) CHANGES

<u>Application</u>	<u>Description</u>	<u>Fee</u>
Name		\$ 29
Location		\$ 29
Business Classification (Same Owners)		\$ 63
Exceeding License Class (<u>WAC 230-06-130</u>) New class fee, less previous fee paid, plus ..		\$ 29
Duplicate License		\$ 29
Corporate Stock / Limited Liability Company Shares / Units		\$ 63
License Transfers		\$ 63

(10) PERMITS

<u>Type / Description</u>	<u>Fee</u>
<u>AGRICULTURAL FAIR (51)</u>	
One location and event only	\$ 29
Annual permit for specified different events and locations	\$ 200
<u>RECREATIONAL GAMING ACTIVITY (RGA) (19)</u>	\$ 63
<u>MANUFACTURER'S SPECIAL SALES PERMIT (25)</u> ..	\$ 224

(15) SPECIAL FEES

<u>License</u>	<u>Fee</u>
Defective Punch Board / Pull-Tab Cost Recovery Fees	Up to \$ 106
Investigation (<u>See RCW 9.46.070</u>)	As required
Identification & Inspection Services Stamps (<u>See RCW 9.46.070</u>)	As required
Quality Control Inspection Fees (<u>See RCW 9.46.070</u>)	As required
Failing to Apply for License Class Upgrade (<u>WAC 230-06-135</u>) Up to fifty percent of the difference between our fees for the licensee's present license class and the new license class or one thousand dollars, whichever is less, plus \$	29
Review of Gambling Equipment, Supplies, Services or Games	Cost reimbursement
Out-of-State Records Inquiry (<u>See RCW 9.46.070</u>)	As required
Replacement of Identification Stamps	\$ 28
Electronic Card Facsimile Table Identification Stamp Annual	\$ 404.39

(11) GAMING REPRESENTATIVE ①

Distributor (22), Manufacturer (23), Gambling Service Supplier (63), Call Center for Enhanced Raffles (32), or Linked Bingo Prize Provider (64) Rep.

<u>License</u>	<u>Fee</u>
Original	\$ 276
Renewal	\$ 167
Change of Employer	\$ 167

(16) TWO-PART PAYMENT PLAN PARTICIPATION

Annual Participation	\$ 29
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(17) CALL CENTERS FOR ENHANCED RAFFLES (31)

<u>License</u>	<u>Fee</u>
Annual	\$ 4,770

NOTE: All fees are subject to change. The Commission will notify licensees of amended fee amounts by letter and / or newsletter. License renewal notices to licensees will list the correct fee. Per RCW 9.46.070, in addition to the fees on this schedule, the Commission will assess applicants all actual investigative and inspection costs required for initial certification.

***** RETAIN THIS SCHEDULE FOR YOUR RECORDS *****

① If a license expires while an individual is on active military service, the individual may apply to have their license reissued at the renewal fee. The application must be received within six months after completing their active military service. The applicant must provide evidence of the completion date of active military service.

Chapter 230-05 WAC

FEEES

Last Update: 3/30/16

WAC

RULES FOR PERMITS OR LICENSE YEARS ENDING BEFORE JUNE 30, 2018

- 230-05-001 Prorating or refunding of fees.
- ~~230-05-005 Fees for review of gambling equipment, supplies, services, or games.~~
- 230-05-010 Returned payments.
- 230-05-015 Two-part payment plan for license fees.
- ~~230-05-016 Exceeding license class.~~
- ~~230-05-017 Failing to apply for license class upgrade.~~
- ~~230-05-018 Partial refund of license fees if gambling receipts limit not met.~~
- 230-05-020 Charitable or nonprofit organization fees.
- 230-05-025 Commercial stimulant fees.
- 230-05-030 Fees for other businesses.
- 230-05-035 Individuals license fees.

RULES FOR PERMITS OR LICENSE YEARS ENDING ON OR AFTER JUNE 30, 2018

- 230-05-101 Implementation of new permit and license fees - effective dates.
- 230-05-104 Defining "base license fee."
- 230-05-106 Defining "maximum annual license fee."

203-05-108 Defining "quarterly license fees."

230-05-110 Defining "gross gambling receipts rate."

230-05-112 Defining "gross gambling receipts."

230-05-114 Defining "net win."

230-05-116 Defining "quarterly license report."

230-05-120 Paying annual license fee.

230-05-122 Calculating quarterly license fees.

230-05-124 Quarterly license fees and license reports.

230-05-126 Online filing and payments required with waivers available upon request for good cause.

230-05-128 Renew your license in a timely manner.

230-05-132 Late filing of quarterly license reports or late payment of quarterly license fees - penalties.

230-05-134 Amending quarterly license reports and changes to quarterly license fees paid.

230-05-136 Prorating and refunding fees.

230-05-138 Returned payments.

230-05-140 Outstanding fees.

230-05-142 Fees for review of gambling equipment, supplies, services or games.

230-05-160 Charitable or nonprofit organization fees.

230-05-165 Commercial stimulant organization fees.

230-05-170 Fees for other businesses.

~~230-05-175 Individual license fees. (Changes will be part of rules at November Meeting)~~

~~WAC 230-05-005 Fees for review of gambling equipment, supplies, services, or games. You must apply to us if you want to submit gambling equipment, supplies, services, or games for our review. You must pay the application deposit before we perform the review. You must also reimburse us for any additional costs of the review.~~

~~[Statutory Authority: RCW 9.46.070. WSR 06-07-157 (Order 457), § 230-05-005, filed 3/22/06, effective 1/1/08.]~~

NEW SECTION

WAC 230-05-016 Exceeding license class. (1) Licensees must not exceed the gross gambling receipts limits for their license class during any annual license period.

(2) Licensees must apply a projection of year-to-date receipts to the remaining period of their license and, if it indicates that it is reasonably likely that they may exceed their license, they must immediately:

(a) Apply for a license that authorizes the anticipated level of gross gambling receipts; and

(b) Submit the fee required for the new license, minus the amount originally submitted for the previous license, plus a change of classification fee.

(3) If we issue a license upgrade, it is valid only for the remainder of the original term of the license.

(4) Licensees may exceed license class limits once, by the amount shown in the fees table, without having to upgrade or pay the penalties as long as they upgrade to the higher license class the next time they renew their license.

[]

NEW SECTION

WAC 230-05-017 Failing to apply for license class upgrade. (1) If licensees fail to apply for a license class upgrade and exceed the license class limit within a present or previous license year, we assess an additional fee. We charge an additional fee of up to fifty percent of the difference between the fee for the present license class and the new license class, or one thousand dollars, whichever is less.

(2) Licensees must pay any required license class upgrade fee, plus any additional fee required by subsection (1) of this section, within thirty days of our notification.

(3) Failure to pay the fees may result in an immediate summary suspension of all licenses.

[]

NEW SECTION

WAC 230-05-018 Partial refund of license fees if gambling receipts limit not met. (1) Licensees may apply for a partial refund of their license fee when their annual gross gambling receipts are less than the minimum for the class of license we issued to them.

(2) Licensees may receive a refund for the difference between the fees actually paid and the fees that would normally apply to the level of gross gambling receipts actually received during the period less our processing costs.

(3) Licensees may make their request for refund after the end of any annual license period and before the end of the next annual license period.

[]

RULES FOR PERMITS OR LICENSE YEARS ENDING ON OR AFTER JUNE 30, 2018

NEW SECTION

WAC 230-05-101 Implementation of new permit and license fees. WAC

230-05-10~~4~~2 through 230-05-175 apply to all:

(1) Permits or license years ending on or after June 30, 2018;

and

(2) Permits or licenses issued on or after July 1, 2018.

(3) Other fees assessed in this chapter on or after July 1, 2018.

[]

NEW SECTION

WAC 230-05-104 Defining "base license fee." (1) "Base license

fee" is the fee you pay us when you:

(a) Apply for an organization license or permit; or

(b) Renew your organization's license or annual permit.

(2) "Base license fee" is the minimum annual license fee a licensed organization or permit holder will pay for operating an authorized activity.

[]

NEW SECTION

WAC 230-05-106 Defining "maximum annual license fee." "Maximum annual license fee" is the most you will pay to operate an authorized activity for the license year, which includes the:

- (1) Base license fee; and
- (2) Quarterly license fees.

[]

NEW SECTION

WAC 230-05-108 Defining "quarterly license fees." "Quarterly license fees" means the licensee's gross gambling receipts from the previous quarter multiplied by the gross gambling receipts rate.

[]

NEW SECTION

WAC 230-05-110 Defining "gross gambling receipts rate." "Gross gambling receipts rate" is the rate listed in this chapter that licensees use to calculate their quarterly license fees.

[]

NEW SECTION

WAC 230-05-112 Defining "gross gambling receipts." (1) "Gross gambling receipts" means the amount due to any operator of an authorized activity as described in subsection (5) of this section.

(2) The amounts must be stated in U.S. currency.

(3) The value must be before any deductions for prizes or other expenses, such as over/short.

(4) "Gross gambling receipts" does not include fees from players to enter player-supported jackpots. However, any portion of wagers deducted for any purpose other than increasing current prizes or repayment of amounts used to seed prizes are "gross gambling receipts."

(5) Gross gambling receipts for authorized activities:

Activity:	Gross gambling receipts include amounts due to any operator for:
(a) Punchboard and pull-tab	Purchasing chances to play.
(b) Raffles and enhanced raffles	Purchasing chances to enter.
(c) Bingo	Fees or purchase of cards to participate.
(d) Amusement games	• Fees to participate; • Rent or lease payments paid to licensees for allowing operation of an amusement game on their premises. • <u>Amounts paid to play amusement games.</u>
(e) Card games	• "Net win" from house-banked card games; • Tournament entry fees; • Administrative fees from player-supported jackpots; • Fees to participate in nonhouse-banked card games.

Activity:	Gross gambling receipts include amounts due to any operator for:
(f) Manufacturers and distributors	<p>(a) Fees from sales, rentals, leases, royalties, and service fees collected for the following gambling equipment in Washington to include, but not limited to:</p> <ul style="list-style-type: none"> • Punchboards and pull-tabs; • Devices for dispensing pull-tabs; • Electronic devices for conducting, facilitating or accounting for the results of gambling activities; • Cards; • Dice; • Gambling chips; • Cash exchange terminals; • Progressive meters; • Gambling software; • License agreements; • Card shuffling devices; • Graphical game layouts for table games; • Ace finders or no-peek devices; • Roulette wheels; • Keno equipment; • Tables manufactured exclusively for gambling purposes; • Bet totalizers; • Electronic devices for reading or displaying outcomes of gambling activities; • Tribal lottery systems and components thereof. <p>(b) Fees from the service, repair and modification of gambling equipment in Washington to include, but not limited to:</p> <ul style="list-style-type: none"> • Charges for labor and parts for repairing gambling equipment; • Service fees related to gambling operations; • Training or set-up fees; • Maintenance contract fees related to gambling equipment and operations.

Activity:	Gross gambling receipts include amounts due to any operator for:
(g) Gambling service suppliers	Fees from gambling-related services provided in or to be used in Washington to include, but not limited to: <ul style="list-style-type: none"> • Consulting, advisory or management services related to gambling; • Interest from financing the purchase or lease of gambling equipment, infrastructure or facilities or equipment that supports gambling operations; • Acting as a lending agent, loan services or placement agent; • Assembly of components for gambling equipment to be used under a contract with a licensed manufacturer; • Ongoing financial arrangements for gambling related software with a licensed manufacturer; • Installing, integrating, maintaining, or servicing digital surveillance systems that allow direct access to the operating system; • Training individuals to conduct authorized gambling activities; • Performing testing and certification of tribal lottery systems in meeting requirements specified in the tribal-state compacts; • Providing nonmanagement related recordkeeping or storage services for punchboard and pull-tab operators. • <u>Ownership of proprietary games or equipment.</u>
(h) Punchboard/pull-tab service businesses	Providing nonmanagement related recordkeeping or storage services for punchboard and pull-tab operators.
(i) Fund-raising event distributors	Fees from contracts to organize and conduct recreational gaming activities.
(j) Fund-raising events and agricultural fairs	Fees received from the operation of bingo, amusement games, raffles, lotteries, contests of chance, and/or net win from table games operated at a fund-raising event.

[]

NEW SECTION

WAC 230-05-114 Defining "net win." "Net win" means gross wagers received from gambling activities or fund-raising events minus the:

- (1) Amount paid to players for winning wagers; and
- (2) Accrual of prizes for progressive jackpot contests; and
- (3) Repayment of amounts used to seed guaranteed progressive jackpot prizes.

[]

NEW SECTION

WAC 230-05-116 Defining "quarterly license report." "Quarterly license report" means the report:

- (1) Filed by each licensed organization, annual permit holder and fund-raising event licensee thirty days after the end of each quarter; and

- (2) Which includes the licensee's gross gambling receipts from the previous quarter multiplied by the gross gambling receipts rate to calculate the quarterly license fee due to the commission.

[]

NEW SECTION

WAC 230-05-120 Paying annual license fee. (1) All licensed organizations will pay annual license fees in up to five payments. The annual license fee includes:

(a) A base license fee paid with your:

(i) Initial application for a new license or permit; or

(ii) License renewal or annual permit application; and

(b) Quarterly license fees based on the gross gambling receipts reported on your quarterly license report.

(2) Licensed organizations starting a new activity will begin paying quarterly license fees on that activity upon completion of the first quarter, whether a partial or full quarter, after your license or annual permit was issued.

(3) Individual licensees will pay an annual license fee with their initial application or license renewal application.

[]

NEW SECTION

WAC 230-05-122 Calculating quarterly license fees. (1) The quarterly license fee is calculated based on the gross gambling receipts

from the previous quarter as reported on your quarterly license report.

(2) Each license year, the quarterly license fees will be offset by the base license fee. (For example, if your base license fee is sixty-five dollars and your quarterly license fee is forty-five dollars for the first quarter, no additional amount is due for the first quarter. You would offset any future quarterly license fees by the remaining twenty dollars of your base license fee.)

[]

NEW SECTION

WAC 230-05-124 Quarterly license fees and license reports. All licensed organizations must submit quarterly license fees and license reports to us for each licensed gambling activity beginning with the first quarter of their license year. The quarterly license fee is due with the quarterly license report.

~~(1)~~ The quarterly license reports must be in the format we require and must:

(1)

Cover the period:	Be received by us no later than:
January 1 through March 31	April 30
April 1 through June 30	July 30
July 1 through September 30	October 30

Cover the period:	Be received by us no later than:
October 1 through December 31	January 30

(2) Be received online at our administrative office or postmarked no later than the dates indicated in the table in subsection (1) of this section; and

(3) Be submitted even if there is no quarterly license fee payable to us; and

(4) Be accurate; and

(5) Be completed by the highest ranking executive officer or a designee. If someone other than the licensee or an employee prepares the report, the preparer must include his or her name and business telephone number on the report; and

(6) Be submitted for any period of time the license was valid, even if there was no gambling activity or the gambling license was not renewed.

[]

NEW SECTION

WAC 230-05-126 Online filing and payments required with waivers available upon request for good cause. (1) All licensees must submit the following online:

(a) Renewal application and base license fees; and

(b) Quarterly license fees; and

(c) Quarterly license reports.

(2) We may waive these requirements if a licensed organization can show good cause. The reasons for good cause include:

(a) You do not have access to the internet using your own computer or similar equipment; or

(b) You do not have a bank account; or

(c) Your bank is unable to send electronic fund transactions; or

(d) Some other circumstance or condition exists that, in our judgment, prevents you from submitting online.

(3) We may waive these requirements if a licensed individual can show good cause. The reasons for good cause include:

(a) You do not have access to the internet using your own computer or similar equipment; or

(b) You do not have a bank account or credit card; or

(c) Your bank is unable to send electronic fund transactions; or

(d) Some other circumstance or condition exists that, in our judgment, prevents you from submitting online.

(4) You must request a waiver when applying for a new license or permit.

(5) A waiver will cover all fees and reports required under subsection (1) of this section.

[]

NEW SECTION

WAC 230-05-128 Renew your license in a timely manner. (1) You must renew online, unless you have received a waiver as outlined in this chapter and allow enough time to:

(a) Print the license prior to midnight before the license expires; or

(b) Have us print the license and mail it to you so you receive it before your license expires.

(2) If you have a waiver and are not renewing your license online, you must ensure a properly completed renewal application and all applicable base license fees are received at our administrative office in Lacey at least fifteen days before the expiration date on the license.

(3) If you do not submit a properly completed renewal application and all fees and your license expires, you must immediately stop the gambling activity covered by your license.

(4) If your license expires, you must submit an application and you must not operate any gambling activity until a new license is issued.

[]

NEW SECTION

WAC 230-05-132 Late filing of quarterly license reports or late payment of quarterly license fees—Penalties. (1) Licensees who do not file their quarterly license reports and/or pay quarterly license fees within thirty days from the end of each quarter are in violation of this chapter.

(2) Licensees will be afforded one thirty-day late filing and payment period after their quarterly license reports and quarterly license fees are due. However, a twenty-five dollar fee will be charged for each day a licensee fails to file a quarterly license report or pay quarterly license fees during the thirty-day late filing and payment period.

(3) A licensee's failure to file quarterly license reports or pay quarterly license fees during the thirty-day late filing and payment period could result in administrative action against your licenses.

(4) Licensees will be responsible for paying any outstanding license fees including, but not limited to, late fees and any additional costs associated with the collection of these fees before a license suspension is lifted or a new licensing application is approved.

[]

NEW SECTION

WAC 230-05-134 Amending quarterly license reports and changes to quarterly license fees paid. (1) You must amend any previously submitted quarterly license reports immediately upon discovering a discrepancy in reporting your gross gambling receipts or quarterly license fees paid.

(2) Any additional quarterly license fees due as a result of an amended quarterly license report will be due immediately upon filing your amended quarterly license report. You may face administrative action against your license for failing to accurately report. If you overpaid your quarterly license fees, you may receive a refund after we deduct our processing costs.

(3) You must submit amended quarterly license reports and any related payments to us online unless you have a waiver.

[]

NEW SECTION

WAC 230-05-136 Prorating or refunding fees. (1) We may prorate organization license fees when we adjust expiration dates to schedule our workload.

(2) We may adjust expiration dates to end on the same day for organizations licensed for more than one activity. Whenever we adjust license expiration dates under this provision, we may prorate the required fees.

(3) We will not prorate or refund fees when:

(a) You discontinue your gambling activities; or

(b) You voluntarily surrender your license or permit; or

(c) We suspend or revoke your license.

(4) We keep a portion of your application or license fees for processing costs when:

(a) We deny or administratively close your application; or

(b) You withdraw your application; or

(c) You overpaid us; or

(d) We received duplicate license fees.

[]

NEW SECTION

WAC 230-05-138 Returned payments. (1) If your bank returns your payment to us for any reason, you must:

(a) Pay us in full, by certified check, money order, or cash, within five days of notification; and

(b) Reimburse our processing costs which would include, but not be limited to, time spent notifying you and seeking payment.

(2) If you fail to pay within five days of notification:

(a) We will administratively close your application; or

(b) Your license expires and all gambling activity must stop.

(3) If we administratively close your application or your license expires, you must give us a new application with fees paid by certified check, money order, or cash in order to be considered for a license.

[]

NEW SECTION

WAC 230-05-140 Outstanding fees. (1) You must pay all outstanding fees assessed and owed if you:

(a) Stop operating the gambling activity; or

- (b) Close your business; or
- (c) Surrender your license; or
- (d) Do not renew your license; or
- (e) Your license is revoked.

(2) If you do not pay, we may take action against other licenses you hold or refer the debt to collections, or both.

(3) Licensees will be responsible for paying any outstanding license fees, including late fees, and any additional licensing or processing costs associated with the collection of these fees before a licensing suspension is lifted or any new licensing application is approved.

[]

NEW SECTION

WAC 230-05-142 Fees for review of gambling equipment, supplies, services, or games. (1) You must submit gambling equipment, supplies, services, or games for our review.

(2) You must pay the application deposit before we perform the review.

(3) You must also reimburse us for any additional costs of the review.

[]

NEW SECTION

WAC 230-05-160 Charitable or nonprofit organization fees. Bona

fide charitable and nonprofit organizations must pay the following fees:

(1) Annual licenses:

License Type	Base License Fee	Gross Gambling Receipts Rate	Maximum Annual License Fee
Amusement games	\$65 plus \$65 per approved location	0.730%	\$1,000
Bingo	\$65	0.460%	\$11,000
Card games - House-banked	\$10,000	1.462%	\$40,000
Card games - Nonhouse-banked	\$65	0.430%	\$1,000
Combination	\$125	-	-
Fund-raising equipment distributor	\$270	1.430%	\$700
Punchboard/pull-tabs	\$650	1.430%	\$10,000
Raffles	\$65	3.380%	\$2,000
Enhanced raffles	\$5,000	0.430%	\$32,000

(2) Event licenses or permits:

License Type	Base License Fee	Gross Gambling Receipts Rate	Maximum Annual License Fee
Fund-raising event	\$180	3.130%	\$1,000
Recreational gaming activity	\$65	-	-
Special property bingo/change of bingo premises	\$30	-	-

(3) Change fees:

Change of:	Fee
Name	\$100
Location	\$100
Fund-raising event location, date, or time	\$50

(4) Other fees:

Transaction	Fee
Add a new amusement game location	\$65
Duplicate license	\$50
Review, inspection, and/or evaluation of gambling equipment, supplies, services, games, or schemes	Deposit and cost reimbursement

[]

NEW SECTION

WAC 230-05-165 Commercial stimulant organization fees. All commercial stimulant organizations must pay the following fees:

(1) Annual licenses:

License Type	Base License Fee	Gross Gambling Receipts Rate	Maximum Annual License Fee
Card games - Nonhouse-banked	\$65	1.462%	\$20,000
Card games - House-banked	\$10,000	1.462%	\$40,000
Punchboards/pull-tabs	\$700	1.430%	\$13,000

(2) Change fees:

Change of:	Fee
Name	\$100
Location	\$100
Business classification (same owners)	\$100
Corporate stock/limited liability company shares/units	\$100
License transfers	\$100

(3) Other fees:

Transaction	Fee
Duplicate License	\$50

[]

NEW SECTION

WAC 230-05-170 Fees for other businesses. All other business organizations must pay the following fees:

(1) Annual licenses or permits:

License Type	Base License Fee	Gross Gambling Receipts Rate	Maximum Annual License Fee
Agricultural fair bingo (annual permit)	\$200	-	-
Call centers for enhanced raffles	\$4,800	-	-
Commercial amusement games	\$500 plus \$65 per approved location	1.130%	\$11,000
Distributor	\$700	1.430%	\$7,000
Fund-raising event distributor	\$280	1.430%	\$1,000
Manufacturer	\$1,500	1.430%	\$25,000
Manufacturer's special sales permit	\$250	-	-
Punchboard/pull-tab service business permit	\$250	-	-
Gambling service supplier	\$300	1.430%	\$7,000

(2) Events or permits:

License or Permit Type	Base License Fee	Gross Gambling Receipts Rate	Maximum Annual License Fee
Recreational gaming activity	\$65	-	-
Special property bingo	\$30	-	-

(3) Change fees:

Change of:	Fee
Name	\$100
Location	\$100
Business classification (same owners)	\$100
Corporate stock/limited liability company shares/units	\$100
License transfers	\$100

(4) Other fees:

Transaction	Fee
Add a new amusement game location	\$65
Defective punchboard/pull-tab cost recovery fees	Up to \$100
Duplicate license	\$50
Pre- and post-licensing investigations	Cost reimbursement
Review, inspection, and/or evaluation of gambling equipment, supplies, services, games, schemes, or group 12 amusement games	Deposit and cost reimbursement

[]

Chapter 230-03 WAC

PERMITTING AND LICENSING RULES

Last Update: 9/8/16

WAC

ACTIVITIES REQUIRING A PERMIT AND RULES FOR THOSE ACTIVITIES

- 230-03-005 Permits for recreational gaming activities.
- 230-03-010 Fund-raising equipment distributors must report recreational gaming activities.
- 230-03-015 Permits to conduct bingo at agricultural fairs.
- 230-03-018 One annual change of bingo premises allowed.
- 230-03-020 Punchboard and pull-tab service business permit.
- 230-03-025 Applying for a manufacturer's special sales permit.

APPLYING FOR A LICENSE

- 230-03-030 Other licenses, certificates, inspections, or permits needed to be considered for a gambling license.
- 230-03-035 Applying for a license.
- 230-03-040 Signing the application.
- 230-03-045 Defining substantial interest holder.
- 230-03-050 Additional information required from applicants for licensing.
- 230-03-052 Registered agent to be appointed by out-of-state applicants and licensees.
- 230-03-055 Reporting changes to application.
- 230-03-060 Fingerprinting.

230-03-061 Fingerprinting persons holding an interest in the building of house-banked card room li-
censees or charitable or nonprofit licensees in regulatory groups III, IV, or V.

230-03-065 Spouses must also be qualified.

230-03-070 Training required for licensing.

230-03-075 Withdrawing your application.

LICENSE APPROVAL

230-03-080 License approval process.

LICENSE DENIAL, SUSPENSION, OR REVOCATION

230-03-085 Denying, suspending, or revoking an application, license or permit.

~~ADDITIONAL LICENSING~~ REQUIREMENTS FOR CHARITABLE AND NONPROFIT APPLICANTS

230-03-090 Defining "agricultural."

230-03-095 Defining "athletic."

230-03-100 Defining "charitable."

230-03-105 Defining "civic."

230-03-110 Defining "educational."

230-03-115 Defining "fraternal."

230-03-120 Defining "patriotic."

230-03-125 Defining "political."

230-03-130 Defining "religious."

230-03-135 Defining "social."

230-03-140 Full and regular membership requirements.

- 230-03-145 Additional requirements for charitable and nonprofit licensing.
- 230-03-150 Additional requirements for branches or chapters of eligible parent organizations.
- 230-03-152 Additional requirements for enhanced raffles.
- 230-03-155 Submitting a proposed plan of operations for charitable and nonprofit organizations.
- 230-03-160 Licensed charitable or nonprofit organizations prohibited from managing or operating commercial gambling activities.
- 230-03-161 Applying for a combination license.
- 230-03-162 Applying for a fund-raising event license.

~~ADDITIONAL REQUIREMENTS FOR COMMERCIAL LICENSING AMUSEMENT GAME LICENSE APPLICANTS~~

- 230-03-163 Applying for a charitable or nonprofit amusement game license.
- 230-03-164 Applying for a commercial amusement game license.
- 230-03-165 Information required with license application for commercial amusement games.

~~ADDITIONAL REQUIREMENTS FOR COMMERCIAL STIMULANT APPLICANTS~~

- 230-03-170 Defining "business premises."
- 230-03-175 Requirements for commercial stimulant businesses.

~~ADDITIONAL LICENSING REQUIREMENTS-CARD ROOM LICENSE APPLICANTS~~

- 230-03-177 Applying to operate nonhouse-banked card games - charitable or nonprofit organizations.
- 230-03-178 Applying to operate nonhouse-banked card games and/or a Class F endorsement - commercial organizations.
- 230-03-179 Applying to operate a house-banked card game.
- 230-03-180 Additional information required for a house-banked card room application.

~~ADDITIONAL REQUIREMENTS FOR MANUFACTURER, DISTRIBUTOR, AND GAMBLING SERVICE SUPPLIER LICENSE APPLICANTS~~

~~REQUIREMENTS FOR LICENSING MANUFACTURERS AND DISTRIBUTORS APPLICANTS~~

- 230-03-185 Applying for a manufacturer license.
- 230-03-190 Applying for a distributor license.
- 230-03-192 Applying for a fund-raising equipment distributor license.
- 230-03-195 Additional information required from manufacturer and distributor license applicants.
- 230-03-200 Defining "gambling equipment."

~~REQUIREMENTS FOR LICENSING GAMBLING SERVICE SUPPLIERS APPLICANTS~~

- 230-03-210 Applying for a gambling service supplier license.
- 230-03-211 Defining "lending agent," "loan servicer," or "placement agent."
- 230-03-212 Defining "regulated lending institution."
- 230-03-215 Gambling service suppliers prohibited from assuming ultimate responsibility.
- 230-03-220 Marketing level restrictions for punchboard or pull-tab manufacturers, distributors, or operators.
- 230-03-225 Marketing level restrictions for punchboard or pull-tab gambling service suppliers.

~~REQUIREMENTS FOR LICENSING LINKED BINGO PRIZE PROVIDERS APPLICANTS~~

- 230-03-230 Applying for linked bingo prize provider license.

~~REQUIREMENTS FOR LICENSING CALL CENTERS APPLICANTS~~

- 230-03-232 Applying for an enhanced raffle call center license.

~~REQUIREMENTS FOR INDIVIDUAL LICENSES~~

~~LICENSING CHARITABLE OR NONPROFIT GAMBLING MANAGERS~~

230-03-235 Applying for charitable or nonprofit gambling manager license.
230-03-240 Working before receiving a charitable or nonprofit gambling manager license.
230-03-245 Licensing period for charitable or nonprofit gambling manager.

~~LICENSING~~-COMMERCIAL GAMBLING MANAGERS

230-03-250 Applying for a commercial gambling manager license.
230-03-255 Working before receiving a commercial gambling manager license.
230-03-260 Licensing period for commercial gambling manager.

~~LICENSING~~-CARD ROOM EMPLOYEES

230-03-265 Applying for a card room employee license.
230-03-270 Working as a card room employee before receiving a license.
230-03-275 Licensing period for card room employee.
230-03-280 Substantial interest holders not required to be licensed as card room employees.
230-03-285 Class III gaming employee working as card room employee.

~~LICENSING~~-~~REPRESENTATIVE~~~~SE~~~~REPRESENTATIVE~~-~~LICENSING~~

230-03-300 Applying for a manufacturer's representative license.
230-03-305 Applying for a distributor's representative license.
230-03-310 Applying for a gambling service supplier's representative license.
230-03-315 Applying for a linked bingo prize provider representative license.
230-03-317 Applying for an enhanced raffle call center representative license.
230-03-320 Substantial interest holders not required to be licensed as representatives.
230-03-325 Office, clerical, or warehouse workers not required to be licensed as representatives.

- 230-03-330 Representing one or more licensed businesses.
- 230-03-335 Representatives must not work before receiving a license.
- 230-03-340 Gambling service supplier representative must report conflicts of interest.

DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

- 230-03-001 "We," "our," and "us" mean the commission and staff. [Statutory Authority: RCW 9.46.070. WSR 06-07-157 (Order 457), § 230-03-001, filed 3/22/06, effective 1/1/08.] Repealed by WSR 07-21-116 (Order 617), filed 10/22/07, effective 1/1/08. Statutory Authority: RCW 9.46.070.
- 230-03-051 Incorporated cities and towns exempt from some information requirements for application. [Statutory Authority: RCW 9.46.070. WSR 06-07-157 (Order 457), § 230-03-051, filed 3/22/06, effective 1/1/08.] Repealed by WSR 07-21-116 (Order 617), filed 10/22/07, effective 1/1/08. Statutory Authority: RCW 9.46.070.
- 230-03-290 Card room employees working for additional employer or changing employer. [Statutory Authority: RCW 9.46.070. WSR 06-07-157 (Order 457), § 230-03-290, filed 3/22/06, effective 1/1/08.] Repealed by WSR 08-21-087 (Order 633), filed 10/14/08, effective 1/1/09. Statutory Authority: RCW 9.46.070.

AMENDATORY SECTION (Amending WSR 06-07-157, filed 3/22/06, effective 1/1/08)

WAC 230-03-015 Permits to conduct bingo at agricultural fairs.

(1) You must apply to us if you wish to operate bingo games at agricultural fairs licensed to conduct bingo. You may apply for either:

(a) An annual permit to conduct bingo games at different agricultural fairs; or

(b) A special property bingo permit to conduct bingo games at a single agricultural fair.

(2) Each agricultural fair is fully responsible for the operation of bingo conducted under its license.

(3) A commercial or charitable or nonprofit organization may apply for a special property bingo permit.

[Statutory Authority: RCW 9.46.070. WSR 06-07-157 (Order 457), § 230-03-015, filed 3/22/06, effective 1/1/08.]

AMENDATORY SECTION (Amending WSR 06-07-157, filed 3/22/06, effective 1/1/08)

WAC 230-03-035 Applying for a license. (1) You must fully complete the license application form we provide in order to be consid-

ered for a license. You must return it, along with the appropriate fees, to our headquarters office.

(2) If your application is incomplete, you must provide us with the required items within thirty days of notification or we may administratively close the application.

(3) Applicants for a new organization license or permit will submit the base license fee for each authorized activity they are applying for with their application.

(4) Applicants for a new individual license will submit the annual license fee they are applying for with their application.

[Statutory Authority: RCW 9.46.070. WSR 06-07-157 (Order 457), § 230-03-035, filed 3/22/06, effective 1/1/08.]

AMENDATORY SECTION (Amending WSR 13-19-056, filed 9/16/13, effective 10/17/13)

WAC 230-03-060 Fingerprinting. (1) The following persons must submit fingerprints and undergo a national criminal history background check:

(a) Substantial interest holders of commercial businesses and charitable or nonprofit organizations who live or have lived out of the state in the last ten years; and

(b) Card room employees, commercial and nonprofit gambling managers, and manufacturer, distributor, service supplier, call centers for enhanced raffles, and linked bingo prize provider representatives; and

(c) Any other substantial interest holder when we have information they may not be qualified for licensure or to participate in a gambling activity. ~~and~~

(2) (~~Applicants or licensees for the following activities~~) Recreational gaming activity and agricultural fair permit holders do not need to submit fingerprints(~~(Recreational gaming activities, agricultural fair permits, and Class A commercial amusement games)~~).

[Statutory Authority: RCW 9.46.070 and 9.46.0209. WSR 13-19-056 (Order 692), § 230-03-060, filed 9/16/13, effective 10/17/13. Statutory Authority: RCW 9.46.070(7). WSR 13-17-018 (Order 690), § 230-03-060, filed 8/9/13, effective 9/9/13. Statutory Authority: RCW 9.46.070. WSR 06-07-157 (Order 457), § 230-03-060, filed 3/22/06, effective 1/1/08.]

AMENDATORY SECTION (Amending WSR 16-19-015, filed 9/8/16, effective 10/9/16)

NEW SECTION

WAC 230-03-161 Applying for a combination license. (1) Charitable or nonprofit organizations may apply for a combination license to operate one or more of the following gambling activities:

(a) Authorized nonhouse-banked card games without collection of a fee to play; and

(b) Raffles with gross gambling receipts up to two thousand dollars during the license year; and

(c) Bingo with gross gambling receipts up to twenty-five thousand dollars during the license year; and

(d) Amusement games, owned and operated by the organization, with gross gambling receipts up to seven thousand five hundred dollars during the license year.

(2) You must apply for a separate license if any of the gambling activities in subsection (1)(b) through (d) of this section you operate will exceed the gross gambling receipt limits specified during your license year.

NEW SECTION

WAC 230-03-162 Applying for a fund-raising event license. (1)

Charitable or nonprofit organizations may offer fund-raising events as authorized by RCW 9.46.0233.

(2) Your organization must apply for a fund-raising event license to operate gambling activities for:

(a) One event not to exceed twenty-four consecutive hours; or

(b) One event not to exceed seventy-two consecutive hours; or

(c) Participation in joint fund-raising events; or

(d) One limited fund-raising event not to exceed six consecutive hours.

[]

NEW SECTION

WAC 230-03-163 Applying for a charitable or nonprofit amusement game license. You must apply for a charitable or nonprofit amusement game license if your organization owns, leases or rents approved amusement games and:

(1) Operates the approved amusement games in your licensed location; or

(2) Rents or leases approved amusement games for operation in approved locations.

[]

NEW SECTION

WAC 230-03-164 Applying for a commercial amusement game license.

(1) You must apply for a commercial amusement game license if your business:

(a) Owns and operates approved amusement games in your licensed location; or

(b) Rents or leases approved amusement games for operation in approved locations.

(2) Your business can operate approved amusement games in multiple approved locations under the same license as long as the locations are owned by the same business.

[]

WAC 230-03-177 Applying to operate nonhouse-banked card games—

Charitable or nonprofit organizations. (1) You must apply for a nonhouse-banked card game license if you are a charitable or nonprofit organization that wants to:

(a) Offer for play authorized nonhouse-banked card games, whether a fee to play is charged or not; and/or

(b) Conduct approved tournaments.

(2) You may not operate more than fifteen card tables.

[]

NEW SECTION

WAC 230-03-178 Applying to operate nonhouse-banked card games and/or a Class F endorsement—Commercial organizations. (1) You must apply for a nonhouse-banked card game license if you are a commercial stimulant business that wants to:

(a) Offer for play authorized nonhouse-banked card games, whether a fee to play is charged or not; and/or

(b) Conduct approved tournaments.

(2) You must apply for a Class F endorsement to use:

(a) Authorized alternative fee collections; and/or

(b) Player-supported jackpots.

(3) You may not operate more than fifteen card tables.

[]

NEW SECTION

WAC 230-03-179 Applying to operate house-banked card games. (1)

You must apply for a house-banked card game license if you want to offer for play authorized house-banked card games.

(2) With this license, you may also:

(a) Offer for play nonhouse-banked card games; and/or

(b) Conduct approved tournaments; and/or

(c) Offer player-supported jackpots; and/or

(d) Use alternative fee collection.

(3) You may not operate more than fifteen card tables.

[]

WAC 230-03-185 Applying for a manufacturer license. (1) You must apply for a manufacturer license if you:

(a) Make or assemble a completed piece or pieces of gambling equipment for use in authorized gambling activities; or

(b) Convert, modify, combine, add to, or remove parts or components of any gambling equipment for use in authorized gambling activities; or

(c) Manufacture group 12 amusement games approved or modified after May 1, 2016. Manufacturers of group 12 amusement games that were approved before the effective date of this rule must apply by May 1, 2016, and be licensed by December 31, 2016. Manufacturers of group 12 amusement games can sell or lease group 12 amusement games to a licensed distributor or (~~a Class B or above~~) an amusement game licensee.

(2) You must demonstrate your ability to comply with all manufacturing, quality control, and operations restrictions imposed on authorized gambling equipment that you want to manufacture or market for use in Washington state.

(3) The licensing process may include an on-site review of your manufacturing equipment and process for each separate type of authorized gambling equipment to ensure compliance capability.

[Statutory Authority: RCW 9.46.070, 9.46.0201. WSR 16-19-015, § 230-03-185, filed 9/8/16, effective 10/9/16; WSR 16-08-033 (Order 718), § 230-03-185, filed 3/30/16, effective 4/30/16. Statutory Authority: RCW 9.46.070. WSR 09-11-085 (Order 646), § 230-03-185, filed 5/18/09, effective 7/1/09; WSR 06-07-157 (Order 457), § 230-03-185, filed 3/22/06, effective 1/1/08.]

AMENDATORY SECTION (Amending WSR 16-19-015, filed 9/8/16, effective 10/9/16)

WAC 230-03-190 Applying for a distributor license. You must apply for a distributor license if you:

(1) Buy or otherwise obtain a finished piece of gambling equipment for use in authorized gambling activities from another person and sell or provide that gambling equipment to a third person for resale, display, or use; or

(2) Are a manufacturer who sells or provides gambling equipment you do not make to any other person for resale, display, or use; or

(3) Service and repair authorized gambling equipment. However, distributors must not add, modify, or alter the gambling equipment; or

(4) Modify gambling equipment using materials provided by manufacturers to upgrade equipment to current technology.

(5) Buy or lease a group 12 amusement game from another licensee and sell or lease the group 12 amusement game to (~~a Class B and above~~) an amusement game licensee.

[Statutory Authority: RCW 9.46.070, 9.46.0201. WSR 16-19-015, § 230-03-190, filed 9/8/16, effective 10/9/16; WSR 16-08-033 (Order 718), § 230-03-190, filed 3/30/16, effective 4/30/16. Statutory Authority: RCW

9.46.070. WSR 06-07-157 (Order 457), § 230-03-190, filed 3/22/06, effective 1/1/08.]

AMENDATORY SECTION (Amending WSR 06-07-157, filed 3/22/06, effective 1/1/08)

NEW SECTION

WAC 230-03-192 Applying for a fund-raising equipment distributor

license. (1) You must apply for a fund-raising equipment distributor license if you are a commercial or charitable or nonprofit organization and want to:

(a) Rent or lease gambling equipment to:

(i) Fund-raising event license holder; or

(ii) A qualified organization, business or association for recreational gaming activities; or

(b) Organize and conduct recreational gaming activities.

(2) Fund-raising equipment distributors cannot make their own gambling equipment.

[]

WAC 230-03-235 Applying for charitable or nonprofit gambling man-

ager license. You must apply for a charitable or nonprofit gambling manager license if you are an employee or member of a charitable or nonprofit organization who:

(1) Will have control to a material degree over a (~~Class D and above~~) bingo (~~license~~) or punchboard and pull-tab licensee with ~~hese~~ gross gambling receipts ~~overare more than~~ one hundred fifty thousand dollars in ~~atheir previous~~ licensing year; or

(2) (~~Will have control to a material degree over a Class C and above punch boards and pull tabs license; or~~

~~(3))~~ Will be the supervisor of gambling managers who manage (~~a Class D and above bingo license or Class C and above~~): A bingo or punch board(~~s~~) and pull-tab(~~s license~~) licensee with gross gambling receipts ~~over more than~~ one hundred fifty thousand dollars in ~~atheir previous~~ license year; or

(~~(4))~~ (3) Will be assigned the highest level of authority by the officers or governing board of directors to manage the day-to-day affairs of the organization and is responsible for safeguarding assets purchased with gambling funds and/or managing the disbursement of gambling funds when the organization:

(a) Is licensed to receive more than three hundred thousand dollars in gross gambling receipts; or

(b) Has established a trust and/or endowment fund to which gambling receipts in excess of one hundred thousand dollars have been contributed; or

~~((5))~~ (4) Will be the supervisor of the operation of progressive jackpot pull-tab games.

[Statutory Authority: RCW 9.46.070. WSR 06-07-157 (Order 457), § 230-03-235, filed 3/22/06, effective 1/1/08.]

AMENDATORY SECTION (Amending WSR 06-07-157, filed 3/22/06, effective 1/1/08)

WAC 230-03-265 Applying for a card room employee license. You must apply for a card room employee license:

(1) If you will be involved in the operation of a ~~((+~~

~~(1) Class E card room; or~~

~~(2) Class F card room; or~~

~~(3) House-banked card room; and~~

~~(4))~~ nonhouse-banked card room, Class F endorsed nonhouse-banked card room, or house-banked card room; and

(2) You perform any of the following functions:

(a) Collecting fees; or

(b) Dealing; or

(c) Supervising any card game or other card room employee, such as acting as a pit boss, floor person, or section supervisor; or

(d) Selling or redeeming chips; or

(e) Performing cashier or cage duties such as counting and handling chips or cash, completing credit slips, fill slips, or inventory slips, or accounting for other card room receipts in the cage; or

(f) Observing dealers and card games to detect cheating or control functions; or

(g) Controlling card room funds including keys to secure locations; or

(h) Taking part in the operation of a card game.

(3) A Class B card room employee license is required to work at a house-banked card room and Class F endorsed nonhouse-banked card room.

(4) A Class A card room employee license is required to work at a nonhouse-banked card room.

[Statutory Authority: RCW 9.46.070. WSR 06-07-157 (Order 457), § 230-03-265, filed 3/22/06, effective 1/1/08.]

AMENDATORY SECTION (Amending WSR 06-07-157, filed 3/22/06, effective 1/1/08)

WAC 230-03-285 Class III gaming employee working as card room employee. A certified Class III gaming employee must submit an ((add/transfer)) application and pay a fee before beginning work for a public card room.

[Statutory Authority: RCW 9.46.070. WSR 06-07-157 (Order 457), § 230-03-285, filed 3/22/06, effective 1/1/08.]

AMENDATORY SECTION (Amending WSR 09-24-012, filed 11/20/09, effective 12/21/09)

WAC 230-03-330 Representing one or more licensed businesses. (1)

If you are a licensed distributor representative, gambling service supplier representative, or a linked bingo prize provider representative or applying for one of these representative licenses, you must represent only one licensed distributor, gambling service supplier, or linked bingo prize provider at a time.

(2) If you are a licensed manufacturer representative, you may represent more than one licensed manufacturer.

(3) If the owner you represent owns more than one licensed business, you may represent the owner in all those licensed businesses, including licensed manufacturers(~~(, without applying for another representative license))~~).

(4) You must submit an application and pay a fee before beginning work at a new or additional employer.

[Statutory Authority: RCW 9.46.070. WSR 09-24-012 (Order 664), § 230-03-330, filed 11/20/09, effective 12/21/09; WSR 06-07-157 (Order 457), § 230-03-330, filed 3/22/06, effective 1/1/08.]

STAKEHOLDER FEEDBACK

From: [Griffin, Tina \(GMB\)](#)
To: [Rancour, Michelle \(GMB\)](#)
Subject: FW: fee schedual
Date: Thursday, November 02, 2017 4:25:09 PM

Please save this with the other feedback from stakeholders.

From: David Thompson [mailto:dthomp3511@gmail.com]
Sent: Thursday, November 2, 2017 3:12 PM
To: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>
Subject: fee schedual

WSGC, Commissioners,

The new fee schedule represents a 48% increase for a \$700,000 limit pulltab license. In 28 years of operating a Bar and Grill the WSGC has not provided for any kind of mechanism to pass through ever increasing costs. Minimum wage has gone from \$4.25/hr to \$13.00/hr and game cost has gone from \$10.00 per bag to \$36.00 per bag, Not to mention all of the other costs associated with the day to day operation that go up every year. Without some kind of a method to transfer these costs to the consumer the gross margin in gambling has become so thin that it is a real option to discontinue the sale of pulltabs and lay off the corresponding labor and not spend the license fees. Without a cost pass through option the new fees are completely unfair,

Thanks, David Thompson, Pres. Dave's Bar and Grill
Pres.. Modern Electric and Water

Company

Director, Spokane Valley Chamber

of Commerce

From: [Trujillo, Dave \(GMB\)](#)
To: [FeeWorkGroup \(GMB\)](#); [Rancour, Michelle \(GMB\)](#)
Cc: [Griffin, Tina \(GMB\)](#); [Wilson, Tyson \(GMB\)](#)
Subject: FW: New fees
Date: Tuesday, October 31, 2017 10:25:11 AM

Michelle, to be added to fee feedback for rule packets.

From: Griffin, Tina (GMB)
Sent: Monday, October 23, 2017 10:25 AM
To: Trujillo, Dave (GMB) <dave.trujillo@wsgc.wa.gov>
Cc: Wilson, Tyson (GMB) <tyson.wilson@wsgc.wa.gov>
Subject: FW: New fees

FYI

From: Wilson, Tyson (GMB)
Sent: Tuesday, October 10, 2017 12:43 PM
To: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>
Subject: New fees

Tina,

I received a call today from Wes Fults, owner of Bonanza Press. They are an "E" pull-tab manufacturer, currently paying \$3,654/yr. He had a few concerns relating to the new fee structure for manufacturers. He does not like the cap on manufacturer fees. He thinks everyone should pay the same percentage regardless of receipts.

Here is an outline of his issues:

Bonanza Press should make about \$2,000,000 in a year, per Wes. That would be make his new fee \$25,000/yr.

Arrow, his competitor, makes about \$8,000,000 a year, per Wes. They would also pay \$25,000/yr. per the new fee structure.

If you are below the threshold of \$25,000 at 1.430% you pay at 1.430% of your gross receipts.

Bonanza would pay at 1.25% based on \$2,000,000 in gross receipts.

Arrow would pay at 0.3125% based on \$8,000,000 in gross receipts.

He does not think it is fair that he is paying at a higher rate because his sales are less.

Just a heads up, he is concerned, guessing someone will hear from him. I gave him an email and phone number for license fee questions.

Thanks,

Special Agent Tyson Wilson, CFE
Financial Investigations Unit
Washington State Gambling Commission
360-486-3592 (work)
360-280-4329 (cell)



Bonanza Press, Inc.
19860 141st Place NE
Woodinville, WA 98072

info@bonanzapress.com
www.bonanzapress.com

Direct (425) 486-3399
Toll Free (800) 233-0008
Fax (425) 485-1047

October 31, 2017

Washington State Gambling Commission
feeworkgroup@wsgc.wa

Re: Proposed fee structure

Dear Washington State Gambling Commission:

I am writing to provide input and express my concern with the redesigned fee structure being proposed by the Washington State Gambling Commission.

As requested, I am providing the following information regarding our operations:

1. Name of business: Bonanza Press, Inc.
2. Number of employees: 68
3. What will the proposed rule cost our business: The proposed rules will increase our licensing fees from \$3,654 to \$25,000 (approximately **584%**). As a percentage of our Washington revenue the proposed license fee is approximately **1.25%**.
4. Will the proposed rules increase our costs? Unknown at this time.
5. Will the proposed rules cause us to gain or lose jobs? Potential loss of jobs due to increased license fees and competitive disadvantage in marketplace as noted below.

The WSGC proposed fee schedule sets a maximum fee for each classification of operator based on revenues. The revenue level is such that the largest revenue producers in a proposed fee category will pay substantially less fees when measured as a percent of their gross revenues than will the low revenue producers. This will put low revenue producers at a competitive disadvantage in the market.

It would seem to me that both the high revenue producers and the low revenue producers in the same classification are earning revenues from the same type of operation all of which are governed by the WSGC. By capping the maximum fee at the proposed level, low revenue producers are adversely impacted. A more equitable manner would be a set charge against all revenues produced from that type of operation thereby supporting the governmental organization that controls the revenue producer's operations.

Thank you for consideration.

John Wesley Fults
President

Trujillo, Dave (GMB)

From: Cory Thompson <crapsdlr@gmail.com>
Sent: Monday, October 30, 2017 3:03 PM
To: Trujillo, Dave (GMB)
Subject: Re: FW: New Fees

Dave,

I'll try to make a meeting or two, although I've had some tough experiences in the past. I spent a fair amount of time and energy calling and emailing my representatives to no avail.

:o),

Cory Thompson

On Mon, Oct 30, 2017 at 2:14 PM, Trujillo, Dave (GMB) <dave.trujillo@wsgc.wa.gov> wrote:

Cory,

Thanks for the clarification, I understand better. The \$10,000 is set by the Legislature so don't know if you have considered talking with your legislature about increasing the amount.

Will you be able to attend one of the upcoming commission meetings to share your feedback in person? Both November and January meetings will be in Olympia. If not, that's all right. I will make sure this feedback is included for their reference and the record.

Warmest Regards,

Dave

From: Cory Thompson [mailto:crapsdlr@gmail.com]
Sent: Monday, October 30, 2017 2:07 PM
To: Trujillo, Dave (GMB) <dave.trujillo@wsgc.wa.gov>
Subject: Re: FW: New Fees

Mr. Trujillo,

I'm concerned about both equally, but understand that the \$10,000 maximum is set by Congress and is not able to be altered by the WSGC without a change in the law. Therefore, I'm only writing about the increase in fees for the non-profit organizations. It is becoming more and more difficult for these organizations to raise funds and they are all looking for different ways to do so. Silent auctions are most common and are getting tiresome for many.

While only a very few opt for a fund raiser that includes a poker tournament or casino night, I'm not aware of any that operate casino table games for profit as a tribal or house banked card room is allowed in Washington State. Therefore, the "gambling" portion of the fund raiser is only an entertainment option that allows the funds to go directly to the non-profit up to a \$10,000 maximum. However, most of these events are happy to raise less than half of that for their kids' sports teams travel/uniforms/coach fees etc. that are needed to scholarship the less fortunate children to have a chance to compete.

Again, thank you for taking the time to listen.

:o),

Cory Thompson

On Fri, Oct 27, 2017 at 10:53 AM, Trujillo, Dave (GMB) <dave.trujillo@wsgc.wa.gov> wrote:

Cory,

Please accept my apologies for not getting back to you sooner. I have a question for you.

Since charity/non-profit organizations currently pay FRE license fees range from \$111 to \$641, are you more concerned about the increase to \$1,000 or that the maximum FRE receipts is limited to \$10,000 or are you concerned about both equally?

I appreciate any feedback you can provide.

Very Respectfully,

Dave

From: Trujillo, Dave (GMB)
Sent: Tuesday, October 10, 2017 10:40 AM
To: 'crapsdlr@gmail.com' <crapsdlr@gmail.com>
Cc: FeeWorkGroup (GMB) <feeworkgroup@wsgc.wa.gov>
Subject: RE: New Fees

Greetings Mr. Thompson,

It is nice to hear from you again. I have received your email below yesterday afternoon. Look to hear back from me by Thursday. I am on the road all day today.

Very Respectfully,

Dave

David E. Trujillo

Director

Washington State Gambling Commission

360-486-3512



From: Cory Thompson [mailto:crapsdlr@gmail.com]
Sent: Thursday, October 5, 2017 11:38 PM
To: FeeWorkGroup (GMB) <feeworkgroup@wsgc.wa.gov>
Subject: New Fees

Mr. Trujillo,

Thank you for the update and the opportunity to weigh-in. I believe having the WSGC charge a percentage of gross revenues, in essence, puts the WSGC in business with the gambling community that it is overseeing.

More importantly, it is improper, in my opinion, to raise the fees for the non-profit organizations to a minimum of \$180 and a maximum of \$1,000 when they are only allowed to raise a maximum of \$10,000. If the revenue is necessary, it needs to come from another source and stay out of the pockets of the non-profit community.

Sincerely,

Cory Thompson

Licensed Card Room Employee

Licensed FRE Distributor

Licensed Service Supplier

Trujillo, Dave (GMB)

From: Trujillo, Dave (GMB)
Sent: Friday, October 27, 2017 9:48 AM
To: 'tri-focus@comcast.net'
Subject: revised license fee structure

Greetings Mr. Antoncich,

Thank you for your feedback and thank you for being a long time licensee.

Please accept this response as confirmation that we have received your email (below). I've taken the liberty of highlighting what I believe to be your key point(s). With your permission, If you concur with what I have highlighted, I'd like to include your email with highlighting in the packet that Commissioners will review in November and January. We do not have a Commission meeting in December.

Also, I know the Commissioners would like to hear from you personally if you have the ability to come to the November or January Commission meeting, both in Olympia.

Very Respectfully,
Dave

David E. Trujillo

Director
Washington State Gambling Commission
360-486-3512



From: Tri-Focus Antoncich [<mailto:tri-focus@comcast.net>]
Sent: Wednesday, October 11, 2017 7:43 PM
To: FeeWorkGroup (GMB) <feeworkgroup@wsgc.wa.gov>
Subject: revised license fee structure

To Whom This May Concern,

My name is Walter Antoncich. I am a licensed pull tab distributor and have been continuously licensed since 1988.

I am concerned as to what impact this revised license fee structure will have on my business. I see it as regressive in so much as giving a significant break to larger distributors. Currently I would fall in at about 250000 dollars gross sales causing me to have a license fee of \$3575 or .0143% of sales. A distributor capping out at 1,000,000 gross would reach the maximum license fee of 7,000 dollars only a .007% of sales. This means their license costs them only half of what mine

would if percentage of sales would be applied equitably. At .0143 their license should cost 14,300. Why should a company get a tax break (which essentially this is) just because they are large. Additionally why would the WSGC leave this amount of money on the table when larger organizations require more monitoring than smaller ones. I encourage you to re-visit this anomaly and please do what is fair and level the playing field. I have no problem, whatsoever, with the general premises involved with the new structures

However, a little adjustment in the name of fairness and consistency is never a bad thing.

Sincerely

Walt Antoncich

Owner

Tri-Focus Enterprises

From: [Trujillo, Dave \(GMB\)](#)
To: [Rancour, Michelle \(GMB\)](#); [Anderson, Julie \(GMB\)](#)
Cc: [FeeWorkGroup \(GMB\)](#)
Subject: Reference Two Emails from Ms. Aleena Schneider
Date: Friday, October 27, 2017 1:33:10 PM

Michelle, please include this feedback in the rules packet.

Julie, once we have the November agenda finalized, please be sure Ms. Schneider is notified of date, location and time.

Thanks,
Dave

From: Aleena Schneider [mailto:aleena@harlequinproductions.org]
Sent: Friday, October 27, 2017 1:07 PM
To: Trujillo, Dave (GMB) <dave.trujillo@wsgc.wa.gov>
Subject: Re: Meeting

Dave,
Yes, this seems to capture my concerns about the new rate structure.
Thank you,

Aleena Schneider
General Manager
360-705-3250 Ext. 106

Harlequin Productions
202 4th Avenue East, Olympia, WA 98501
www.harlequinproductions.org

On Thu, Oct 26, 2017 at 9:05 AM, Trujillo, Dave (GMB) <dave.trujillo@wsgc.wa.gov> wrote:

Greetings Aleena,

Please review the following to see if I have captured the spirit of our meeting. If so, I'll include this in the rules packet and make sure that we notify you of the time, date and location of our November Commission meeting.

It was nice to meet with you in person. I am sending you this email to confirm I understand your feedback.

- 1) When you initially received notice that the Gambling Commission was simplifying it's license fee structure, you were happy.
- 2) That happiness changed when you saw that the amount you would pay annually would increase from \$680 to \$1,700. You determined this by using the calculator added to our public website.

- 3) You sent two emails to the agency using the feedback email provided on our website. Both were sent on October 12, 2017.
- 4) You are concerned that by capping the amount a licensee will pay, the larger volume organizations will be paying less than the smaller organizations.
- 5) You are a small licensee and any increase in a license fee takes away from the services you offer.
- 6) We discussed the stakeholder workgroup that had been formed, their desire to be able to have a fee with a min and max when planning budgets, and that the proposal allows for licensees to pay after earning revenue and not have to pay in advance. We also briefly discussed the rules process and that final rules are still several months out.
- 7) You were still concerned that the min and max does not help with your budget planning, your fee more than doubles and it is not fair to your organization; as smaller licensee because you will pay more as a percentage of revenue than a larger licensee.
- 8) At the end of our meeting, I invited you to tell your story to the Commissioners in person at our next public Commission meeting in November where the rules will be up for discussion.

Very Respectfully,
Dave

From: Aleena Schneider [mailto:aleena@harlequinproductions.org]

Sent: Thursday, October 19, 2017 2:39 PM

To: Trujillo, Dave (GMB) <dave.trujillo@wsgc.wa.gov>

Subject: Re: Meeting today

Yes, that would be great.

Aleena Schneider

General Manager

[360-705-3250 Ext. 106](tel:360-705-3250)

Harlequin Productions

[202 4th Avenue East, Olympia, WA 98501](http://www.harlequinproductions.org)

www.harlequinproductions.org

On Thu, Oct 19, 2017 at 2:32 PM, Trujillo, Dave (GMB) <dave.trujillo@wsgc.wa.gov>

wrote:

Hi Aleena,

I have time as early as 330pm if you are free to meet earlier today.

Dave

Sent from my Verizon, Samsung Galaxy smartphone

Trujillo, Dave (GMB)

From: FeeWorkGroup (GMB)
Sent: Monday, October 16, 2017 8:37 AM
To: Trujillo, Dave (GMB)
Cc: FeeWorkGroup (GMB)
Subject: FW: New Fee Structure - Huge increase

Follow Up Flag: Follow up
Flag Status: Flagged

Dave,
Please CC this mailbox on your response.

From: Aleena Schneider [mailto:aleena@harlequinproductions.org]
Sent: Thursday, October 12, 2017 5:47 PM
To: FeeWorkGroup (GMB) <feeworkgroup@wsgc.wa.gov>
Subject: Re: New Fee Structure - Huge increase

Additional comment: Capping the fee at \$2,000 serves to punish the small non-profits at the expense of the large non-profits. This proposal is all around not a fair assessment of fees.

Aleena Schneider
General Manager
360-705-3250 Ext. 106

Harlequin Productions
202 4th Avenue East, Olympia, WA 98501
www.harlequinproductions.org

On Thu, Oct 12, 2017 at 2:54 PM, Aleena Schneider <aleena@harlequinproductions.org> wrote:

Your recent email has a link to an online calculator based on the proposed new fee structure. We are a non-profit raffle licensee. This proposed new fee structure will be a 150% increase for us! We've been paying about \$680 per year and the calculator indicates that the fee will increase to nearly \$1,700. That's an outrageous increase for a non-profit struggling to survive!

Is this really the intention of the new fee structure? Or is there possibly an error with the calculator?

Aleena Schneider
General Manager
[360-705-3250](tel:360-705-3250) Ext. 106

Harlequin Productions
202 4th Avenue East, Olympia, WA 98501
www.harlequinproductions.org

From: [FeeWorkGroup \(GMB\)](#)
To: [Considine, Brian \(GMB\)](#)
Cc: [FeeWorkGroup \(GMB\)](#)
Subject: FW: New Fee Feedback
Date: Thursday, October 12, 2017 3:37:48 PM

From: Aleena Schneider [mailto:aleena@harlequinproductions.org]
Sent: Thursday, October 12, 2017 3:33 PM
To: FeeWorkGroup (GMB) <feeworkgroup@wsgc.wa.gov>
Subject: New Fee Feedback

1. What is the name of your charitable or nonprofit or commercial organization or business?

Harlequin Productions

2. Does your organization or business have 50 or fewer employees?

Yes, far fewer.

3. Will the proposed rules, including the new fee schedule, cost your business more than three-tenths of one percent of annual revenue or income, or one hundred dollars, whichever is greater, or one percent of annual payroll?

It appears that you are justifying your horrendous 150% increase in gambling fees by looking beyond your purview of gambling receipts to our other revenues. **THIS IS NOT OK!** This proposed increase will cost us an additional \$1,020 over our current rate of \$680 for a total of \$1,700 per year. That is a 150% increase. We struggle for every dollar of revenue we receive in order to keep afloat. It is not ok for the Gambling Commission to swoop in for a larger share. It seems that you are, in effect, trying to get a percentage of our other revenue and not just our gambling revenue. This is not ok. Your proposed fees should be based only on our gambling revenues; our other revenues should have nothing to do with this decision.

4. Will the proposed rules, excluding any proposed fee increase, require your organization or business to incur additional costs, including equipment, supplies, labor, professional services, and/or administrative costs? If so, please identify your additional costs and provide your estimated cost for each category listed.

Yes, 150% increase in gambling fees!

5. Will the proposed rules cause you to gain or lose jobs at your business? If so, please provide an estimate of the number of jobs gained or lost.

These new fees are a 150% increase over what we have been paying. This is a ridiculously high increase for a small non-profit struggling to survive. We may not make it another year and then all our employees will be out of work. We need cooperation and support from the Gambling Commission. Please leave non-profits alone in your quest to aggressively increase your revenue.

Aleena Schneider
General Manager
360-705-3250 Ext. 106

Harlequin Productions
202 4th Avenue East, Olympia, WA 98501
www.harlequinproductions.org

From: [Mark Skoglund](#)
To: [FeeWorkGroup \(GMB\)](#)
Subject: Re: Gambling Commission seeks input on redesigned fee structure
Date: Thursday, October 26, 2017 9:02:52 AM

1. What is the name of your charitable or nonprofit or commercial organization or business?

Fun Enterprises, Inc. aka Funtastic Shows

2. Does your organization or business have 50 or fewer employees?

No. We have in excess of 50 employees.

3. Will the proposed rules, including the new fee schedule, cost your business more than three-tenths of one percent of annual revenue or income, or one hundred dollars, whichever is greater, or one percent of annual payroll?

**The increase will cost us less than three-tenths of one percent of annual revenue.
The increase will cost us less than one percent of annual payroll.**

4. Will the proposed rules, excluding any proposed fee increase, require your organization or business to incur additional costs, including equipment, supplies, labor, professional services, and/or administrative costs? If so, please identify your additional costs and provide your estimated cost for each category listed.

If quarterly filing is required, the additional filing of quarterly rather than annually will cause some additional administrative effort but the cost will be minimal. If annual reporting is still available, there will be no increase in cost.

5. Will the proposed rules cause you to gain or lose jobs at your business? If so, please provide an estimate of the number of jobs gained or lost.

There will be no job gain or job loss.

On Thu, Oct 12, 2017 at 12:21 PM, FeeWorkGroup (GMB) <feeworkgroup@wsgc.wa.gov> wrote:

[cid:image009.png@01D34354.B0177EC0]

[FB icon] <<https://www.facebook.com/WAGamblingCommission/>> [twitter icon]
<<https://twitter.com/WAGambling>> [instagram_2016_icon_email]
<<https://www.instagram.com/wagambling/>> [In-2C-21px-R] <<https://www.linkedin.com/company-beta/16262525/>>

October 12, 2017

Dear Licensee,

The staff at the Washington State Gambling Commission is working to make it easier and more convenient for you to apply for your gambling licenses by creating a simpler and more flexible fee structure. The commissioners have initiated the rule-making process and the first rules package<<http://www.wsgc.wa.gov/docs/license-fee/09-2017-rule-package-1-sept-comm-mtg.pdf>>, including a proposed fee schedule<<http://www.wsgc.wa.gov/docs/license-fee/proposed-fee-schedule-sept-comm-mtg.pdf>>, has been filed.

The redesigned fee structure will:

- * Reduce the number of fee categories.
- * Eliminate the need for you to estimate future gambling receipts in order to determine license classes.
- * Allow you to take in revenue before you pay fees.
- * Provide you the ability to calculate and pay fees online using My Account.
- * Allow you to make quarterly payments rather than annual or biennial payments.

Our projections indicate that your licensing fees will increase \$100 or more under the new fee schedule if your current gross revenue remains constant for 2018-19. For your convenience, we have a fee calculator<<http://www.wsgc.wa.gov/license-fee-calc.aspx>> on our website<<http://www.wsgc.wa.gov/license-fee.aspx>>, which you can use to estimate your license fees under the proposed fee schedule.

The Gambling Commission would like your input on the redesigned fee structure, including the proposed fee schedule. Your feedback is optional, but we would appreciate your responses to the following questions:

1. What is the name of your charitable or nonprofit or commercial organization or business?
2. Does your organization or business have 50 or fewer employees?
3. Will the proposed rules, including the new fee schedule, cost your business more than three-tenths of one percent of annual revenue or income, or one hundred dollars, whichever is greater, or one percent of annual payroll?
4. Will the proposed rules, excluding any proposed fee increase, require your organization or business to incur additional costs, including equipment, supplies, labor, professional services, and/or administrative costs? If so, please identify your additional costs and provide your estimated cost for each category listed.
5. Will the proposed rules cause you to gain or lose jobs at your business? If so, please provide an estimate of the number of jobs gained or lost.

Please submit your responses to feeworkgroup@wsgc.wa.gov<mailto:feeworkgroup@wsgc.wa.gov> no later than Wed., Oct. 31, 2017 in order for them to be considered by the Commissioners at their November public meeting.

All emails received by Dec. 18, 2017 will be considered prior to final action.

The Commissioners will continue discussing rules for the redesigned fee structure at their upcoming meetings. You can find the dates and locations of the meetings on our website<<http://www.wsgc.wa.gov/agenda/meetings.aspx>> and social media.

Sincerely,

Brian Considine
Legal & Legislative Manager
Washington State Gambling Commission

[FB icon]<<https://www.facebook.com/WAGamblingCommission/>> [twitter icon]
<<https://twitter.com/WAGambling>> [instagram_2016_icon_email]
<<https://www.instagram.com/wagambling/>> [In-2C-21px-R] <<https://www.linkedin.com/company-beta/16262525/>>

--

Mark L. Skoglund C.F.O.

Funtastic Shows, Inc.

3407 SE 108th Avenue

Portland, OR 97266-2273

503 761-0989 phone

503 761-6648 fax

Trujillo, Dave (GMB)

From: Micheal T Hurley <michealt@hughes.net>
Sent: Tuesday, October 10, 2017 12:17 PM
To: Trujillo, Dave (GMB)
Cc: Dick Tracy; pfbeall@comcast.net
Subject: RE: Fee schedule

Thanks,

I'll give you call upon my return.

Regards,

Micheal

From: Trujillo, Dave (GMB) [mailto:dave.trujillo@wsgc.wa.gov]
Sent: Tuesday, October 10, 2017 11:29 AM
To: Micheal T Hurley
Cc: Dick Tracy; pfbeall@comcast.net
Subject: Re: Fee schedule

Michael,

Sounds good. Let's work out a date, time and location after you return. My office number is 360.486.3512.

V/R,
Dave

Sent from my Verizon, Samsung Galaxy smartphone

----- Original message -----

From: Micheal T Hurley <michealt@hughes.net>
Date: 10/10/17 11:16 AM (GMT-08:00)
To: "Trujillo, Dave (GMB)" <dave.trujillo@wsgc.wa.gov>
Cc: Dick Tracy <dicktracy@lewiscounty.com>, pfbeall@comcast.net
Subject: RE: Fee schedule

Dave,

Thanks for your response. I would love to meet with you. Unfortunately, I will be out of state until after the 25th. Maybe we could work out a date after that.

Regards,

Micheal

From: Trujillo, Dave (GMB) [<mailto:dave.trujillo@wsgc.wa.gov>]
Sent: Tuesday, October 10, 2017 10:39 AM
To: michealt@hughes.net; pfbeall@comcast.net; dicktracy@lewiscounty.com
Cc: FeeWorkGroup (GMB)
Subject: RE: Fee schedule

Greetings Mr. Hurley,

Thank you for your input. Your email was forwarded to me yesterday afternoon. I'd be very interested in discussing more in-depth. Would you be open to meeting with me sometime next week?

Very Respectfully,
Dave

David E. Trujillo, CPA, CGMA

Director / Chief of Enforcement
Washington State Gambling Commission
360-486-3512



From: Micheal T Hurley [<mailto:michealt@hughes.net>]
Sent: Thursday, October 5, 2017 1:58 PM
To: FeeWorkGroup (GMB) <feeworkgroup@wsgc.wa.gov>
Cc: pfbeall@comcast.net; Dick Tracy <dicktracy@lewiscounty.com>
Subject: Fee schedule

It appears that you are putting raffle fees out of reach for nonprofit charitable organizations.

Micheal Hurley
Raffle license holder for the Law Enforcement Association of Southwest Washington.

From: [Victoria Carlson](#)
To: [FeeWorkGroup \(GMB\)](#)
Subject: RE: Commissioners vote to file first rules package for redesigned fee structure
Date: Thursday, October 05, 2017 4:06:34 PM
Attachments: [image001.png](#)
[image002.png](#)
[image004.png](#)
[image008.png](#)
[image010.png](#)
[image012.png](#)

Does this apply to us? we just install cameras.

From: FeeWorkGroup (GMB) [mailto:feeworkgroup@wsgc.wa.gov]
Sent: Thursday, October 05, 2017 1:23 PM
To: FeeWorkGroup (GMB) <feeworkgroup@wsgc.wa.gov>
Subject: Commissioners vote to file first rules package for redesigned fee structure



October 5, 2017

Dear Licensee,

Last month, we sent you an email announcing that we are making it easier and more convenient for you to apply for, and renew, your gambling licenses by creating a simpler and more flexible fee structure.

On Sept. 14, the commissioners voted unanimously to file the first rules package for the redesigned fee structure. This is the first of several steps in the rule-making process and includes a [proposed fee schedule](#).

The current fee structure originated in the 1970's when the first gambling activities were legalized in Washington State. The gambling industry has seen many changes since then, which has caused the fee schedule to become complex and cumbersome over the years. Today, the schedule includes 194 different fees and requires licensees to estimate gambling receipts for the upcoming year in order to determine which license to apply for. Estimating revenues often results in overpaid fees, which require refunds, or underpaid fees, which carry penalties.

To address the fee schedule, we formed a work group, comprised of representatives from across the industry. Over the past year, the group has met several times and provided input to staff, so

that a new fee structure could be designed.

The redesigned fee structure will:

- Reduce the number of fee categories.
- Eliminate the need for you to estimate future gambling receipts in order to determine license classes.
- Allow you to take in revenue before you pay fees.
- Provide you the ability to calculate and pay fees online using My Account.
- Allow you to make quarterly payments rather than annual or biennial payments.

The Commissioners will continue discussing rules for the redesigned fee structure at their upcoming meetings. Staff will be available to answer your questions immediately prior to start of each meeting.

We've created an [online calculator](#) that you can use to calculate your fees based on the proposed schedule. Our goal is to implement the new fee structure on July 1, 2018. *When* you would begin paying your fees under the new fee structure depends on when your license year ends. For example, if your license expires June 30, 2018, you'll start using the new system on July 1, 2018. If your license year doesn't end until Dec. 31, 2018, you would not start paying fees under the new system until Jan. 1, 2019.

Your continuing feedback is important to us. To submit your comments or questions, please send an email to feeworkgroup@wsgc.wa.gov or give us a call at 360-486-3588. To receive the most current updates, please visit our [website](#) and follow us on social media.

Sincerely,

Dave Trujillo

Executive Director

Washington State Gambling Commission



From: [Hunter, Amy \(GMB\)](#)
To: [FeeWorkGroup \(GMB\)](#); [Songer, Heather \(GMB\)](#); [Rancour, Michelle \(GMB\)](#)
Subject: Fwd: Feedback
Date: Friday, September 15, 2017 7:08:03 PM

Hi Michelle. Heather and I talked about cc'ing the fee work group email whenever we respond so whoever is checking the box will know if a response is gone out or not. Thanks so much to both of you for all of your help!

Sent from my Verizon 4G LTE smartphone

----- Original message -----

From: "Rancour, Michelle (GMB)" <michelle.rancour@wsgc.wa.gov>
Date: 9/13/17 9:33 AM (GMT-08:00)
To: "McSweeney, John (GMB)" <mcsweeneyjw@yahoo.com>
Cc: "Hunter, Amy (GMB)" <amy.hunter@wsgc.wa.gov>
Subject: RE: Feedback

Hi John,

Thank you so much for the positive feedback. I will definitely forward this on to our Commissioners and staff.

Have a wonderful day.

Sincerely,

Michelle Rancour
Assistant to Deputy Director
Washington State Gambling Commission
(360) 486-3447

-----Original Message-----

From: John McSweeney [<mailto:mcsweeneyjw@yahoo.com>]
Sent: Friday, September 08, 2017 4:47 PM
To: FeeWorkGroup (GMB) <feeworkgroup@wsgc.wa.gov>
Subject: Feedback

You are awesome! This will be a great improvement. The work performed prior to the tribal lawsuit seemed like it was being honored by the commission. That was an uplifting feeling. The restructuring objectives are admirable.

I can't attend the Spokane meeting but I'll bug the small pulltabs rep.

Thanks again for your efforts.

John Mcsweeney
Gambling Manager
Past President, Shoreline Elks
Elks Care, Elks Share

From: [Hunter, Amy \(GMB\)](#)
To: [FeeWorkGroup \(GMB\)](#)
Subject: FW: Fee Simplification Work Continues - Ready for rulemaking
Date: Thursday, September 28, 2017 11:53:29 AM
Attachments: [image002.png](#)
[image004.png](#)

From: Hunter, Amy (GMB)
Sent: Wednesday, September 13, 2017 8:37 PM
To: 'Scott Johnson' <scott@spokanepulltab.com>
Subject: RE: Fee Simplification Work Continues - Ready for rulemaking

Thanks, Scott. I appreciate you getting back to me. I don't know if it helps with scheduling, but the Commissioners are meeting Friday morning also. If you wanted to come and address them, you would sure be welcome. I will pass along your comments.

Take care,
Amy

From: Scott Johnson [<mailto:scott@spokanepulltab.com>]
Sent: Wednesday, September 13, 2017 1:06 PM
To: Hunter, Amy (GMB) <amy.hunter@wsgc.wa.gov>
Subject: RE: Fee Simplification Work Continues - Ready for rulemaking

Thank you for the information, unfortunately I will not be able to attend the meeting.

Personally I would prefer the simple fee as opposed to a percentage of sales. If you want to make it easy and simple make it easy and simple.

I wish I could be there tomorrow, but there is my 2 cents.

Thank you
Scott

Scott Johnson
Spokane Pulltab & Bingo Supply

Spokane, Wa. 99202

509-747-1339

From: Hunter, Amy (GMB) [<mailto:amy.hunter@wsgc.wa.gov>]
Sent: Wednesday, September 13, 2017 10:38 AM
To: Scott Johnson
Subject: Fee Simplification Work Continues - Ready for rulemaking

Hi, Scott:

I hope you are doing well. First, please accept my apologies for emailing you much later than I had planned. I met with you last year about a proposal the Gambling Commission was considering to restructure its fees. That proposal has changed quite a bit based on the feedback received while meeting with you and other stakeholders. We created a workgroup, which included all segments of the gambling industry (commercial, nonprofit, and tribal). Wendy Winsor, of WOW Distributing, represented the distributors. All workgroup members are listed [here](#). Based on the feedback, the workgroup recommended the fee proposal I shared with you be changed significantly.

Here are a few highlights of the now-revised proposal:

- License fees will be based on a percentage per gambling activity, rather than the very simplified approach we were working with before where there was one percentage for organizations and one percentage for vendors.
- There will be a maximum fee, as well as a minimum fee. Here are some examples by activity:

Commercial Activities:

Distributors: Exact fee is still being worked out, but minimum fee will likely be in the neighborhood of \$700 (it's \$699 now) and the maximum fee will likely be in the neighborhood of \$7,000. Right now, a Class F Distributor fee is \$4,498.

Punchboard/Pull-tabs: Minimum fee \$700/Max. fee \$13,000

Charitable/Nonprofit Activities:

Bingo: Minimum fee \$65/Max. fee \$11,000

Punchboard/Pull-tabs – Minimum fee \$650/Max. fee \$10,000

Aspects of the proposal that have not changed:

- Fees will be paid quarterly (compared to annually or semi-annually now).
- Licensees will be able to use My Account to calculate and pay their fees.

At *tomorrow's* September 14 Commission meeting in Spokane the Commissioners will be discussing the revised proposal and voting on whether to *begin* the rulemaking process to change the fee system. This discussion will likely occur about 2:00 p.m. Staff will be

available to answer any questions you might have earlier that day, around 12:45 p.m. If the fee system is changed, changes would likely go into effect in July 2018. Because this is the only meeting the Commissioners have planned in Eastern Washington over the next several months, I wanted to make sure you were aware of the meeting. Our website is also the best place to check for general updates.

If you would like to come to the meeting and share any comments with the Commissioners directly, the meeting will be held at:

Red Lion River Inn Hotel
700 N. Division Street
Spokane, WA 99202

If you have any questions, please let me know. My cell # is 360-701-1269.

Again, my apologies for this later than planned email.

Sincerely,

Amy

Amy B. Hunter
Deputy Director
Washington State Gambling Commission
(360) 486-3463



Rule Changes / Fee Simplification (Package #2)

Various Rules in:



- WAC 230-05-102 – All licensed organizations report activity quarterly beginning with the July 1, 2018 through September 30, 2018 quarter.
- Chapter 230 – 06 WAC – Rules for all licensees.
- Chapter 230 – 07 WAC – Charitable and nonprofit rules.
- Chapter 230 – 09 WAC – Fund-raising event rules.
- Chapter 230 – 10 WAC – Bingo Rules.
- Chapter 230 – 11 WAC – Raffles.
- Chapter 230 – 13 WAC – Amusement game rules.
- Chapter 230 – 14 WAC – Punchboard and pull tab.
- Chapter 230 – 15 WAC – Card game rules.
- Chapter 230 – 16 WAC – Manufacturer, distributor, and gambling service supplier rules.
- Chapter 230 – 17 WAC – Brief Adjudicative Proceedings.
- WAC 230-03-085 – Denying, suspending, or revoking an application, license or permit.

November 2017 – Up for Further Discussion

October 2017 – Discussion and Possible Filing

Tab 8: NOVEMBER 2017 Commission Meeting Agenda.	Statutory Authority 9.46.070
Who Proposed the Rule Change?	
Staff	
Describe the Rule Changes	
<u>Bold/Underline = Changes made after the October 2017 Commission Meeting</u>	
<p>This is the second of at least <u>four</u> packages staff will bring forward to make changes to the Commission’s licensing fee structure. The key rules in this second package:</p> <ul style="list-style-type: none"> • Delete references to the term “classes.” While the current fee structure is based on a “classes” system, the new proposed system is based primarily on gross gambling receipts. Therefore, approximately twenty rules need to be changed to delete references to “classes.” • Establish new due dates for activity reports. All licensees will begin reporting their activity quarterly beginning with the July 1-September 30 quarter. These rules establish those new dates: <ul style="list-style-type: none"> ○ New language for (WAC 230-07-155) Reporting annual activities for raffles, enhanced raffles, amusement games, Class A, B or C bingo, or combination licenses; ○ New language for (WAC 230-07-160) Reporting annual activity for agricultural fairs; ○ New language for (WAC 230-09-056) Activity reports for fund-raising events; ○ New language for (WAC’s 230-10-330 and 230-10-331) Activity reports for bingo, agricultural fairs, and other organizations. Activity reports for Class D and above bingo licensees; ○ New language for (WAC 230-13-169) Annual activity reports for commercial amusement game licensees; ○ New language for (WAC 230-14-284) Activity reports for punchboard pull-tab licensees; ○ New language for (WAC 230-15-200) Reporting card game activity; ○ Defining “activity reports by manufacturers and distributors.” (WAC 230-16-220) 	

- Adds the process (brief adjudicative proceeding) we will use if licensees don't submit their quarterly license reports and/or quarterly license fees.

Rules package #3 sets the individual license fees under the new license fee structure.

A fourth rules package will include any corrections or updates to the rules filed in packages #1, #2 or #3. This package will likely be on your January agenda.

Attachments:

WAC 230-05-102

WAC Chapters 230-06 through 230-17 containing changes.

WAC 230-03-085

Policy Considerations

The Commissioners began considering changing the fee structure in 2014. The current fee structure was created over 40 years ago. It began with 25 fees. Today the Gambling Commission has approximately 194 different fees for Commercial and Non-Profit organizations and individuals. This fee schedule is typically based on a "class" system, which can be cumbersome for licensees and agency staff. The Gambling Commission is looking to simplify this current system to allow it to be easier to navigate and have a licensing fee schedule that is more predictable for both the agency and its licensees.

Staff Recommendation

Staff recommends filing for further discussion.
Staff anticipates asking for an effective date of July 1, 2018.

NEW SECTION

WAC 230-05-102 All licensed organizations report activity quarterly beginning with the July 1, 2018, through September 30, 2018, quarter. (1) Beginning July 1, 2018, all licensed organizations must submit activity reports quarterly, regardless of whether they previously submitted reports annually, quarterly, or semi-annually and regardless of when their permit or license year ends.

(2) This includes gambling service suppliers and any other licensed organizations that did not previously submit activity reports.

(3) The activity reports must be in the format we require and must:

Cover the period:	Be received by us no later than:
July 1 through September 30	October 30
October 1 through December 31	January 30
January 1 through March 31	April 30
April 1 through June 30	July 30

(4) All licensed organizations must submit quarterly license fees to us for each licensed gambling activity after the first quarter of their license year that begins on or after July 1, 2018, as set forth in WAC 230-05-124.

Chapter 230-06 WAC

RULES FOR ALL LICENSEES

Last Update: 1/19/17

WAC

RULES FOR CONDUCTING A GAMBLING ACTIVITY

- 230-06-002 "We," "our," and "us" mean the commission and staff.
- 230-06-003 Defining "cash."
- 230-06-004 Defining "consecutively numbered," "consecutive," and "consecutively."
- 230-06-005 Accept checks in gambling activities.
- 230-06-007 Licensed employees must wear nametags.
- 230-06-010 Age restrictions for players.
- 230-06-011 Detaining and identifying persons under eighteen years of age engaging in or attempting to engage in authorized gambling activities.
- 230-06-012 Conducting underage compliance test programs with minors.
- 230-06-015 Prevent intoxicated persons from operating or playing gambling activities.
- 230-06-020 Restrictions on alcohol as prizes.
- 230-06-025 Restrictions on firearms as prizes.
- 230-06-030 Restrictions and conditions for gambling promotions.
- 230-06-031 Using wheels in promotional contests of chance, fund-raising events, or gambling activities.

- 230-06-035 Credit, loans, or gifts prohibited.
- 230-06-045 Conduct gambling activities on licensed business premises only.
- 230-06-046 Additional requirements for licensed business premises of nonhouse-banked, eClass E, F, and house-banked card rooms.
- ~~230-06-050~~ Review of electronic or mechanical gambling equipment.
- 230-06-051 Computation of time.
- 230-06-052 Withdrawing gambling equipment authorization.
- 230-06-054 Notification of electronic or mechanical gambling equipment malfunctions.

NOTIFYING LAW ENFORCEMENT, POSTING PUBLIC NOTICES, AND RECORDKEEPING

- 230-06-055 Notify law enforcement of gambling activity.
- 230-06-065 Displaying of licenses.
- 230-06-070 Keep monthly records.
- 230-06-071 Washington state identification and inspection stamps to be called "I.D. stamps."
- 230-06-074 Assistance required for commission inspections.
- 230-06-075 Removal of equipment or records for inspection.

REPORTING CHANGES TO APPLICATION INFORMATION

- 230-06-080 Report changes to application information and submit updated documents and information.
- 230-06-081 Submitting gambling service supplier contracts for review.
- 230-06-082 Manufacturers, distributors, gambling service suppliers, linked bingo prize providers, and call centers for enhanced raffles reporting changes in licensed employees.
- 230-06-083 Card game licensees reporting changes in licensed employees.

REPORTING CRIMINAL, ADMINISTRATIVE, AND CIVIL ACTIONS

- 230-06-085 Report criminal actions filed.
- 230-06-090 Report administrative and civil actions filed.

CHANGING NAMES OR LOCATIONS

- 230-06-095 Change name, trade name, or corporate name.
- 230-06-100 Changing business locations.

CHANGING MANAGEMENT OR OWNERSHIP

- 230-06-105 Report change of management.
- 230-06-106 Limited transfers of ownership allowed.
- 230-06-107 Ownership changes—Allowed.
- 230-06-108 Ownership changes—Prohibited.

SALES AND TRANSFERS OF EQUIPMENT, PRODUCTS, AND SERVICES

- 230-06-109 Sales invoices for merchandise prizes.
- 230-06-110 Buying, selling, or transferring gambling equipment.
- 230-06-112 Buying, selling, renting and leasing amusement games.
- 230-06-120 Selling or transferring gambling equipment when no longer licensed.

~~LICENSE RENEWALS AND ACTIVITY REPORTS~~

- 230-06-124 Online filing ~~and payments~~ required with waivers available upon request for good cause.
- ~~230-06-125 Renew your license in a timely manner.~~

- ~~230-06-130 Exceeding license class.~~
- ~~230-06-135 Failing to apply for license class upgrade.~~
- ~~230-06-140 Partial refund of license fees if gambling receipts limit not met.~~
- ~~230-06-145 Surrendering suspended or revoked licenses.~~

DEFINITIONS

- 230-06-150 Defining "gross gambling receipts."
- 230-06-155 Defining "gross sales."
- 230-06-160 Defining "net gambling receipts."
- 230-06-165 Defining "net gambling income."
- 230-06-170 Defining "net win."
- 230-06-175 Defining "cost."

SURRENDERING SUSPENDED OR REVOKED LICENSES

- 230-06-176 Surrendering suspended or revoked licenses.

DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

- 230-06-001 Defining "operator." [Statutory Authority: RCW 9.46.070. WSR 06-17-132 (Order 601), § 230-06-001, filed 8/22/06, effective 1/1/08.] Repealed by WSR 07-21-116 (Order 617), filed 10/22/07, effective 1/1/08. Statutory Authority: RCW 9.46.070.

230-06-060 Maintain copy of commission rules on business premises. [Statutory Authority: RCW 9.46.070.
WSR 06-17-132 (Order 601), § 230-06-060, filed 8/22/06, effective 1/1/08.] Repealed by WSR
11-05-058 (Order 675), filed 2/10/11, effective 3/13/11. Statutory Authority: RCW 9.46.070.

230-06-115 Using checks or credit cards to purchase gambling equipment, products, or services. [Stat-
utory Authority: RCW 9.46.070. WSR 06-17-132 (Order 601), § 230-06-115, filed 8/22/06,
effective 1/1/08.] Repealed by WSR 08-21-087 (Order 633), filed 10/14/08, effective 1/1/09.
Statutory Authority: RCW 9.46.070.

WAC 230-06-046 Additional requirements for licensed business prem-

ises of nonhouse-banked, class ~~E~~, F, and house-banked card rooms. (1)

The licensed business premises of nonhouse-banked, class ~~E~~, F, and house-banked card rooms may not be adjacent to each other if each licensed business premises:

(a) Shares inside public access between the two licensed business premises; or

(b) Has employee access between the two licensed business premises visible to the public; or

(c) Shares windows or similar structures that allow customers to see into the other licensed business premises.

(2) Subsection (1) of this section does not apply to nonhouse-banked class ~~E~~, F, and house-banked card room physical locations that have any of the features listed in subsection (1) of this section and were licensed on the effective date of this rule.

(3) Adjacent card rooms must post signs at each entrance that is accessible by the public to clearly notify customers of the licensed business premises' identity.

[Statutory Authority: RCW 9.46.070 and 9.46.0282. WSR 10-07-102, § 230-06-046, filed 3/19/10, effective 7/1/10.]

NEW SECTION

WAC 230-06-081 Submitting gambling service supplier contracts for review.

Prior to executing financing, consulting, or management contracts, gambling service suppliers must submit these agreements to us for review for compliance with WAC 230 and RCW 9.46.

NEW SECTION

WAC 230-06-082 Manufacturers, distributors, gambling service suppliers, linked bingo prize providers, and call centers for enhanced raffles reporting changes in licensed employees.

Manufacturers, distributors, gambling service suppliers, linked bingo prize providers and call centers for enhanced raffle licensees must:

(1) Submit an application and the required fees before allowing licensed employees to begin working.

~~(1)~~(2) Notify us in the format we require when a licensed employee no longer works for them. We must receive the notice at our Lacey office within ten days of the licensed employee's last day.

WAC 230-06-083 Card game licensees reporting changes in licensed

employees. Card game licensees, ~~except Class B or Class D~~ must:

(1) Submit an ~~add/transfer~~ application and the required fees before allowing a licensed card room employee to begin working.

(2) Notify us in ~~the format we require~~writing when a licensed card room employee no longer works for them. We must receive the notice at our Lacey office within ten days of the card room employee's last day-~~terminating employment.~~

[Statutory Authority: RCW 9.46.070. WSR 08-21-087 (Order 633), § 230-06-083, filed 10/14/08, effective 1/1/09.]

WAC 230-06-100 Changing business locations. ~~(1)~~ Licensees must ap-

ply to us and pay a fee to change the location of their licensed business premises. Licensees must receive our approval before changing the business location.

~~(2) Commercial amusement game licensees may add or delete from the list of locations for which we issued their license without paying a fee.~~

[Statutory Authority: RCW 9.46.070. WSR 06-17-132 (Order 601), § 230-06-100, filed 8/22/06, effective 1/1/08.]

WAC 230-06-110 Buying, selling, or transferring gambling equipment.

(1) All licensees and persons authorized to possess gambling equipment must closely control the gambling equipment in their possession.

(2) Before selling gambling equipment, licensees must ensure that the buyer possesses a valid gambling license or can legally possess the equipment without a license.

(3) Before purchasing gambling equipment, licensees must ensure that the seller possesses a valid gambling license.

(4) Applicants for Class F or house-banked card room licenses may purchase and possess gambling equipment during the prelicensing process, but only after receiving written approval from us.

(5) Charitable and nonprofit organizations conducting unlicensed bingo games, as allowed by RCW 9.46.0321, may possess bingo equipment without a license.

(6) Group 12 amusement games can only be sold or leased to ~~Class B and above~~ amusement game licensees by a licensed manufacturer or distributor. ~~Class B and above~~ A amusement game licensees can lease or rent group 12 amusement games for operation at the approved ~~Class A~~ amusement game locations licensees. ~~Lease agreements entered into prior to the effective date of this rule may continue until the manufacturer is licensed or December 31, 2016, whichever occurs first.~~

(7) Licensees may transfer gambling equipment as a part of a sale of a business as long as a condition of the sale is that the buyer receives a gambling license before the sale is complete. Licensees must make a complete record of all gambling equipment transferred in this manner, including I.D. stamps. Licensees must report these transfers, including a copy of the inventory record, to us.

[Statutory Authority: RCW 9.46.070, 9.46.0201. WSR 16-19-015, § 230-06-110, filed 9/8/16, effective 10/9/16; WSR 16-08-033 (Order 718), § 230-06-110, filed 3/30/16, effective 4/30/16. Statutory Authority: RCW 9.46.070. WSR 08-11-044 (Order 628), § 230-06-110, filed 5/14/08, effective 7/1/08; WSR 07-21-116 (Order 617), § 230-06-110, filed 10/22/07, effective 1/1/08; WSR 06-17-132 (Order 601), § 230-06-110, filed 8/22/06, effective 1/1/08.]

WAC 230-06-112 Buying, selling, renting and leasing amusement

games. (1) ~~Class A~~ amusement game licensees can rent or lease amusement games from other~~Class B and above~~ amusement game licensees.

(2) ~~A Class B and above~~ amusement game licensees can:

(a) Own and operate group 1 through 12 amusement games at their licensed premises;

(b) Buy or lease group 12 amusement games from a licensed manufacturer or distributor and lease or rent them for operation at the other approved Class A amusement game location licensees; and

(c) Rent or lease group 1 through 11 amusement games to approved Class A amusement game location licensees.

[Statutory Authority: RCW 9.46.070, 9.46.0201. WSR 16-19-015, § 230-06-112, filed 9/8/16, effective 10/9/16.]

ACTIVITY REPORTS

WAC 230-06-124 Online filing ~~and payments~~ required with waivers available upon request for good cause. (1) All licensees must submit activity reports~~the following~~ online:

~~(a) Renewal application and fees, as referenced in Title 230 WAC;~~

and

~~(b) Activity reports, as referenced in Title 230 WAC.~~

(2) We may waive these requirements if a licensed organization can show good cause. The reasons for good cause include:

(a) You do not have access to the internet using your own computer or similar equipment; or

(b) You do not have a bank account; or

(c) Your bank is unable to send electronic fund transactions; or

(d) Some other circumstance or condition exists that, in our judgment, prevents you from submitting online.

~~(3) We may waive these requirements if a licensed individual can show good cause. The reasons for good cause include:~~

~~(a) You do not have access to the internet using your own computer or similar equipment; or~~

~~(b) You do not have a bank account or credit card; or~~

~~(c) Your bank is unable to send electronic fund transactions; or~~

~~(d) Some other circumstance or condition exists that, in our judgment, prevents you from submitting online.~~

~~(4)(3) You must request a waiver, in writing, no later than sixty days before your activity report due date or license expiration date. A waiver will cover subsection (1)(a) and (b) of this section.~~

[Statutory Authority: RCW 9.46.070. WSR 15-08-017 (Order 712), § 230-06-124, filed 3/24/15, effective 7/1/15.]

~~**WAC 230-06-125 Renew your license in a timely manner.** (1) You must renew online, unless you have received a waiver, as outlined in WAC 230-06-124 and allow for enough time to:~~

~~(a) Print the license prior to midnight before the license expires;~~
~~or~~

~~(b) Have us print the license and mail it to you so you receive it before your license expires.~~

~~(2) If you have a waiver and are not renewing your license online, you must ensure a properly completed renewal application and all applicable fees are received at our administrative office in Lacey at least fifteen days before the expiration date on the license.~~

~~(3) If licensees do not submit a properly completed application and all fees and their license expires, they must immediately stop the gambling activity covered by their license.~~

~~(4) If your license expires, you must submit an application and you must not operate any gambling activity until a new license is issued.~~

~~[Statutory Authority: RCW 9.46.070. WSR 15-08-017 (Order 712), § 230-06-125, filed 3/24/15, effective 7/1/15; WSR 08-03-062 (Order 623), § 230-06-125, filed 1/14/08, effective 2/14/08; WSR 06-17-132 (Order 601), § 230-06-125, filed 8/22/06, effective 1/1/08.]~~

~~**WAC 230-06-130 Exceeding license class.** (1) Licensees must not exceed the gross gambling receipts limits for their license class during any annual license period.~~

~~(2) Licensees must apply a projection of year-to-date receipts to the remaining period of their license and, if it indicates that it is reasonably likely that they may exceed their license, they must immediately:~~

~~(a) Apply for a license that authorizes the anticipated level of gross gambling receipts; and~~

~~(b) Submit the fee required for the new license, minus the amount originally submitted for the previous license, plus a change of classification fee.~~

~~(3) If we issue a license upgrade, it is valid only for the remainder of the original term of the license.~~

~~(4) Licensees may exceed license class limits once, by the amount shown in the fees table, without having to upgrade or pay the penalties as long as they upgrade to the higher license class the next time they renew their license.~~

~~[Statutory Authority: RCW 9.46.070. WSR 06 17 132 (Order 601), § 230-06-130, filed 8/22/06, effective 1/1/08.]~~

~~**WAC 230-06-135 Failing to apply for license class upgrade.** (1) If licensees fail to apply for a license class upgrade and exceed the license class limit within a present or previous license year, we assess an additional fee. We charge an additional fee of up to fifty percent of the difference between the fee for the present license class and the new license class, or one thousand dollars, whichever is less.~~

~~(2) Licensees must pay any required license class upgrade fee, plus any additional fee required by subsection (1) of this section, within thirty days of our notification.~~

~~(3) Failure to pay the fees may result in an immediate summary suspension of all licenses.~~

~~[Statutory Authority: RCW 9.46.070. WSR 06-17-132 (Order 601), § 230-06-135, filed 8/22/06, effective 1/1/08.]~~

~~**WAC 230-06-140 Partial refund of license fees if gambling receipts limit not met.** (1) Licensees may apply for a partial refund of their license fee when their annual gross gambling receipts are less than the minimum for the class of license we issued to them.~~

~~(2) Licensees may receive a refund for the difference between the fees actually paid and the fees that would normally apply to the level of gross gambling receipts actually received during the period less our processing costs.~~

~~(3) Licensees may make their request for refund after the end of any annual license period and before the end of the next annual license period.~~

~~[Statutory Authority: RCW 9.46.070. WSR 15-07-055 (Order 711), § 230-06-140, filed 3/13/15, effective 4/13/15; WSR 06-17-132 (Order 601), § 230-06-140, filed 8/22/06, effective 1/1/08.]~~

~~WAC 230-06-145 Surrendering suspended or revoked licenses. If we suspend or revoke your license, you must, on demand, surrender the license and return it to us.~~

~~[Statutory Authority: RCW 9.46.070. WSR 06 17 132 (Order 601), § 230-06-145, filed 8/22/06, effective 1/1/08.]~~

DEFINITIONS

WAC 230-06-150 Defining "gross gambling receipts." (1) "Gross gambling receipts" for activity reports means the amount due to any operator of a gambling activity for:

- (a) Purchasing chances to play a punch-board or pull-tab series;
- and
- (b) Purchasing chances to enter a raffle; and
- (c) Fees or purchase of cards to participate in bingo games; and
- (d) Fees to participate in an amusement game, including rent or lease payments paid to licensees or franchisers for allowing operation of an amusement game on their premises; and
- (e) "Net win" from a house-banked card game; and
- (f) Tournament entry fees; and
- (g) Administrative fees from player-supported jackpots; and

(h) Fees to participate in a nonhouse-banked card game (for example, time, rake, or per hand fee).

(2) The amount must be stated in U.S. currency.

(3) The value must be before any deductions for prizes or other expenses.

(4) "Gross gambling receipts" does not include fees from players to enter player-supported jackpots. However, any portion of wagers deducted for any purpose other than increasing current prizes or repayment of amounts used to seed prizes are "gross gambling receipts."

[Statutory Authority: RCW 9.46.070. WSR 08-20-007 (Order 630), § 230-06-150, filed 9/18/08, effective 1/1/09.]

WAC 230-06-170 Defining "net win." "Net win" for activity reports

means gross wagers received from gambling activities or fund-raising events minus the:

(1) Amount paid to players for winning wagers; and

(2) Accrual of prizes for progressive jackpot contests; and

(3) Repayment of amounts used to seed guaranteed progressive jackpot prizes.

[Statutory Authority: RCW 9.46.070. WSR 08-20-007 (Order 630), § 230-06-170, filed 9/18/08, effective 1/1/09.]

SURRENDERING SUSPENDED OR REVOKED LICENSES.

NEW SECTION

WAC 230-06-176 Surrendering suspended or revoked licenses. If we suspend or revoke your license, you must, on demand, surrender the license and return it to us.

Chapter 230-07 WAC

CHARITABLE AND NONPROFIT RULES

Last Update: 10/28/16

WAC

- 230-07-001 Defining "charitable or nonprofit licensee."
- 230-07-005 Defining "licensees," "licensee," "organizations," and "organization."
- 230-07-010 Use of gambling proceeds.
- 230-07-015 Regulatory group assignments.
- 230-07-020 Making "significant progress."
- 230-07-025 Additional requirements for "significant progress" for Groups IV and V.
- 230-07-030 Defining "functional expenses."
- 230-07-035 Defining "program service expenses."
- 230-07-040 Defining "supporting service expenses."
- 230-07-045 Obtaining a waiver for significant progress requirements.
- 230-07-050 Defining "excessive reserves."
- 230-07-051 Accumulating excessive reserves.
- 230-07-055 Prorating expenses when gambling funds are not kept separate.
- 230-07-060 Independent management structure required.
- 230-07-065 Group III, IV, and V management control system.
- 230-07-070 Defining "direct relatives."

- 230-07-075 Conflicts of interest.
- 230-07-080 Qualification reviews for Groups III, IV and V.
- 230-07-085 Compensating gambling management and operations personnel.
- 230-07-090 Keeping and depositing all gambling funds separate from other funds.
- 230-07-095 Fund-raising events and members only raffles exempt from deposit requirements.
- 230-07-100 Special banking exemption for Point Roberts Peninsula.
- 230-07-105 Safeguarding prize inventory.
- 230-07-106 Insuring prizes.
- 230-07-110 Supervision requirements.
- 230-07-115 Duties of charitable or nonprofit gambling managers.
- 230-07-120 Notifying us of changes in responsibilities of charitable or nonprofit gambling managers.

RECORDKEEPING FOR LOWER VOLUME LICENSEES

- 230-07-125 Recordkeeping requirements for lower volume charitable or nonprofit organizations.

RECORDKEEPING AND ACCOUNTING STANDARDS

- 230-07-130 Additional recordkeeping for charitable or nonprofit licensees.
- 230-07-135 Recording gifts.
- 230-07-140 Minimum accounting records for ~~Class D and above~~ bingo licensees with gross gambling receipts over one hundred fifty thousand dollars in their previous license year and licensees with combined activities over five hundred thousand dollars in their previous license year.

REQUIRED ANNUAL REPORTS

- 230-07-145 Reporting annual progress.
- 230-07-150 Financial statements required for Groups III, IV, and V.
- 230-07-155 Reporting annual activity for raffles, enhanced raffles, amusement games, Class A, B, or C bingo, or combination licenses.
- 230-07-160 Reporting annual activity for agricultural fairs.

WAC 230-07-090 Keeping and depositing all gambling funds separate from other funds. Charitable or nonprofit licensees must protect all funds generated from gambling activities and keep these funds separate from their general funds.

(1) Licensees must:

(a) Keep a separate gambling receipts account(s) in a recognized Washington state bank, mutual savings bank, or credit union; and

(b) Deposit only gambling receipts into that account. Licensees may deposit receipts from nongambling activities operated in conjunction with bingo games into the gambling receipts account if the licensee keeps detailed receipting records of the nongambling receipts; and

(c) Deposit all gambling receipts first into the account before spending or transferring them into other accounts, except for prize payouts; and

(d) Deposit funds received from commercial amusement game operators operating amusement games on their premises in the licensee's gambling receipts account no later than the second banking day after they receive the receipts; and

(e) Make all deposits of net gambling receipts from each activity separately from all other deposits, and keep the validated deposit receipt as a part of their records. Deposit receipts are a part of the applicable daily or monthly records and licensees must make them available for our inspection; and

(f) Deposit all net gambling receipts which they are holding, pending pay out:

(i) From bingo, no later than the second banking day after they receive them. Licensees may withhold bingo receipts from deposits for "jar," "pig," or other special game prizes if the total of all such prize funds does not exceed two hundred dollars, enter the amount withheld each session in the bingo daily record, and record the reconciliation of the special game fund on the bingo daily record. "Reconcile" means the licensee must compare the two balances, resolve any differences, and document the comparison and the differences in writing. Licensees must keep the reconciliation as part of their records; and

(ii) From raffles ~~(Class E and above)~~ and amusement games ~~(Class D and above)~~, with gross gambling receipts over fifty thousand dollars in their previous license year, at least once each week; and

(iii) From punch-board and pull-tabs, including cost recovery for merchandise prizes awarded, no later than two banking days after they remove the board or series from play; and

(g) Record the Washington state identification number assigned to the punch-board or pull-tab series and the amount of net gambling receipts on the deposit slip/receipt. Licensees may record the number and the receipts on a separate record if they record the bank validation number and maintain the record with the deposit slip/receipt; and

(2) These requirements do not apply to organizations who:

(a) Conduct only one or more of the following activities:

(i) Raffles under the provisions of RCW 9.46.0315;

(ii) Bingo, raffles, or amusement games under the provisions of RCW 9.46.0321;

(iii) Bingo, raffle, and amusement game licensees with gross gambling receipts of fifty thousand dollars or less in their previous license year~~Class A, B, or C bingo game;~~

~~(iv) Class A, B, C, or D raffle; or~~

~~(v) Class A, B, or C amusement game; and~~

[Statutory Authority: RCW 9.46.070. WSR 07-10-032 (Order 609), § 230-07-090, filed 4/24/07, effective 1/1/08.]

RECORDKEEPING FOR LOWER VOLUME LICENSEES

WAC 230-07-125 Recordkeeping requirements for lower volume charitable or nonprofit organizations. (1) Organizations operating without a license under RCW 9.46.0315 or 9.46.0321 and lower volume charitable or nonprofit licensees must keep a set of permanent monthly records of the gambling activities. Lower volume licensees include:

(a) Fund-raising events;

(b) Bingo with gross gambling receipts of one hundred fifty thousand dollars or less in their previous license year~~(Classes A, B, and C);~~

(c) Raffles with gross gambling receipts of fifty thousand dollars or less in their previous license year~~(Classes A, B, C, and D);~~

(d) Amusement games with gross gambling receipts of fifty thousand dollars or less in their previous license year~~(Classes A, B, C, and D);~~

and

(e) Nonhouse-banked cCard games ~~(Classes A, B, and C).~~

(2) The monthly records must include, at least:

(a) The gross gambling receipts from each activity;

(b) The gross gambling receipts from group 12 amusement games;

(c) The total amount of cash prizes actually paid out;

(d) The total of the cost to the licensee of all merchandise prizes actually paid out for each activity;

(e) A summary of all expenses related to each of the activities; and

(f) The net income received from the activity, the purpose(s) for which the net income was raised, and the amount paid to each recipient.

(3) Licensees must keep these records for three years from the end of the license year for which the record was created.

(4) Organizations operating under RCW 9.46.0315 or 9.46.0321 must maintain their records for one year.

[Statutory Authority: RCW 9.46.070, 9.46.0201. WSR 16-22-049, § 230-07-125, filed 10/28/16, effective 11/28/16. Statutory Authority: RCW 9.46.070. WSR 07-10-032 (Order 609), § 230-07-125, filed 4/24/07, effective 1/1/08.]

WAC 230-07-140 Minimum accounting records for ~~Class D and above~~ bingo licensees with gross gambling receipts over one hundred fifty thousand dollars in their previous license year and licensees with combined activities over five hundred thousand dollars in their previous license year. ~~Bingo Class D and above bingo licensees~~ with gross gambling

receipts over one hundred fifty thousand dollars in their previous li-
cense year and licensees with ~~who are authorized for more than~~over five
hundred thousand dollars in gross gambling receipts from combined gam-
bling activities in their previous licensed~~during any fiscal~~ year must
keep accounting records necessary to document all receipts, costs, and
disbursements, including, at least, those related to gambling activi-
ties.

Requirements for accounting records

For these accounting records, licensees must:

- (1) Conform to generally accepted accounting principles (GAAP) ex-
cept as modified by other commission rules; and
- (2) Include, at least:
 - (a) A cash disbursements journal and/or check register;
 - (b) A cash receipts and/or sales journal;
 - (c) A list of all assets the licensee paid for;
 - (d) A listing of all liabilities;
 - (e) A complete general ledger system; and
 - (f) A list of all donated items valued at more than two hundred
fifty dollars; and
 - (g) Bank statements, related deposit slips, and canceled checks or
facsimiles of canceled checks; and

Donated items

(3) Document donated items. Licensees must:

(a) Use the fair market value at the time of donation;

(b) Add items to the list no later than thirty days after receiving them;

(c) Remove items when they no longer have legal ownership; and

(d) Not remove an item from the list, even if it has become obsolete or completely depreciated, until management has completed and documented appropriate review. A depreciation schedule for all capitalized items is sufficient; and

(e) Add items to the list when they convert items from gambling merchandise prize inventory to licensee use. This list must include, at least:

(i) A description of the item;

(ii) The date purchased, acquired by donation, or converted from the gambling prize pool;

(iii) The cost at the time of purchase or, if donated, the fair market value at the time received; and

(iv) The date and method of disposition of the item; and

Method of accounting

(4) Use the accrual method of accounting; and

(5) The cash, modified cash, or tax basis accounting methods may be used only if that method accurately represents the licensee's financial position, the results of operations, and the licensee does not have substantial liabilities or expenses, such as depreciation or amortization expenses, which require a current outlay of cash; and

Expenditures for nongambling activities

(6) Sufficiently document all expenditures relating to nongambling activities in order to provide a satisfactory audit trail and to allow us to verify that the funds were used for the licensee's stated purpose(s); and

Expenditures for gambling activities

(7) Sufficiently document all of the licensee's expenditures relating to gambling activities. Canceled checks or facsimiles of canceled checks, and bank statements are not sufficient documentation for expenditures without additional support. Licensees must provide additional support for expenditures, including:

(a) Invoices or other supporting documents from commercial vendors or service agencies with at least:

(i) The name of the person or entity selling the goods or providing the services;

(ii) A complete description of goods or services purchased;

- (iii) The amount of each product sold or services provided;
- (iv) The price of each unit;
- (v) The total dollar amount billed; and
- (vi) The date of the transaction.

(b) Documentation, in the form of checks and other written records of disbursements in excess of twenty-five dollars made directly to individuals who do not furnish normal, business type, invoices or statements. The written records must indicate at least:

- (i) The name of the person receiving the payment;
- (ii) The amount;
- (iii) The date; and
- (iv) The purpose; and

(8) Document allocated expenditures that relate to more than one function to the various functions. Licensees must document their methods of allocation and make them available for our review; and

Capitalizing assets

(9) Include a capitalization policy based on materiality and expected life of operating assets. To determine a minimum level for capitalizing assets, licensees must:

(a) Capitalize and depreciate, or amortize over the useful life of the asset, any assets of more than two thousand dollars that have a useful life of more than one year; and

(b) Capitalize and depreciate, or amortize over sixty months, beginning with the first month that bingo games are conducted, preoperating start up costs related to bingo games of more than six thousand dollars; and

(c) Amortize, over a period not longer than the life of the lease, any leasehold improvements related to gambling activities that are more than six thousand dollars. Licensees may extend the amortization period to include any lease option periods if the licensee's management states a reasonable expectation that they will use the lease option; and

(d) Charge all unamortized leasehold improvements as an expense of the gambling activities in the year that the lease expires.

[Statutory Authority: RCW 9.46.070. WSR 08-03-062 (Order 623), § 230-07-140, filed 1/14/08, effective 2/14/08; WSR 07-10-032 (Order 609), § 230-07-140, filed 4/24/07, effective 1/1/08.]

WAC 230-07-155 Reporting annual activity for raffles, enhanced raffles, amusement games, Class A, B, or C bingo, or combination licenses.

(1) Raffle, enhanced raffle, amusement game, Class A, B, or C bingo, or

combination licensees must submit an annual report of all their activities in the format we require.

(2) We must receive the completed report in our office postmarked no later than thirty days following the expiration of their license(s). Beginning July 1, 2018, reports required by this section must be submitted quarterly, as set forth in WAC 230-05-102.

(3) The highest ranking officer or his/her designee must sign the report.

(4) If the licensee has someone else prepare the report, then the preparer must include his/her name and phone number on the report.

(5) Licensees that operate retail sales activities in conjunction with bingo games must report the net income from those retail sales activities.

[Statutory Authority: RCW 9.46.070 and 9.46.0209. WSR 13-19-056 (Order 692), § 230-07-155, filed 9/16/13, effective 10/17/13. Statutory Authority: RCW 9.46.070. WSR 07-10-032 (Order 609), § 230-07-155, filed 4/24/07, effective 1/1/08.]

WAC 230-07-160 Reporting annual activity for agricultural fairs.

(1) Charitable or nonprofit licensees who operate bingo, raffles, and/or amusement games only at agricultural fairs and other special properties

and permittees as defined in WAC 230-03-015 who operate bingo under another's license at agricultural fairs and other special properties must submit an annual report of all their activities in the format we require.

(2) We must receive the completed report in our office postmarked no later than thirty days following the expiration of the license year. Beginning July 1, 2018, reports required by this section must be submitted quarterly, as set forth in WAC 230-05-102.

(3) Permittees operating under another's license must provide the licensee with all information about the permitted operation that is needed by the licensee to complete the annual activity report not less than ten days before the time that we require the licensee to file his or her report.

(4) The highest ranking officer or his or her designee must sign the report. If the licensee has someone else prepare the report, then the preparer must include his or her name and phone number on the report. [Statutory Authority: RCW 9.46.070. WSR 07-10-032 (Order 609), § 230-07-160, filed 4/24/07, effective 1/1/08.]

Chapter 230-09 WAC

FUND-RAISING EVENT RULES

Last Update: 5/18/09

WAC

- 230-09-001 Purpose.
- 230-09-005 Notify local law enforcement.
- 230-09-007 Canceling, changing time, date, or location of fund-raising events.
- 230-09-010 Ten thousand dollars net receipts limit.
- 230-09-015 Fund-raising events on December 31.
- 230-09-020 Post house rules.
- 230-09-022 Wagering limits for fund-raising events.
- 230-09-025 No wagering among participants.
- 230-09-030 Use chips or scrip.
- 230-09-035 Prepare membership list.
- 230-09-040 Separation of duties for central accounting system required.
- 230-09-045 Counting money.
- 230-09-050 Use lock boxes and money paddles.
- 230-09-055 Maintain records of net receipts.
- 230-09-056 Activity reports for fund-raising events.
- 230-09-060 Winners must be present and participating to win.

- 230-09-065 Use only full and regular members to operate the fund-raising event.
- 230-09-070 Compensation of other authorized employees.
- 230-09-075 Workers must wear name tags.

PREMISES AND EQUIPMENT FOR FUND-RAISING EVENTS

- 230-09-080 Holding fund-raising events on commercial business premises.
- 230-09-085 Commercial business must not participate in fund-raising events.
- 230-09-090 Control of premises.
- 230-09-095 Using, leasing, or renting equipment.

GAMBLING ACTIVITIES AUTHORIZED AT FUND-RAISING EVENTS

- 230-09-100 Pull-tabs authorized.
- 230-09-105 Processing pull-tabs after play.
- 230-09-110 Punch-boards not authorized.
- 230-09-115 Bingo authorized.
- 230-09-120 Disposable bingo cards at fund-raising events.
- 230-09-125 Raffles authorized.
- 230-09-130 Blackjack or "21" authorized.
- 230-09-131 Poker tournaments authorized.

JOINT FUND-RAISING EVENTS

- 230-09-135 Joining together with other licensees to conduct a fund-raising event.
- 230-09-140 Lead organization responsibilities.

LIMITED FUND-RAISING EVENTS

230-09-145 Limited fund-raising event defined.

230-09-150 Operating a limited fund-raising event.

230-09-155 Recordkeeping at limited fund-raising events.

230-09-160 Fund-raising event distributor rules at limited fund-raising events.

230-09-165 Restrictions on gambling activities at limited fund-raising events.

WAC 230-09-056 Activity reports for fund-raising events. Fund-raising event licensees must submit an activity report to the commission concerning the operation of the licensed activities of each event. Licensees must complete the report in the format we require and the report must be:

(1) Received at our administrative office or postmarked no later than thirty days after the end of the authorized operating day or days. and Beginning July 1, 2018, reports required by this section must be submitted quarterly, as set forth in WAC 230-05-102.

(2) Signed by the licensee's highest ranking executive officer or designee. If someone other than the licensee or an employee prepares the report, the preparer must print his or her name and phone number on the report.

[Statutory Authority: RCW 9.46.070. WSR 07-21-116 (Order 617), § 230-09-056, filed 10/22/07, effective 1/1/08.]

WAC 230-09-115 Bingo authorized. Licensees must operate bingo solely under their FRE license, not under a separate bingo license. If licensees operate bingo, they must:

(1) Count income from bingo against the maximum net receipts authorized for FREs; and

(2) Comply with all of our rules for ~~Class A, B, and C~~ bingo licensees with gross gambling receipts of one hundred fifty thousand dollars or less in their previous license year.

[Statutory Authority: RCW 9.46.070. WSR 06-22-051 (Order 604), § 230-09-115, filed 10/27/06, effective 1/1/08.]

WAC 230-09-125 Raffles authorized. (1) Licensees may operate raffles at FREs in one of two ways:

(a) **Solely under their fund-raising event license.** Licensees must conduct all aspects of the raffle during the FRE. Income from this raffle counts toward the FRE limits; or

(b) **Under a separate raffle license.** Licensees must sell all tickets for the raffle and deposit all tickets in the drawing receptacle before

the FRE and hold the raffle drawing at the FRE. ~~Income from this raffle counts toward the limits of the licensee's raffle class.~~

(2) For raffles conducted under an FRE license, licensees must:

(a) Not sell single FRE raffle tickets for more than twenty-five dollars per ticket; and

(b) Not require a person to buy more than one ticket; and

(c) Use consecutively numbered tickets; and

(d) Ensure that each ticket has a separate and equal chance to win;

and

(e) Randomly draw the winning ticket; and

(f) Operate and account for raffles as independent gambling stations at the FRE; and

(g) Maintain records to verify gross sales of tickets; and

(h) Report all FRE raffle income, prizes awarded, and other expenses and these amounts count toward the maximum net receipts authorized for FREs.

[Statutory Authority: RCW 9.46.070. WSR 06-22-051 (Order 604), § 230-09-125, filed 10/27/06, effective 1/1/08.]

Chapter 230-10 WAC

BINGO RULES

Last Update: 11/14/14

WAC

BINGO DEFINITIONS AND EQUIPMENT REQUIREMENTS

- 230-10-001 Defining "licensees," "licensee," "organizations," "organization," "operators" and "operator."
- 230-10-005 Agricultural fair bingo game licensees must only allow a permittee to operate bingo under their license.
- 230-10-010 Defining "bingo game."
- 230-10-015 Defining "bingo session."
- 230-10-020 Defining "bingo occasion."
- 230-10-025 Defining "bingo equipment."
- 230-10-030 Bingo card definitions.
- 230-10-035 Bingo card requirements.
- 230-10-040 Disposable bingo cards—Additional requirements.
- 230-10-045 Disposable bingo card inventory control.
- 230-10-050 Electronically generated bingo cards—Additional requirements.
- 230-10-055 Bingo cards required for licensees with gross gambling receipts over six hundred fifty thousand dollars in their previous license year~~Class F and above bingo games.~~

- 230-10-060 Bingo ball requirements.
- 230-10-065 Bingo ball mixer required ~~for licensees with gross gambling receipts one hundred fifty thousand dollars in license year~~Class D and above bingo games.
- 230-10-070 Bingo flashboard requirements ~~for licensees with gross gambling receipts one hundred fifty thousand dollars in license year~~Class D and above bingo games.

OPERATING BINGO GAMES

- 230-10-075 Licensed bingo manager required.
- 230-10-080 Supervision required for bingo workers.
- 230-10-085 Members or employees only to work bingo.
- 230-10-090 Workers not playing in ~~Class D and above bingo games~~at bingo licensees with gross gambling receipts more than one hundred fifty thousand dollars in a license year.
- 230-10-095 Compensation limits for bingo employees.
- 230-10-100 Hours for bingo games.
- 230-10-105 Posting bingo rules.
- 230-10-110 Changing prize amounts in bingo games.
- 230-10-115 Selling bingo cards.
- 230-10-120 Duplicate bingo cards not sold for ~~Class D or above bingo games of licensees with gross gambling receipts more than one hundred fifty thousand dollars in a license year.~~
- 230-10-125 Duplicate bingo cards pay out and documentation for ~~Class D or above bingo~~licensees with gross gambling receipts more than one hundred fifty thousand dollars in a license yeargames.
- 230-10-130 Reserve only Braille bingo cards.

230-10-135 Bingo cards sold on premises only.

230-10-140 Drawing, calling, and posting bingo numbers.

230-10-145 Determining bingo winners.

230-10-150 Multiple bingo winners.

230-10-155 Verifying bingo winners.

230-10-160 Shutting off the bingo ball blower.

230-10-165 Awarding bingo prizes.

230-10-170 Prizes paid for and available before bingo game starts.

RULES FOR ELECTRONIC BINGO CARD DAUBERS

230-10-175 Defining "electronic bingo card daubers."

230-10-180 Electronic bingo card daubers requirements.

230-10-185 Electronic bingo card daubers restrictions.

230-10-190 Discount marketing for electronic bingo card daubers.

230-10-195 Leasing electronic bingo card daubers.

230-10-200 Reserving and assigning electronic bingo card daubers.

230-10-205 Electronic bingo card dauber fees.

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230-10-215 Player selection bingo game requirements.

230-10-220 Player selection bingo game card requirements.

230-10-225 Player selection bingo game restrictions.

HIDDEN FACE BINGO GAMES

230-10-230 Hidden face bingo games authorized.

230-10-235 Hidden face bingo game requirements.

THREE NUMBER SPEED BINGO GAMES

230-10-240 Three number speed bingo authorized.

230-10-245 Three number speed bingo restrictions.

230-10-250 Operating three number speed bingo.

230-10-255 Wagers and prizes required in chips for three number speed bingo.

230-10-260 Chip standards for three number speed bingo.

230-10-265 Banking services for three number speed bingo.

230-10-270 Ticket sales and receipting for three number speed bingo income.

230-10-275 Exceptions to other bingo rules for three number speed bingo.

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230-10-280 Drawings for prizes, good neighbor prizes, and second element of chance prizes as part of
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230-10-290 Controlling entry guarantee tickets.

230-10-295 Canceling bingo special events with entry guarantee tickets.

230-10-300 Refunding entry guarantee tickets.

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230-10-310 Selling gift certificates.

230-10-315 Gift certificates requirements.

230-10-320 Redeeming gift certificates.

230-10-325 Reconcile gift certificates monthly.

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230-10-330 Recordkeeping requirements~~Activity reports~~ for Class A, B, and C bingo licensees with gross gambling receipts less than one hundred fifty thousand dollars in their previous license year, agricultural fairs, and other organizations.

230-10-331 Activity reports for Class D and above bingo licensees.

230-10-335 Bingo daily records.

230-10-340 Daily records review by gambling manager.

230-10-345 Retaining daily records.

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230-10-355 Charitable or nonprofit organizations purpose and spending limits for bingo operations.

230-10-360 Defining "bingo operation."

230-10-365 Defining "adjusted cash flow from the bingo operations."

230-10-375 Failing to maintain a positive cash flow.

METHODS OF RECEIPTING BINGO INCOME

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230-10-390 Disposable bingo card method for receipting bingo income required when disposable bingo cards used.

230-10-395 Cash register method of receipting for bingo income.

230-10-400 Customer receipts for cash register method of receipting for bingo income.

230-10-405 Retaining cash register receipts for cash register method of receipting for bingo income.

230-10-410 Electronically generated bingo card method of receipting bingo income.

230-10-415 Electronically generated bingo card method of receipting for bingo income requirements.

230-10-420 Ticket method of receipting bingo income.

230-10-425 Ticket method of bingo receipting for bingo income restrictions.

230-10-430 Keeping an inventory record for the ticket method of bingo receipting.

230-10-435 Combination receipting method of receipting bingo income.

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230-10-446 Defining "linked bingo prize."

230-10-447 Prizes in linked bingo prize games.

230-10-451 Recordkeeping for linked bingo prize games.

230-10-456 Additional accounting records for linked bingo prize providers.

230-10-457 Activity reports for linked bingo prize providers.

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230-10-460 Shared bingo facilities.

230-10-465 Sharing facilities and using the cash register system of receipting bingo income.

230-10-470 Sharing management and accounting for shared bingo facilities.

SHARING BINGO FACILITIES WITH FOR-PROFIT BUSINESSES

230-10-475 Operating bingo in a for-profit business premises.

DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

230-10-370 Ticket sales and receipting for three number speed bingo income [Adjusted cash flow limits for bingo]. [Statutory Authority: RCW 9.46.070. WSR 07-10-033 (Order 610), § 230-10-370, filed 4/24/07, effective 1/1/08.] Repealed by WSR 14-23-049 (Order 710), filed 11/14/14, effective 12/15/14. Statutory Authority: RCW 9.46.070 and 9.46.0209.

230-10-380 Drawings for prizes, good neighbor prizes, and second element of chance prizes as part of bingo games [Relief reduction for minimum annual adjusted cash flow]. [Statutory Authority: RCW 9.46.070. WSR 09-17-075 (Order 655), § 230-10-380, filed 8/14/09, effective 9/14/09; WSR 07-10-033 (Order 610), § 230-10-380, filed 4/24/07, effective 1/1/08.] Repealed by WSR 14-23-049 (Order 710), filed 11/14/14, effective 12/15/14. Statutory Authority: RCW 9.46.070 and 9.46.0209.

230-10-450 Controlling gambling equipment by linked bingo prize licensees. [Statutory Authority: RCW 9.46.070. WSR 07-10-033 (Order 610), § 230-10-450, filed 4/24/07, effective 1/1/08.] Repealed by WSR 07-21-116 (Order 617), filed 10/22/07, effective 1/1/08. Statutory Authority: RCW 9.46.070.

230-10-455 Operating linked bingo prize games. [Statutory Authority: RCW 9.46.070. WSR 07-10-033 (Order 610), § 230-10-455, filed 4/24/07, effective 1/1/08.] Repealed by WSR 08-11-037

(Order 626), filed 5/14/08, effective 7/1/08. Statutory Authority: RCW 9.46.070 and 34.05.353.

WAC 230-10-045 Disposable bingo card inventory control. Bingo licensees must control and account for all disposable bingo cards they purchase or otherwise obtain.

(1) All licensees must keep:

(a) All purchase invoices, or photocopies of the invoices, for received disposable bingo cards on the bingo premises; and

(b) All manufacturer packing records as part of the inventory control record.

(2) ~~Class D and above~~ Bingo licensees with gross gambling receipts over one hundred fifty thousand dollars in their previous license year must prepare an inventory control record in the format we require immediately after purchase of disposable bingo cards or before the next bingo session. We may approve alternative formats, such as electronically generated forms, if the licensee requests it in writing.

[Statutory Authority: RCW 9.46.070. WSR 07-10-033 (Order 610), § 230-10-045, filed 4/24/07, effective 1/1/08.]

WAC 230-10-055 Bingo cards required for licensees with gross gambling receipts over six hundred fifty thousand dollars in their previous license year~~Class F and above bingo games~~. ~~Class F and above b~~Bingo licensees with gross gambling receipts over six hundred fifty thousand dollars in their previous license year must use disposable bingo cards, electronically generated bingo cards, player selection bingo cards, or three number speed bingo cards.

[Statutory Authority: RCW 9.46.070. WSR 07-10-033 (Order 610), § 230-10-055, filed 4/24/07, effective 1/1/08.]

WAC 230-10-065 Bingo ball mixer required. ~~Class D and above b~~Bingo licensees with gross gambling receipts over one hundred fifty thousand dollars in their previous license year must use a machine that mixes balls and selects balls using air flow (a blower). The blower must:

- (1) Allow players full view of the mixing action of the balls; and
- (2) Not allow changes to the random placement of the balls in the exit tube of the blower except when it is shut off.

[Statutory Authority: RCW 9.46.070. WSR 07-10-033 (Order 610), § 230-10-065, filed 4/24/07, effective 1/1/08.]

WAC 230-10-070 Bingo flashboard required~~Class D and above bingo games.~~ (1) ~~Class D and above b~~Bingo licensees with gross gambling receipts over one hundred fifty thousand dollars in their previous license year must use flashboards to display numbers. The flashboards must be visible to all players and clearly indicate all numbers that have been called; and

(2) If a flashboard malfunctions, licensees must repair it before using it in any other bingo occasion.

[Statutory Authority: RCW 9.46.070. WSR 07-10-033 (Order 610), § 230-10-070, filed 4/24/07, effective 1/1/08.]

OPERATING BINGO GAMES

WAC 230-10-075 Licensed bingo manager required. A licensed bingo manager must be on the premises and supervising bingo operation during all hours bingo games are conducted, except bingo games conducted:

(1) Under RCW 9.46.0321; or

(2) At a qualified agricultural fair; or

(3) By ~~licensees~~ licensees with gross gambling receipts of one hundred fifty thousand dollars or less in their previous license year~~Under a Class A, B, or C bingo license;~~ or

(4) At a special bingo property we authorize.

[Statutory Authority: RCW 9.46.070. WSR 07-10-033 (Order 610), § 230-10-075, filed 4/24/07, effective 1/1/08.]

WAC 230-10-085 Members or employees only to work bingo. (1) Bingo licensees must not allow anyone except full and regular members or employees of the organization to take part in managing or operating bingo games.

(2) Licensees may allow:

(a) Persons other than the primary bingo manager to participate in bingo games for another bingo licensee. We do not consider a licensed assistant gambling manager to be a manager for this section; or

(b) Primary managers to manage or operate bingo for more than one ~~Class A, B, or C~~ licensee with gross gambling receipts of one hundred fifty thousand dollars or less in their previous license year as long as the managers do not receive payment for services from more than one licensee; or

(c) A person to manage or take part in operating a shared bingo operation according to WAC 230-10-470.

(3) Qualified agricultural fairs licensed to operate bingo are not required to meet these management or operation restrictions.

[Statutory Authority: RCW 9.46.070. WSR 07-10-033 (Order 610), § 230-10-085, filed 4/24/07, effective 1/1/08.]

WAC 230-10-090 Workers not playing in ~~Class D and above~~ bingo games.

(1) ~~Class D and above~~ Bingo licensees with gross gambling receipts over one hundred fifty thousand dollars in their previous license year must not allow persons who participate in operating or managing their bingo games to play in any of their bingo games.

(2) Persons who work without compensation for ~~Class D and above~~ bingo licensees with gross gambling receipts over one hundred fifty thousand dollars in their previous license year may play bingo, but they must not play during bingo sessions they are operating or managing.

[Statutory Authority: RCW 9.46.070. WSR 07-10-033 (Order 610), § 230-10-090, filed 4/24/07, effective 1/1/08.]

WAC 230-10-120 Duplicate bingo cards not sold for ~~Class D or above~~ bingo games. (1) ~~Class D or above~~ Bingo licensees with gross gambling receipts over one hundred fifty thousand dollars in their previous li-
cense year must not sell duplicate cards in bingo games. Licensees using cards from multiple manufacturers may result in duplicate cards because

the majority of cards in the "1 to 9000 series" are duplicate, regardless of the manufacturer.

(2) Licensees must:

(a) Inform players of limits on prizes if duplicate cards win because Braille cards are in play; and

(b) Not be held responsible for duplicate cards caused by Braille cards in play.

[Statutory Authority: RCW 9.46.070. WSR 07-10-033 (Order 610), § 230-10-120, filed 4/24/07, effective 1/1/08.]

WAC 230-10-125 Duplicate bingo cards pay out and documentation for

~~Class D or above bingo games.~~ (1) If ~~Class D or above~~ bingo licensees with gross receipts over one hundred fifty thousand dollars in their previous license year inadvertently sell duplicate bingo cards, they must:

(a) Pay all winners with duplicate cards the entire prize amount that would be due if there were no duplicate cards; or

(b) Compute and pay all winners with duplicate cards using the following guidelines:

(i) **If the game provides a bonus for a single winner and all winners have duplicate cards,** then the licensee must pay all winners the bonus;
or

(ii) **If the game results in multiple winners and some of the players have duplicate cards,** then the licensee must calculate the split of the prize pool by counting all duplicate card winners as one. All winners will be paid according to the calculated prize split; or

(iii) **If the prize pool contains noncash or merchandise prizes,** then the licensee may use the cost or retail value of the merchandise, whichever is posted in the game schedule, to calculate the amount added to the prize pool to make the split. Manufacturers are not responsible for reimbursement to this noncash or merchandise prize pool; or

(iv) **If the prize is more than one thousand dollars,** then the licensee must increase the total prize pool by no more than fifty percent or five thousand dollars, whichever is less. We authorize this limitation only once within a twelve-month period; and

(2) Licensees may deduct increases to prize pools caused by card manufacturers from prize pay outs when calculating cash flow.

(3) Licensees must document details of circumstances that resulted in duplicate cards being sold and maintain that documentation as a part of the daily bingo record for the session.

(4) Licensees must notify us within forty-eight hours after discovery of a duplicate card sale if:

(a) Manufacturer printing, packaging, or collation errors caused the duplication. Licensees must request reimbursement from the manufacturer responsible for duplicate card errors; or

(b) The licensee did not pay any winning player with a duplicate card the entire prize amount.

[Statutory Authority: RCW 9.46.070. WSR 07-10-033 (Order 610), § 230-10-125, filed 4/24/07, effective 1/1/08.]

WAC 230-10-275 Exceptions to other bingo rules for three number speed bingo. The following rules do not apply to three number speed bingo:

(1) Prize disclosure before players pay to play. Licensees must still disclose the per card cost to play and the amount required to wager on a single card; and

(2) Number of balls used to conduct the game; and

(3) Number of spaces required on each bingo card; and

(4) Requirements that ~~Class F and above~~ licensees with gross gambling receipts over six hundred fifty thousand dollars in their previous license year use disposable bingo cards; and

(5) Requirements to account for all income at the time it is received; and

(6) Requirements of WAC 230-10-145 about drawing and physically displaying bingo numbers. However, licensees offering three number speed bingo must display the number on a flashboard and use the audio system to announce the number; and

(7) Recordkeeping for prizes awarded.

[Statutory Authority: RCW 9.46.070. WSR 07-10-033 (Order 610), § 230-10-275, filed 4/24/07, effective 1/1/08.]

RECORDKEEPING FOR BINGO GAMES

WAC 230-10-330 Recordkeeping requirements~~Activity reports for Class A, B, and C bingo~~ licensees with gross gambling receipts less than one hundred fifty thousand dollars in their previous license year, agricultural fairs, and other organizations. Licensees must immediately account for all income from bingo games. ~~Class A, B, and C~~ Bingo licensees with gross gambling receipts less than one hundred fifty thousand dollars in their previous license year, organizations conducting bingo under the provisions of RCW 9.46.0321, and bingo activities conducted at a qualified agricultural fair must follow the recordkeeping requirements in WAC 230-07-125 or any of the receipting methods for bingo income required for Class D or above licensees.

[Statutory Authority: RCW 9.46.070. WSR 07-21-116 (Order 617), § 230-10-330, filed 10/22/07, effective 1/1/08; WSR 07-10-033 (Order 610), § 230-10-330, filed 4/24/07, effective 1/1/08.]

WAC 230-10-331 Activity reports for Class D and above bingo licensees. Class D and above bingo game licensees must submit activity reports to the commission. The activity reports must be in the format we require and must:

(1) Cover the periods:

(a) January 1 through March 31; and

(b) April 1 through June 30; and

(c) July 1 through September 30; and

(d) October 1 through December 31 of each year; and

(2) Be received at our administrative office or postmarked no later than thirty days following the end of the reporting period. Beginning July 1, 2018, reports required by this section must be submitted quarterly, as set forth in WAC 230-05-102; and

(3) Be signed by the licensee's highest ranking executive officer or a designee. If someone other than the licensee or an employee prepares the report, the preparer must print his or her name and business telephone number on the report; and

(4) Submit a report for any period of time their license was valid, even if they had no activity or did not renew.

[Statutory Authority: RCW 9.46.070. WSR 07-21-116 (Order 617), § 230-10-331, filed 10/22/07, effective 1/1/08.]

WAC 230-10-350 Recording bingo winners. Organizations conducting bingo under the provisions of RCW 9.46.0321, and bingo activities con-

ducted at a qualified agricultural fair, and ~~Class A and B~~ bingo licensees with gross receipts of seventy-five thousand dollars or less in their license year do not have to follow this rule if they meet the requirements for lower volume charitable or nonprofit organizations in WAC 230-07-125. All other bingo licensees must report all prize payments for bingo games and drawings for prizes, good neighbor prizes, and second element of chance prizes at bingo games and record payment on a prize receipt.

(1) Licensees must use prize receipts printed by a commercial printer. The receipts must:

(a) Be two-part, self-duplicating paper that provides for an original and a duplicate copy; and

(b) If the licensee ~~is Class F or above~~ has gross gambling receipts of over six hundred fifty thousand dollars in their previous license year, be imprinted with the name of the licensee and a consecutive ascending number that does not repeat in at least 100,000 occurrences; and

(c) If the licensee ~~is Class E or below~~ has gross gambling receipts of six hundred fifty thousand dollars or less in their previous license year, the receipt is not required to be imprinted with the licensee's

name and the consecutive ascending number may repeat in 1,000 occurrences; and

(d) Provide space for the licensee to record the information we require.

Prize receipt

(2) Operators must complete the prize receipt including, at least:

(a) Date; and

(b) Game number; and

(c) Complete name of the winner; and

(d) Complete address of the winner, if the prize is over twenty dollars; and

(e) Dollar amount of the prize or the operator's cost, if noncash prize; and

(f) Full description of all noncash prizes; and

(g) Check number, if any portion of the prize is paid by check; and

(h) Initials of the bingo worker making the payout; and

(i) Initials of the cashier making the payment.

Prize log

(3) Licensees may receipt prizes of twenty dollars or less on a single prize log. Licensees must:

(a) Maintain a separate prize log for each session; and

(b) Record the same information required on prize receipts; and

(c) Retain the prize log as a part of the bingo daily records.

Linked bingo prizes

(4) Except for linked bingo prizes, licensees may omit an address for the winner if:

(a) The licensee pays all prizes greater than \$300 by check or a combination of cash and check; and

(b) Checks are drawn on the licensee's gambling bank account; and

(c) Checks used are of a type that provides a duplicate copy. The copies must be kept as a part of the daily bingo records; and

(d) Checks are made payable only to the winner. Licensees may make checks for prizes won by players under age eighteen payable to the guardian or immediate family member accompanying the player; and

(e) Licensees note the game number and prize receipt number on the check; and

(f) The bank returns all original checks to the licensee. Licensees must have the original checks available for our inspection on demand; and

(g) The licensee does not cash or otherwise redeem prize checks.

(5) Licensees must record the complete name and address of the winner of linked bingo prizes.

(6) Licensees must:

(a) Issue prize receipts consecutively in an ascending order; and

(b) Void and retain with the daily records any prize receipts bearing a lower number than the highest number issued during a session; and

(c) Give the original of each prize receipt to the winner; and

(d) Keep a duplicate copy as a part of their records for not less than three years; and

(e) Account for and document all prize receipts purchased or otherwise obtained on a vendor's invoice; and

(f) Keep the vendor's invoice, or a photocopy of it, on the premises and have it available for our inspection. The purchase invoice must document, at least:

(i) Name of the vendor;

(ii) Name of the purchasing organization;

(iii) Date of purchase;

(iv) Number of receipts purchased; and

(v) The beginning and ending receipt number.

[Statutory Authority: RCW 9.46.070. WSR 08-03-062 (Order 623), § 230-10-350, filed 1/14/08, effective 2/14/08; WSR 07-10-033 (Order 610), § 230-10-350, filed 4/24/07, effective 1/1/08.]

METHODS OF RECEIPTING BINGO INCOME

WAC 230-10-385 Receipting of bingo income required. Bingo licensees must account for all income from bingo games at the time they receive the income. Licensees must issue each player a receipt for the amount paid to play in each game or set of games at the time of payment. Players must keep this receipt to prove that they have properly purchased the number of cards they are playing.

(1) ~~Class A, B, and C~~ licensees with gross gambling receipts of one hundred fifty thousand dollars or less in their previous license year, organizations conducting bingo under the provisions of RCW 9.46.0321, and bingo activities conducted at a qualified agricultural fair may use the receipting method for bingo income in WAC 230-07-125 or any of the methods for receipting bingo income required for ~~Class D or above~~ licensees with gross gambling receipts over one hundred fifty thousand dollars in their previous license year; and

(2) ~~Class D and above~~ licensees with gross gambling receipts over one hundred fifty thousand dollars in their previous license year must use the receipting method for bingo income required for the bingo games they are offering:

(a) The disposable bingo card receipting method; or

- (b) The cash register receipting method; or
- (c) The electronically generated receipting method; or
- (d) The ticket receipting method; or
- (e) The combination receipting method.

[Statutory Authority: RCW 9.46.070. WSR 07-10-033 (Order 610), § 230-10-385, filed 4/24/07, effective 1/1/08.]

WAC 230-10-395 Cash register method of receipting for bingo income.

Bingo licensees may use a cash register to record bingo income if the cash registers:

- (1) Have separate keys to record each type of sale; and
- (2) Store and compute a total for each type of sale recorded and is capable of providing the total on request; and
- (3) Retain in the memory unit all transactions recorded during a session, regardless of whether or not the cash register power source is interrupted; and
- (4) Record all transactions, customer receipt numbers, and control totals on the internal tape retained in the cash register. The licensee must keep the internal tape, showing these transactions, as part of the daily bingo records; and

(5) Assign and imprint on the customer receipt and internal tape a minimum four-digit consecutive number for every sales transaction processed. Only cash register service personnel may reset this numbering system and the numbering system must not return to zero at the conclusion of any period of use or power interruption. If licensees receive written approval from us before use, they may use cash registers that do not meet these requirements but have adequate alternative control features; and

(6) ~~For Class D and above~~ Licensees with gross gambling receipts over one hundred fifty thousand dollars in their previous license year, must imprint a minimum three-digit consecutive number on the customer receipt and internal tape to note each time transactions are totaled or when a set of transactions are totaled and closed. If licensees receive written approval from us before use, they may use cash registers that do not meet these requirements but have adequate alternative control features.

[Statutory Authority: RCW 9.46.070. WSR 07-10-033 (Order 610), § 230-10-395, filed 4/24/07, effective 1/1/08.]

WAC 230-10-420 Ticket method of receipting bingo income. Bingo

licensees may use tickets to document receipts of bingo income. Tickets must be:

(1) Manufactured by a commercial printer and imprinted with:

(a) At least four digit numbers in a consecutive series. ~~Class F and above~~ Licensees with gross gambling receipts over six hundred fifty thousand dollars in their previous license year must use tickets with numbers that do not repeat in at least 99,999 occurrences; and

(b) Each ticket on a roll must represent the same dollar value or amount of money; and

(c) ~~Include~~ The name of the licensee operating ~~Class F and above~~ bingo ~~game~~ with gross gambling receipts over six hundred fifty thousand dollars in their previous license year; and

(2) If used by ~~Class F or above~~ licensees with gross gambling receipts over six hundred fifty thousand dollars in their previous li-
cence year, purchased from a licensed distributor or manufacturer; and

(3) Issued consecutively from each roll, starting with the lowest numbered ticket; and

(4) Accounted for by the licensee. If purchased from a commercial business or licensed distributor, documentation must be on the sales

invoice. This invoice, or a photocopy, shall be maintained on the premises and available for inspection. Document the following information on the sales invoice for each roll of tickets purchased:

(a) Name of distributor; and

(b) Name of purchasing licensee; and

(c) Date of purchase; and

(d) Number of rolls of tickets purchased; and

(e) The color, dollar value, total number of tickets, and beginning ticket number for each roll; and

(5) Recorded in the daily records in the format we require; and

(6) Retained by the licensee as a part of the bingo daily records for those not issued as receipts and that bears a number falling below the highest numbered ticket issued during that session and not be used to receipt for any type of income; and

(7) Not be the same color and imprinted with the same ticket number as any other ticket on the premises.

[Statutory Authority: RCW 9.46.070. WSR 07-21-116 (Order 617), § 230-10-420, filed 10/22/07, effective 1/1/08; WSR 07-10-033 (Order 610), § 230-10-420, filed 4/24/07, effective 1/1/08.]

WAC 230-10-425 Ticket method of bingo receipting for bingo income restrictions. (1) All bingo licensees may use the ticket method of receipting bingo income for drawings and good neighbor prizes offered at their bingo games.

(2) ~~Class E and below~~ licensees with gross gambling receipts of six hundred fifty thousand dollars or less in their previous license year may use the ticket method for games operated with hard cards and for bonus games.

(3) ~~Class F and above~~ licensees with gross gambling receipts over six hundred fifty thousand dollars in their previous license year may use the ticket method for bonus games as a part of the combination receipting method.

[Statutory Authority: RCW 9.46.070. WSR 07-10-033 (Order 610), § 230-10-425, filed 4/24/07, effective 1/1/08.]

WAC 230-10-435 Combination receipting method of receipting bingo income. (1) Bingo licensees may use a receipting method that combines cash register receipting with another approved method of receipting bingo income.

(2) ~~Class F and above~~ Licensees with gross gambling receipts over six hundred fifty thousand dollars in their previous license year must

use combination receipting for income from sales of:

(a) Disposable bingo card packets; and

(b) Disposable bingo card sheets from a set of bingo cards divided into subgroups; and

(c) Electronically generated bingo cards, if sales transactions and issuing of cards are not completed and documented at the same time; and

(d) Bonus games.

[Statutory Authority: RCW 9.46.070. WSR 07-10-033 (Order 610), § 230-10-435, filed 4/24/07, effective 1/1/08.]

WAC 230-10-451 Recordkeeping for linked bingo prize games. (1)

~~Class A, B, or C~~ bAll linked bBingo licensees ~~participating in linked bingo games~~ must maintain all records required for ~~Class D~~ bingo licensees with gross gambling receipts over one hundred fifty thousand dollars in their previous license year for all their bingo operations; and

(2) For funds contributed to accrued linked bingo prizes, licensees must modify each bingo game daily record to include, at least:

(a) The amount of the contribution; and

(b) The amount of any consolation prize the licensee paid for a linked bingo prize game; and

(c) The name of the linked bingo prize provider to whom the contribution is made.

[Statutory Authority: RCW 9.46.070. WSR 07-21-116 (Order 617), § 230-10-451, filed 10/22/07, effective 1/1/08.]

WAC 230-10-457 Activity reports for linked bingo prize providers.

Linked bingo prize providers must submit activity reports to us twice a year for their sales and services. The activity reports must be in the format we require and must:

(1) Cover the periods:

(a) January 1 through June 30; and

(b) July 1 through December 31; and

(2) Be received at our administrative office or postmarked no later than thirty days following the end of the reporting period. Beginning July 1, 2018, reports required by this section must be submitted quarterly, as set forth in WAC 230-05-102; and

(3) Be signed by the licensee's highest ranking executive officer or a designee. If someone other than the licensee or an employee prepares

the report, the preparer must print his or her name and business telephone number on the report; and

(4) Submit a report for any period of time their license was valid, even if they had no activity or did not renew.

[Statutory Authority: RCW 9.46.070. WSR 07-21-116 (Order 617), § 230-10-457, filed 10/22/07, effective 1/1/08.]

Chapter 230-11 WAC

RAFFLES

Last Update: 10/13/14

WAC

CONDUCTING A RAFFLE

- 230-11-001 Defining "licensees," "licensee," "organizations," and "organization."
- 230-11-002 The definition of raffle as used in this chapter.
- 230-11-005 Display the raffle license.
- 230-11-006 Requiring raffle ticket purchase for membership prohibited.
- 230-11-010 Number tickets consecutively.
- 230-11-012 Licensees may conduct a joint raffle.

SELLING TICKETS

- 230-11-014 Maximum raffle ticket price.
- 230-11-015 Provide rules to participants.
- 230-11-020 Record information on ticket stub.
- 230-11-025 Bundling and selling tickets at a discount.
- 230-11-030 Restrictions on ticket sales.
- 230-11-035 Incentives for selling tickets.

DRAWING TICKETS

- 230-11-040 Place ticket stubs in receptacle for drawing.

- 230-11-045 Draw winning tickets randomly.
- 230-11-050 Using alternative drawing formats.
- 230-11-055 Authorized alternative drawing formats.
- 230-11-060 Using a second element of chance in alternative drawing format raffles.

PRIZES

- 230-11-065 Raffle prizes.
- 230-11-067 Requesting commission approval prior to offering raffle prizes exceeding forty thousand dollars per prize or three hundred thousand dollars in a license year.

CONDUCTING A MEMBERS-ONLY RAFFLE

- 230-11-070 Defining "members-only" raffles.
- 230-11-075 Limit number of guests for members-only raffles.
- 230-11-080 Post rules of play for members-only raffles.
- 230-11-085 Modified and discounted pricing plans for tickets for members-only raffles.
- 230-11-086 Discounted pricing plans for tickets to members-only raffles.
- 230-11-087 Other pricing plans for members-only raffles.
- 230-11-090 Authorized alternative drawing formats for members-only raffles.
- 230-11-091 Members-only progressive raffle.

RECORDKEEPING FOR RAFFLES

- 230-11-095 Recordkeeping requirements for ~~Class A through D~~ licensees with gross gambling receipts of fifty thousand dollars or less in their previous license year and unlicensed raffles.

- 230-11-100 Recordkeeping requirements for ~~Class E and F~~ licensees with gross gambling receipts over fifty thousand dollars in their previous license year and raffles using alternative drawing formats.
- 230-11-102 Recordkeeping requirements for enhanced raffles.
- 230-11-103 Independent audit required for enhanced raffles.
- 230-11-105 Retain and store raffle records.

RECORDKEEPING FOR RAFFLES

WAC 230-11-095 Recordkeeping requirements for ~~Class A through D~~ licensees with gross gambling receipts of fifty thousand dollars or less in their previous license year and unlicensed raffles. ~~Class A through D~~ ~~Licensees~~ with gross gambling receipt of fifty thousand dollars or less in their previous license year raffles and organizations conducting unlicensed raffles under the authority of RCW 9.46.0315 or 9.46.0321 must keep a record by month of the following:

- (1) Gross receipts; and
- (2) Prizes paid; and
- (3) Net income; and
- (4) Documentation of expenses; and
- (5) Documentation of how the proceeds were used.

[Statutory Authority: RCW 9.46.070. WSR 06-20-040 (Order 602), § 230-11-095, filed 9/26/06, effective 1/1/08.]

WAC 230-11-100 Recordkeeping requirements for ~~Class E and F~~ licensees with gross gambling receipts over fifty thousand dollars in their previous license year and raffles using alternative drawing formats.

Licensees conducting ~~Class E or Class F~~ raffles with gross gambling receipts over fifty thousand dollars in their previous license year or conducting raffles using alternative drawing formats must prepare a detailed record for each raffle they conduct. Licensees must:

- (1) Record all data required in the standard format we provide; and
- (2) Maintain the following:
 - (a) Validated deposit receipts for each deposit of raffle proceeds; and
 - (b) All winning tickets; and
 - (c) Name, address, and telephone number of all winners of a prize with a fair market value of more than fifty dollars; and
 - (d) All ticket stubs for raffles that participants are not required to be present at the drawing; and
 - (e) All unsold tickets for individual raffles for which gross gambling receipts exceed five thousand dollars; and
 - (f) Invoices and other documentation recording the purchase or receipt of prizes; and

(g) Invoices and other documentation recording the purchase of tickets and other expenses of the raffle; and

(3) Complete all records no later than thirty days following the drawing.

[Statutory Authority: RCW 9.46.070. WSR 06-20-040 (Order 602), § 230-11-100, filed 9/26/06, effective 1/1/08.]

Chapter 230-13 WAC

AMUSEMENT GAME RULES

Last Update: 10/28/16

WAC

- 230-13-001 Defining "operator."
- 230-13-005 Amusement games authorized.
- 230-13-010 Approval of new amusement games.
- 230-13-015 Group 1—Ball toss or kick amusement game standards.
- 230-13-020 Group 2—Dart amusement game standards.
- 230-13-025 Group 3—Hoop or ring toss amusement game standards.
- 230-13-030 Group 4—Coin or token toss amusement game standards.
- 230-13-035 Group 5—Hand/eye coordination amusement game standards.
- 230-13-040 Group 6—Strength test amusement game standards.
- 230-13-045 Group 7—Crane amusement game standards.
- 230-13-050 Group 8—Penny fall amusement game standards.
- 230-13-055 Group 9—Ball roll amusement game standards.
- 230-13-060 Group 10—Shooting amusement game standards.
- 230-13-065 Group 11—Cake walk and fish pond amusement game standards.
- 230-13-067 Group 12—Electronic puzzle and pattern solving game standards.

OPERATING AMUSEMENT GAMES

- 230-13-070 Notifying local law enforcement of amusement game operation.
- 230-13-075 ~~Assigning and r~~Reporting ~~group numbers of~~ authorized amusement games.
- 230-13-080 Operating coin or token activated amusement games.
- 230-13-085 Control and maintenance of amusement games.
- 230-13-090 Adult supervision of unattended amusement games.
- 230-13-100 Material degree of skill required in amusement games.
- 230-13-105 Attended amusement game requirements.
- 230-13-110 Charitable or nonprofit amusement game operation and management.
- 230-13-115 "Limited location" license requirements.
- 230-13-120 Posting amusement game rules.
- 230-13-125 Factors affecting skill readily visible for amusement games.
- 230-13-130 Display and exchange of amusement game prizes.
- 230-13-135 Maximum wagers and prize limitations.
- 230-13-145 Marking the difference between objects thrown in multiple amusement games on the same premises.

AUTHORIZED LOCATIONS AND RENTAL OF AMUSEMENT GAMES OR PREMISES

- 230-13-150 Amusement game locations.
- 230-13-152 **Applying for an approved location to operate amusement games**
- 230-13-155 Contracts for commercial amusement games.
- 230-13-160 Basing rent on a percentage of gross receipts.
- 230-13-165 Charitable or nonprofit organizations renting amusement game equipment.

RECORDKEEPING FOR AMUSEMENT GAMES

- 230-13-169 Annual activity reports for commercial amusement game licensees.
- 230-13-170 Recordkeeping for commercial amusement games.
- 230-13-175 Recordkeeping for unlicensed charitable and nonprofit amusement games.

DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

- 230-13-140 Price to play amusement games must be paid in cash or check. [Statutory Authority: RCW 9.46.070. WSR 07-15-064 (Order 612), § 230-13-140, filed 7/16/07, effective 1/1/08.] Repealed by WSR 16-09-045 (Order 719), filed 4/15/16, effective 7/15/16. Statutory Authority: RCW 9.46.070, 9.46.0201.

WAC 230-13-075 ~~Assigning and r~~Reporting group numbers of authorized amusement games. ~~(1) Amusement game licensees must determine the authorized group number of each game and prepare a list of all games they plan to operate during each license year. They must submit this list to us with their activity report. The list must contain, at least, the name and group number of each game.~~

~~(2) Amusement game licensees must notify us within thirty days of putting into play and removing from play a group 12 amusement game. Reporting must be in the format we require.~~

[Statutory Authority: RCW 9.46.070, 9.46.0201. WSR 16-22-049, § 230-13-075, filed 10/28/16, effective 11/28/16. Statutory Authority: RCW

9.46.070. WSR 07-15-064 (Order 612), § 230-13-075, filed 7/16/07, effective 1/1/08.]

NEW SECTION

WAC 230-13-152 Applying for an approved location to operate amusement games. (1)Operators must apply, pay a fee, and receive a license for each location they will operate approved amusement games.

(2) Operators must notify us in the format we require within thirty days of removing all amusement games from an approved location.

WAC 230-13-155 Contracts for commercial amusement games. (1) Operators must ensure that all contracts are written and specific in terms, setting out the term of the contract, amount of rent or consideration, rent due dates, and all expenses each party must pay.

(2) All contracts become part of the operator's license file. If commercial amusement game operators violate any terms of a contract, it may be grounds for suspension or revocation of their license.

(3) ~~Operators Class B or above licensees~~ may enter into contracts with business owners of any of the following approved locations to operate amusement games on their premises:

(a) Amusement parks; or

(b) Regional shopping centers; or

(c) Any location that possesses a valid license from the Washington state liquor control board and prohibits minors on their premises; or

(d) Movie theaters; or

(e) Bowling alleys; or

(f) Miniature golf course facilities; or

(g) Skating facilities; or

(h) Amusement centers; or

(i) Department or grocery stores having more than ten thousand square feet of retail and support space, not including the parking areas; or

(j) Charitable or nonprofit organizations ~~with a premises licensed for Class A amusement games~~; or

(k) Any commercial business that provides food service for on premises consumption as its primary activity.

(4) Operators must ~~not~~only place amusement games at a location after a license has been issued under WAC 230-13-152.~~which does not have a valid license~~

[Statutory Authority: RCW 9.46.070. WSR 07-15-064 (Order 612), § 230-13-155, filed 7/16/07, effective 1/1/08.]

WAC 230-13-160 Basing rent on a percentage of gross receipts. ~~Class B or above a~~A amusement game operators:

(1) May base the rent or consideration ~~paid to Class A commercial amusement game location or charitable or nonprofit amusement game location for group 12 amusement games~~ on a percentage of revenue the activity generates if the method of distribution is specific. This applies to the following locations:

(a) All commercial businesses; and

(b) Charitable and nonprofit organizations renting group 12 amusement games.

(2) May not base the rent or consideration paid to a charitable or nonprofit organization on a percentage of revenue the activity generates

unless the amount returned to the organization is equal to or exceeds twenty-two percent of the gross gambling receipts.

(3) Operators must pay the organization at least once a month.

(4) If located at regional shopping centers, may use a percentage of receipts to pay rental leases. They are also exempt from the profits restrictions of RCW 9.46.120(2).

[Statutory Authority: RCW 9.46.070, 9.46.0201. WSR 16-08-033 (Order 718), § 230-13-160, filed 3/30/16, effective 4/30/16. Statutory Authority: RCW 9.46.070. WSR 07-15-064 (Order 612), § 230-13-160, filed 7/16/07, effective 1/1/08.]

RECORDKEEPING FOR AMUSEMENT GAMES

WAC 230-13-169 Annual activity reports for commercial amusement game licensees. Commercial amusement game licensees must submit an annual activity report to us in the format we require and must:

(1) Cover the license year of one calendar year or less; and

(2) Be received at our administrative office or postmarked no later than thirty days following the end of the reporting period. Beginning July 1, 2018, reports required by this section must be submitted quarterly, as set forth in WAC 230-05-102; and

(3) Be signed by the licensee's highest ranking executive officer or a designee. If someone other than the commercial amusement game

licensee or its employee prepares the report, then it must provide the preparer's name and business telephone number; and

(4) Submit a report for any period of time their license was valid, even if they had no activity or did not renew their license; and

(5) Complete the report according to the instructions furnished with the report.

[Statutory Authority: RCW 9.46.070. WSR 08-20-007 (Order 630), § 230-13-169, filed 9/18/08, effective 1/1/09; WSR 07-21-116 (Order 617), § 230-13-169, filed 10/22/07, effective 1/1/08.]

Chapter 230-14 WAC

PUNCH-BOARD AND PULL-TAB RULES

Last Update: 1/19/16

WAC

PUNCH-BOARDS AND PULL-TABS

- 230-14-001 Defining "licensee," "licensees," "operator," and "operators."
- 230-14-005 Defining "punch-board."
- 230-14-010 Defining "pull-tab."
- 230-14-015 Rules apply to both punch-boards and pull-tabs.
- 230-14-020 Washington state identification and inspection stamps to be called "I.D. stamps."
- 230-14-025 Punch-boards, pull-tabs, and pull-tab dispensers must meet all requirements.
- 230-14-030 Determining winners or location of winners in advance prohibited.
- 230-14-035 Defining "pull-tab series."
- 230-14-040 Maximum number of pull-tabs in a series.
- 230-14-045 Authorized pull-tab dispensers.
- 230-14-047 Standards for electronic video pull-tab dispensers.
- 230-14-050 Operating restrictions for punch-boards and pull-tabs.
- 230-14-055 Selling pull-tabs.
- 230-14-060 Defining "flare."
- 230-14-065 Flares for punch-board or pull-tab series.

230-14-070 Displaying flares.

230-14-075 Substitute flares.

230-14-080 Prize limits and percentage of winners required.

230-14-085 Calculating markup for merchandise prizes.

230-14-090 Controlling prizes.

230-14-095 Displaying prizes.

230-14-100 Removing prizes from flares.

230-14-105 Paying prizes not deleted from flares.

230-14-110 Recording winners.

230-14-115 Defacing winning punches or pull-tabs.

230-14-120 Permanently reserving punch-boards or pull-tab series.

230-14-125 Temporarily removing punch-boards or pull-tab series from play.

230-14-130 Defining "happy hour punch-board or pull-tab games."

230-14-135 Operating spindle, banded, or "jar" type pull-tabs which award only merchandise prizes.

SEAL CARD PULL-TAB SERIES

230-14-140 Defining "seal card pull-tab series."

230-14-145 Defining "seal card round."

230-14-150 Awarding seal card pull-tab winners.

PROGRESSIVE JACKPOT PULL-TAB SERIES

230-14-155 Definitions for "progressive jackpot pull-tab series."

230-14-160 Progressive jackpot dispensers with a bank system.

230-14-165 Additional operating requirements for progressive jackpot pull-tab series.

230-14-170 Prizes in progressive jackpot pull-tab series.

230-14-175 Removing progressive jackpot pull-tab series from play.

230-14-180 Paying out prizes and defacing tabs in progressive jackpot pull-tab series.

230-14-185 Additional recordkeeping for progressive jackpot pull-tab series.

EVENT PULL-TAB SERIES

230-14-190 Defining "event pull-tab series" and "event round."

230-14-195 Operating requirements for event pull-tabs.

BONUS PULL-TAB SERIES

230-14-200 Defining "bonus pull-tab series."

230-14-205 Operating requirements for bonus pull-tab series.

230-14-210 Flares for bonus and step-up prizes.

CARRY-OVER JACKPOT PULL-TAB SERIES

230-14-215 Defining "carry-over jackpot pull-tab series" and "contribution amount."

230-14-220 Prize limits for carry-over jackpot pull-tab series.

230-14-225 Sufficient funds for carry-over jackpot pull-tab prizes.

230-14-230 Transferring a carry-over jackpot to another game.

230-14-235 Replacing played out carry-over jackpot series.

230-14-240 Distributing carry-over pull-tab jackpots.

230-14-245 Retaining carry-over jackpot pull-tab series.

230-14-250 Recording carry-over jackpots on a cash basis.

CHARITABLE OR NONPROFIT ORGANIZATIONS OPERATING PUNCH-BOARDS AND PULL-TABS

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230-14-280 Unrecorded or inaccurate ~~Records review of~~ gross gambling receipts.

230-14-284 Activity reports for punch-board and pull-tab licensees.

230-14-285 Monthly income summary.

230-14-290 Calculating cash over and cash short on the punch-board and pull-tab monthly income summary.

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230-14-325 Defining a cumulative prize pool pull-tab game board.

230-14-330 Defining a cumulative prize pool pull-tab series.

230-14-335 Operating requirements for cumulative prize pool pull-tab games.

WAC 230-14-250 Recording carry-over jackpots on a cash basis. (1)

Operators must record carry-over jackpots on a cash basis. "Cash basis"

means operators do not record carry-over jackpot contributions until the prize is awarded.

(2) However, punch-board and pull-tab licensees who also hold a ~~Class F or above~~ bingo license with gross gambling receipts over six hundred fifty thousand dollars in their previous license year may record carry-over jackpot contributions on their monthly records if they:

(a) Record contribution amounts, up to the jackpot maximum, as prizes paid on the monthly records; and

(b) When the jackpot is awarded, record only amounts not previously accrued as prizes paid; and

(c) Play no more than five carry-over jackpot series at once; and

(d) Maintain a proper audit trail and adequate security over the funds if the licensee does not deposit the contributions with the net receipts.

[Statutory Authority: RCW 9.46.070. WSR 07-17-058 (Order 614), § 230-14-250, filed 8/10/07, effective 1/1/08.]

WAC 230-14-280 Unrecorded or inaccurate~~Records review of~~ gross gambling receipts. For licensees that have not recorded all of their punch-board/pull-tabs gross gambling receipts or reported inaccurately, we will use the following calculations to determine their gross gambling

~~receipts: To meet the gross gambling receipts and license class requirements, punch boards and pull-tab licensees must adjust gross gambling receipts from the operation to comply with commission records review findings.~~

~~Licensees must perform the following calculations:~~

(1) For unrecorded punch-boards and pull-tab series -

$$\begin{array}{r} \text{Unadjusted gross gambling receipts} \\ + \\ \text{Unrecorded punch-boards or pull-tab series} \\ \text{(total number of chances multiplied by price)} \\ \hline \text{Adjusted gross gambling receipts}^* \end{array}$$

To account for any unrecorded punch-boards and pull-tab series, licensees add the unrecorded punch-board or pull-tab series to the unadjusted gross gambling receipts. To get the total of unrecorded punch boards or pull-tab series, licensees multiply the total number of chances available by the price of a single chance to determine the maximum amount that could be generated from the punch-board or pull-tab series.

(a) The unadjusted gross gambling receipts is the amount reported for the period.

(b) The unrecorded punchboard or pull-tab series is the total number of chances or games play multiplied by the price per game.

(c) Adjusted gross gambling receipts is the amount the licensee must record for the month in which they purchased the punchboard or pull-tab series.

* Licensees must apply this figure to the records for the month in which they purchased the punch board or pull-tab series.

(2) For recording errors -

$$\begin{array}{r} \text{Unadjusted gross gambling receipts} \\ +/- \\ \text{Adjustment factor} \\ \text{(amount of sample group divided by recorded} \\ \text{amount for the licensee)} \\ \hline \text{Adjusted gross gambling receipts for the quarter} \\ \text{and the three quarters preceding**} \end{array}$$

To adjust gross gambling receipts for the results of our records review, licensees divide the amount we determined for a randomly selected sample of punchboards or pull-tab series by the recorded amount for them.

(a) The unadjusted gross gambling receipts is the amount reported for the period.

(b) The adjustment factor is the amount of a randomly selected sample of punchboard or pull-tab series divided by the amount the licensee recorded.

(c) We will apply the adjusted gross gambling receipts to the total recorded gross gambling receipts for the calendar quarter from which we took the sample and to the three quarters immediately before.

~~** Licenses apply this figure to the total recorded gross gambling receipts for the calendar quarter from which we took the sample and to the three quarters immediately before.~~

[Statutory Authority: RCW 9.46.070. WSR 07-17-058 (Order 614), § 230-14-280, filed 8/10/07, effective 1/1/08.]

WAC 230-14-284 Activity reports for punch-board and pull-tab licenses. Punch-boards and pull-tab licensees must submit an activity report to the commission. Licensees must complete the report in the format we require and must:

(1) Prior to July 1, 2018, cover the periods:

(a) January 1 through June 30; and

(b) July 1 through December 31; and

(2) Beginning July 1, 2018, reports required by this section must be submitted quarterly, as set forth in WAC 230-05-102; and

(3) Be received at our administrative office or postmarked no later than thirty days following the end of the reporting period; and

~~(3)~~(4) Be signed by the licensee's highest ranking executive officer or a designee. If someone other than the punch-board and pull-tab licensee or its employee prepares the report, then it must provide the preparer's name and business telephone number; and

~~(4)~~(5) Be filed even if they do not renew their license. They must file a report for the period between the previous report filed and the expiration date of the license; and

~~(5)~~(6) Unless they are also licensed for Class D or above bingo, charitable and nonprofit licensees must submit a semiannual activity report for punch-boards and pull-tabs; and

~~(6)~~(7) Class D or above bingo licensees with a punch-board and pull-tab license must report punch-board and pull-tab activity, on the combined quarterly report provided by the commission as explained in WAC 230-10-331.

[Statutory Authority: RCW 9.46.070. WSR 07-21-116 (Order 617), § 230-14-284, filed 10/22/07, effective 1/1/08.]

Chapter 230-15 WAC

CARD GAME RULES

Last Update: 1/19/17

WAC

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- 230-15-001 "Public card room" defined.
- 230-15-005 Requirements for public card games.
- 230-15-010 "Social card games" defined.
- 230-15-015 "Charitable and nonprofit social card room" and "guest" defined.
- 230-15-020 Approving area of premises for card games.
- 230-15-025 Hours of play.
- 230-15-030 Authorized nonhouse-banked card games.
- 230-15-035 Authorizing new games or changing game rules.
- 230-15-040 Requirements for authorized card games.
- 230-15-045 Withdrawing card game authorization.
- 230-15-050 Minimum cash on hand requirements.
- 230-15-055 Limit on number of players at each table.
- 230-15-060 Posting rules for play.
- 230-15-065 Enforcement of card game rules of play.
- 230-15-070 Fee restrictions for nonhouse-banked card games.

230-15-075 Card game fees for nonhouse-banked card games.

230-15-080 Authorized fees and authorized methods of collection.

230-15-085 Requirements for authorized methods of collecting fees.

230-15-090 Requirements for drop boxes.

230-15-100 Providing cards and chips in card games.

230-15-105 Only authorized cards or chips may be used.

230-15-110 Standards for chips.

230-15-111 Destruction and disposal of gambling chips.

230-15-115 Standards for cards.

230-15-116 Electronic facsimiles of cards allowed.

230-15-120 Fees for decks of cards.

230-15-125 Cutting cards in player-dealt games.

230-15-126 Cutting cards in center dealer-dealt games.

230-15-130 Rotating the deal in player-dealt games.

230-15-135 Wagering limits for nonhouse-banked card games.

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230-15-145 Making wagers with chips or coin.

230-15-150 Selling and redeeming chips.

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230-15-270 Surveillance when operating both Class F and house-banked card games.

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DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

230-15-175 Reporting card room employees no longer working. [Statutory Authority: RCW 9.46.070. WSR 07-09-033 (Order 608), § 230-15-175, filed 4/10/07, effective 1/1/08.] Repealed by WSR 08-21-087 (Order 633), filed 10/14/08, effective 1/1/09. Statutory Authority: RCW 9.46.070.

230-15-189 House-banked and Class F card game licensee pilot program on wagering limits for Texas Hold'em poker. [Statutory Authority: RCW 9.46.070, 9.46.0282. WSR 10-19-048 (Order 672), § 230-15-189, filed 9/13/10, effective 10/15/10.] Repealed by WSR 12-21-048 (Order 680), filed 10/12/12, effective 1/1/13. Statutory Authority: RCW 9.46.070 and 9.46.0282.

230-15-485 Electronic facsimiles of cards allowed. [Statutory Authority: RCW 9.46.070. WSR 07-21-116 (Order 617), § 230-15-485, filed 10/22/07, effective 1/1/08; WSR 07-09-033 (Order 608), § 230-15-485, filed 4/10/07, effective 1/1/08.] Repealed by WSR 13-07-040 (Order 685), filed 3/14/13, effective 4/14/13. Statutory Authority: RCW 9.46.070, 9.46.0282.

230-15-570 Cashier's cage bank requirements. [Statutory Authority: RCW 9.46.070. WSR 07-09-033 (Order 608), § 230-15-570, filed 4/10/07, effective 1/1/08.] Repealed by WSR 14-11-021 (Order 699), filed 5/9/14, effective 7/1/14. Statutory Authority: RCW 9.46.070 and 9.46.0282.

230-15-635 Electronic key control systems. [Statutory Authority: RCW 9.46.070. WSR 07-09-033 (Order

608), § 230-15-635, filed 4/10/07, effective 1/1/08.] Repealed by WSR 15-15-065 (Order 714), filed 7/10/15, effective 8/9/15. Statutory Authority: RCW 9.46.070 and 9.46.0282.

230-15-640 Keeping individual key control boxes for departments. [Statutory Authority: RCW 9.46.070. WSR 07-09-033 (Order 608), § 230-15-640, filed 4/10/07, effective 1/1/08.] Repealed by WSR 15-15-065 (Order 714), filed 7/10/15, effective 8/9/15. Statutory Authority: RCW 9.46.070 and 9.46.0282.

230-15-645 Keeping a key control log. [Statutory Authority: RCW 9.46.070. WSR 07-09-033 (Order 608), § 230-15-645, filed 4/10/07, effective 1/1/08.] Repealed by WSR 15-15-065 (Order 714), filed 7/10/15, effective 8/9/15. Statutory Authority: RCW 9.46.070 and 9.46.0282.

230-15-650 Keys for the gambling operations department. [Statutory Authority: RCW 9.46.070. WSR 07-09-033 (Order 608), § 230-15-650, filed 4/10/07, effective 1/1/08.] Repealed by WSR 15-15-065 (Order 714), filed 7/10/15, effective 8/9/15. Statutory Authority: RCW 9.46.070 and 9.46.0282.

230-15-655 Keys for the security department. [Statutory Authority: RCW 9.46.070. WSR 07-09-033 (Order 608), § 230-15-655, filed 4/10/07, effective 1/1/08.] Repealed by WSR 15-15-065 (Order 714), filed 7/10/15, effective 8/9/15. Statutory Authority: RCW 9.46.070 and 9.46.0282.

230-15-660 Keys for the accounting department. [Statutory Authority: RCW 9.46.070. WSR 07-09-033 (Order 608), § 230-15-660, filed 4/10/07, effective 1/1/08.] Repealed by WSR 15-15-065 (Order 714), filed 7/10/15, effective 8/9/15. Statutory Authority: RCW 9.46.070 and 9.46.0282.

230-15-665 Keys for the surveillance department. [Statutory Authority: RCW 9.46.070. WSR 07-09-033 (Order 608), § 230-15-665, filed 4/10/07, effective 1/1/08.] Repealed by WSR 15-15-065 (Order 714), filed 7/10/15, effective 8/9/15. Statutory Authority: RCW 9.46.070 and 9.46.0282.

230-15-670 Keeping a master key control box. [Statutory Authority: RCW 9.46.070. WSR 07-21-116 (Order 617), § 230-15-670, filed 10/22/07, effective 1/1/08; WSR 07-09-033 (Order 608), § 230-15-670, filed 4/10/07, effective 1/1/08.] Repealed by WSR 15-15-065 (Order 714), filed 7/10/15, effective 8/9/15. Statutory Authority: RCW 9.46.070 and 9.46.0282.

230-15-675 Key control box for the emergency key. [Statutory Authority: RCW 9.46.070. WSR 07-09-033 (Order 608), § 230-15-675, filed 4/10/07, effective 1/1/08.] Repealed by WSR 15-15-065 (Order 714), filed 7/10/15, effective 8/9/15. Statutory Authority: RCW 9.46.070 and 9.46.0282.

WAC 230-15-005 Requirements for public card games. At any time public card game licensees are conducting card games, they must have:

(1) ~~Have~~ The food and/or drink business being commercially stimulated open to the public; and

(2) A licensed card room employee on duty and in the public card room area if operating the following card games:

(i) ~~For Class E, Class F, or~~

(ii) ~~Hh~~ouse-banked ~~card games, or~~

(iii) Commercial nonhouse-banked card games of poker or other nonhouse-banked card games specifically approved by the director or the director's designee and a fee is collected to play.~~have a licensed card room employee on duty and in the public card room area.~~

[Statutory Authority: RCW 9.46.070. WSR 07-09-033 (Order 608), § 230-15-005, filed 4/10/07, effective 1/1/08.]

WAC 230-15-080 Authorized fees and authorized methods of collection. Card game licensees must collect only one type of card game fee at a table at any given time. The following are authorized types of fees, the card game licensees who may use those fee types, and the methods of collection:

Authorized types of fees	Licensees authorized to use the fee types	Authorized methods of collection	Maximum amount to collect
<p>(1) Period of time -</p> <p>(a) Licensees must collect the fee at least once per hour at times the licensee chooses, for example, at thirty minute increments; and</p> <p>(b) Licensees must record all fees immediately after collection; or</p>	<p><u>Nonhouse-banked card games</u>Class A, B, C, E, Class F, and house-banked</p>	<p>Direct collection; or</p> <p>Chip rack - Only allowed if licensed for three or fewer tables; or</p> <p>Drop box.</p>	<p>Not more than ten dollars per hour, per player.</p>
<p>(2) Per hand played -</p> <p>(a) Players must place fees charged on a per-hand basis in a designated area of the table and dealers must collect them before dealing the first round of cards; and</p> <p>(b) After collecting the fees, dealers must deposit all chips or coins in either the drop box or chip rack; or</p>	<p>Class F and house-banked</p>	<p>Drop box; or</p> <p>Chip rack - Only allowed if licensed for three or fewer tables.</p>	<p>Not more than one dollar per hand, per player.</p>

Authorized types of fees	Licensees authorized to use the fee types	Authorized methods of collection	Maximum amount to collect
(3) Rake - (a) Dealers must collect fees charged on the amounts wagered during the play of the hand and place the fees in a designated area of the table; and (b) Once dealers accumulate the maximum fee for a hand, they must spread the chips or coins to allow players and the surveillance system to view the amount collected. After spreading the chips or coins, the dealer deposits them in either the drop box or chip rack.	Class F and house-banked	Drop box; or Chip rack - Only allowed if licensed for three or fewer tables.	Not more than ten percent of the total wagers for a hand.

[Statutory Authority: RCW 9.46.070 and 9.46.0201. WSR 16-23-153, § 230-15-080, filed 11/22/16, effective 12/23/16. Statutory Authority: RCW 9.46.070. WSR 07-09-033 (Order 608), § 230-15-080, filed 4/10/07, effective 1/1/08.]

WAC 230-15-100 Providing cards and chips in card games. (1) Card game licensees, except for nonhouse-banked card game~~Class D~~ licensees that do not charge a fee to play, must supply all chips and cards and not allow any other chips or cards to be used on their premises.

(2) Card game licensees must not charge additional fees to players for chips and cards except as allowed under WAC 230-15-110.

[Statutory Authority: RCW 9.46.070. WSR 07-09-033 (Order 608), § 230-15-100, filed 4/10/07, effective 1/1/08.]

WAC 230-15-110 Standards for chips. (1) Chips must be of conventional size and design that maximize the integrity of the card games. Chips must be identifiable as belonging to the licensee and must:

- (a) Include the house name or logo; and
- (b) Denote the chip value; and
- (c) Be made by a licensed manufacturer; and
- (d) Be purchased from a licensed manufacturer or distributor.

(2) Nonhouse-banked card game~~Class D~~ licensees that do not charge a fee to play are exempt from subsection (1) of this section.

(3) Card game licensees must:

- (a) Safeguard all chips in their possession; and
- (b) Not allow any other person to buy or sell chips for use in card games on their premises.

(4) Nonhouse-banked card game~~Class A, B, C, and E~~ licensees that charge a fee to play and have~~with~~ five or fewer tables may use chips without a house name or logo if the chips are identifiable as belonging to the licensee and they prominently post values of the chips in the card room.

[Statutory Authority: RCW 9.46.070. WSR 07-09-033 (Order 608), § 230-15-110, filed 4/10/07, effective 1/1/08.]

WAC 230-15-115 Standards for cards. (1) Card game licensees must:

(a) Supply cards of conventional size and design to maximize the integrity of the card games; and

(b) Safeguard all cards; and

(c) Not allow cards that have been modified or marked in any manner.

(2) For ~~Class E, Class F, and house-banked,~~ and nonhouse-banked card games licensees that play poker or other games approved by the director or the director's designee and collect a fee to play, the cards must:

(a) Be made by a licensed manufacturer; and

(b) Be purchased from a licensed manufacturer or distributor.

(3) Cards with the house name or logo must be used for house-banked card games.

[Statutory Authority: RCW 9.46.070. WSR 09-11-087 (Order 648), § 230-15-115, filed 5/18/09, effective 7/1/09; WSR 07-09-033 (Order 608), § 230-15-115, filed 4/10/07, effective 1/1/08.]

WAC 230-15-120 Fees for decks of cards. (1) Card game licensees may charge a fee to a player asking for a new deck of cards.

(2) In addition, nonhouse-banked card game~~Class D~~ licensees who do not charge a fee to play may charge a fee for every deck supplied to a table.

(3) The fee must not be greater than the licensee's actual cost for the deck.

(4) At the time licensees introduce new decks, they must collect the fee in cash directly from the player requesting the deck or the players of the game.

[Statutory Authority: RCW 9.46.070. WSR 07-09-033 (Order 608), § 230-15-120, filed 4/10/07, effective 1/1/08.]

WAC 230-15-135 Wagering limits for nonhouse-banked card games.

Card room licensees must not exceed these wagering limits:

(1) **Poker** -

(a) There must be no more than five betting rounds in any one game; and

(b) There must be no more than four wagers in any betting round, for example, the initial wager plus three raises; and

(c) The maximum amount of a single wager must not exceed forty dollars; however, Class F and house-banked card game licensees may offer a single wager not to exceed three hundred dollars;

(2) **Games based on achieving a specific number of points** - Each point must not exceed five cents in value;

(3) **Ante** - No more than the maximum wager allowed for the first betting round for any game, except for Panguingue (Pan). The ante may, by house rule:

(a) Be made by one or more players, but the total ante may not exceed the maximum wager allowed for the first betting round; and

(b) Be used as part of a player's wager;

(4) **Panguingue (Pan)** - The maximum value of a chip must not exceed ten dollars. An ante must not exceed one chip. We prohibit doubling of conditions. Players going out may collect no more than two additional chips for going out from each participating player.

[Statutory Authority: RCW 9.46.070 and 9.46.0201. WSR 16-23-153, § 230-15-135, filed 11/22/16, effective 12/23/16; WSR 16-18-024, § 230-15-135, filed 8/26/16, effective 9/26/16. Statutory Authority: RCW 9.46.070 and 9.46.0282. WSR 12-21-048 (Order 680), § 230-15-135, filed 10/12/12, effective 1/1/13; WSR 09-21-013 (Order 658), § 230-15-135, filed 10/9/09, effective 11/9/09. Statutory Authority: RCW 9.46.070. WSR 09-09-056 (Order 642), § 230-15-135, filed 4/10/09, effective 7/1/09; WSR 07-21-116 (Order 617), § 230-15-135, filed 10/22/07, ef-

fective 1/1/08; WSR 07-09-033 (Order 608), § 230-15-135, filed 4/10/07, effective 1/1/08.]

WAC 230-15-200 Reporting card game activity—~~semiannually~~. Card game licensees, except for Class D, must submit an activity report for their card games to us.

(1) Licensees must complete the report in the format we require; and

(2) We must receive the completed report, or the report must be postmarked, no later than thirty days after the end of the reporting period; and

(3) The highest ranking executive officer or designee must sign the report. If someone other than the licensee or an employee prepares the report, the preparer must print his or her name and phone number on the report; and

(4) Prior to July 1, 2018, ~~l~~licensees must report activities for:

January 1 through June 30; and

July 1 through December 31; and

(5) Beginning July 1, 2018, reports required by this section must be submitted quarterly, as set forth in WAC 230-05-102; and

(6) Licensees must submit a report for any period of time their license was valid. If licensees do not renew, they must submit a report for the period between the previous ~~semiannual~~ report they filed and the date their license expired.

[Statutory Authority: RCW 9.46.070. WSR 07-09-033 (Order 608), § 230-15-200, filed 4/10/07, effective 1/1/08.]

CARD TOURNAMENTS

WAC 230-15-205 Card tournament licenses. ~~(1) Class A, B, E, F, or~~ house-banked, and nonhouse-banked card game licensees may conduct a card tournament where a fee or buy-in is charged without getting a card tournament license, but they must only operate those card games approved for their license typeclass.

~~_(2) Class D licensees must obtain a card tournament license to charge a fee for a card tournament.~~

[Statutory Authority: RCW 9.46.070. WSR 08-21-087 (Order 633), § 230-15-205, filed 10/14/08, effective 1/1/09; WSR 07-09-033 (Order 608), § 230-15-205, filed 4/10/07, effective 1/1/08.]

Chapter 230-16 WAC

MANUFACTURER, DISTRIBUTOR, AND GAMBLING SERVICE SUPPLIER RULES

Last Update: 7/22/14

WAC

GENERAL RULES FOR MANUFACTURERS, DISTRIBUTORS, AND GAMBLING SERVICE SUPPLIERS

230-16-001 Manufacturers, distributors, and gambling service suppliers must ensure representatives are licensed.

230-16-005 Transporting, displaying, and selling gambling equipment at trade shows and conventions.

PUNCH-BOARD AND PULL-TAB REQUIREMENTS

230-16-010 Manufacturers, distributors, and gambling service suppliers must comply with punch-board and pull-tab rules.

230-16-015 Punch-board and pull-tab sales restrictions.

230-16-020 Sales to Indian tribes.

230-16-025 Punch-board construction.

230-16-030 Step up punch-board construction.

230-16-035 Pull-tab construction.

230-16-040 Winner protection and secondary verification codes.

230-16-045 Defective punch-boards, pull-tabs, or pull-tab dispensers.

230-16-050 Punch-board and pull-tab quality control program.

230-16-052 Standards for flares.

230-16-055 Bonus or step up flares.

230-16-060 Assembly and packaging of pull-tab series.

PROGRESSIVE JACKPOT PULL-TAB SERIES

230-16-065 Approvals needed before offering progressive jackpot pull-tab series.

230-16-070 Prizes in progressive jackpot pull-tab series.

230-16-075 Assembly and packaging of progressive pull-tab series.

EVENT PULL-TAB SERIES

230-16-080 Event pull-tab series.

BONUS PULL-TAB SERIES

230-16-085 Bonus pull-tab series with carry-over jackpots.

CARRY-OVER JACKPOTS

230-16-090 Secondary win codes for carry-over jackpots.

230-16-095 Prizes in carry-over jackpot pull-tab series.

SEAL CARD PULL-TAB SERIES

230-16-100 Seal card pull-tab series.

230-16-102 Cumulative prize pool pull-tab games.

230-16-104 Cumulative prize pool pull-tab series flare.

BINGO CARDS

230-16-105 Disposable bingo cards.

230-16-110 Duplicate bingo cards.

230-16-120 Bingo card manufacturing control system.

230-16-125 Disposable bingo card packing slip and package label.
230-16-130 Disposable bingo card sales.
230-16-135 "Player selection" bingo cards.
230-16-140 "Hidden face" bingo cards.
230-16-145 Electronically generated bingo card computer systems.
230-16-150 Control system for electronically generated bingo cards.

GAMBLING EQUIPMENT

230-16-151 Gambling equipment connecting to external tools for standard maintenance.

ELECTRONIC CARD FACSIMILES

230-16-155 Electronic card facsimiles.

I.D. STAMPS

230-16-160 I.D. stamps for gambling equipment.
230-16-165 Purchasing I.D. stamps.
230-16-170 I.D. stamps must be visible.
230-16-175 Placing I.D. stamps and records entry labels.
230-16-180 Record retention for I.D. stamp records.

RECORDKEEPING

230-16-185 Accounting records for manufacturers and distributors.
230-16-187 Accounting records for manufacturer's special sales permit holders.
230-16-190 Sales invoices for manufacturers and distributors.
230-16-195 Additional requirements for sales invoices.

230-16-200 Sales journals for manufacturers and distributors.

230-16-205 Record retention for manufacturers and distributors.

230-16-210 Alternative formats for recordkeeping.

230-16-215 Accounting records and record retention for gambling service suppliers.

230-16-220 Activity reports by manufacturers and distributors.

WAC 230-16-130 Disposable bingo card sales. (1) Manufacturers of disposable bingo cards must sell each set or collation as a single unit.

(2) We allow distributors to open containers for ~~Class E and below~~ licensed operators and operators of authorized unlicensed activities:

(a) At an operator's request to change the "on," "up," and "cut." When a modification is made, the distributor must reseal the carton and note all changes on the packing label; or

(b) To provide cards to individuals for recreational activities; or

(c) To provide cards for "promotional contests of chance."

(3) Subsets must have at least one container, except distributors may open the container and sell cards in smaller quantities described in subsection (2) of this section.

[Statutory Authority: RCW 9.46.070. WSR 07-19-069 (Order 615), § 230-16-130, filed 9/17/07, effective 1/1/08.]

WAC 230-16-220 Activity reports by manufacturers and distributors.

Manufacturers and distributors must submit activity reports to us twice a year for sales and services related to gambling activities. The activity reports must be in the format we require and must:

(1) Prior to July 1, 2018, cover the periods:

(a) January 1 through June 30; and

(b) July 1 through December 31; and

(2) Beginning July 1, 2018, reports required by this section must be submitted quarterly, as set forth in WAC 230-05-102; and

(3) Be received at our administrative office or postmarked no later than thirty days following the end of the reporting period; and

(34) Be signed by the licensee's highest ranking executive officer or a designee. If someone other than the manufacturer or distributor or its employee prepares the report, then it must provide the preparer's name and business telephone number; and

(45) Be submitted for any period of time their license was valid, even if they had no activity or did not renew.

[Statutory Authority: RCW 9.46.070. WSR 07-19-069 (Order 615), § 230-16-220, filed 9/17/07, effective 1/1/08.]

BRIEF ADJUDICATIVE PROCEEDINGS (BAPs)

WAC 230-17-150 ~~Use of b~~ Brief adjudicative proceedings ~~(BAPs)~~. (1)

~~Presiding officers must use brief adjudicative proceedings (BAPs) for~~

The commission adopts the procedure for brief adjudicative proceedings

provided in RCW 34.05.482 through 34.05.494. The commission finds

brief adjudicative proceedings will be conducted where the matter in-

volves one of the following:

(a) Stays of summary suspension; and

(b) Denying or revoking extended operating hours for:

(i) Card games; and

(ii) Bingo; and

(c) Charitable or nonprofit licensee appealing a denial of a request for waiver of significant progress requirements; and

(d) Failure to pay required gambling taxes, where that is the only alleged violation in the administrative charges; and

(e) Failure to pay quarterly license fees or submit quarterly license reports; and

(f) When the penalty we are requesting is a suspension of seven days or less; and

~~(f)~~g) When the parties stipulate to using a ~~BAP~~brief adjudicative proceeding.

~~(2) If we conduct a BAP, we may conduct them telephonically and, therefore, the notice of hearing will not set a place of the hearing.~~

~~(3) Any party to the BAP may request to appear in person and, in those cases, a place will be set and all parties notified.~~

[Statutory Authority: RCW 9.46.070. WSR 07-21-156 (Order 615), § 230-17-150, filed 10/24/07, effective 1/1/08.]

NEW SECTION

WAC 230-17-151 Brief adjudicative proceedings—Procedure. (1)

The following procedures apply to the commission's brief adjudicative proceedings for matters identified in WAC 230-17-150, unless the matter is converted to a formal adjudicative proceeding as provided in subsection (2) of this section.

(a) We will set the date and time of the hearing.

(b) Written notice shall be served upon the licensee at least seven days before the date of the hearing. Service is to be made pursuant to WAC 230-17-035.

(c) A brief adjudicative proceeding may be conducted telephonically with the concurrence of the presiding officer and all persons involved in the proceeding.

(d) WAC 230-17-045 controls who can appear in a brief adjudicative proceeding.

(e) The presiding officer must be the director, deputy director, or administrative law judge.

(f) Parties or their representatives may present written documentation or oral testimony at a brief adjudicative proceeding. However, no nonparty witnesses may appear to testify.

(g) The presiding officer may, in her or his discretion, allow oral argument from parties or their representatives during a brief adjudicative proceeding.

(h) The presiding officer will enter an initial order within ten business days of the end of a brief adjudicative proceeding. The initial order shall briefly state the basis and legal authority for the decision.

(i) An initial order will become the final order if no review of the initial order is received by us within twenty-one days of service of the initial order.

(2) Any party, including the agency, may file a written objection to resolution of a matter by a brief adjudicative proceeding and may request that it be converted to a formal adjudicative proceeding.

(a) The objection must be received by the presiding officer at least three days before the scheduled brief adjudicative proceeding.

(b) Upon receiving a timely written objection, the presiding officer shall determine whether the matter should be converted.

(c) A presiding officer may convert any brief adjudicative proceeding to a formal adjudicative proceeding whenever it appears that a brief adjudicative proceeding is insufficient to determine the issues pending before the commission.

(d) In determining whether to convert a proceeding, the presiding officer may consider the following factors:

(i) Whether witness testimony will aid the presiding or reviewing officer in resolving contested issues of fact;

(ii) Whether the legal or factual issues are sufficiently complex to warrant a formal adjudicative proceeding, including whether there are multiple issues of fact or law;

(iii) Whether a brief adjudicative proceeding will establish an adequate record for further agency or judicial review;

(iv) Whether the legal issues involved in the proceeding present questions of legal significance or are being raised for the first time before the commission;

- (v) Whether conversion of the proceeding will cause unnecessary delay in resolving the issues; and
- (vi) Any other factors that the presiding or reviewing officer deems relevant in reaching a determination.

NEW SECTION

WAC 230-17-152 Brief adjudicative proceedings—Appeal rights.

- (1) Any party to a brief adjudicative proceeding may request review of the initial order by filing a written petition for review to us.
- (2) We must receive your petition for review within twenty-one days after service of the initial order.
- (3) Your petition for review must contain any evidence or written material relevant to the matter that the party wishes the reviewing officer to consider.
- (4) Parties must serve copies of the petition to all other parties or their representatives at the time the petition for review is filed.
- (5) The chair of the commission or the commissioners shall be the reviewing officer(s).
- (6) The reviewing officer(s) consider your appeal and either uphold, modify or overturn the brief adjudicative proceeding order. The decision of the reviewing officer(s), also called an order, is the final agency decision. The order will be provided to you at the last address you furnished to the commission.
- (7) The order on review must be in writing, must include a brief statement of the reasons for the decision, and must be entered within ten business days after the petition for review is considered. The order shall include a description of any further available administrative review or, if none is available, a notice that judicial review may be available.

WAC 230-17-155 Discovery limitations ~~in brief adjudicative proceedings~~. (1) In all brief adjudicative proceedings, discovery must be limited to requests for written reports and supporting documents relevant to the charges.

(2) Interrogatories and depositions are not allowed.

[Statutory Authority: RCW 9.46.070. WSR 07-21-156 (Order 615), § 230-17-155, filed 10/24/07, effective 1/1/08.]

Proposed Rule Changes -
Failure to pay license fee/submit licensing report and BAP and
Process for failure to pay/report

AMENDATORY SECTION (Amending WSR 07-21-116, filed 10/22/07, effective 1/1/08)

WAC 230-03-085 Denying, suspending, or revoking an application, license or permit. We may deny, suspend, or revoke any application, license or permit, when the applicant, licensee, or anyone holding a substantial interest in the applicant's or licensee's business or organization:

(1) Commits any act that constitutes grounds for denying, suspending, or revoking licenses or permits under RCW 9.46.075; or

(2) Has been convicted of, or forfeited bond on a charge of, or pleaded guilty to a misdemeanor or felony crime involving physical harm to individuals. "Physical harm to individuals" includes any form of criminal assault, any crime involving a threat of physical harm against another person, or any crime involving an intention to inflict physical harm on another person; or

(3) Has demonstrated willful disregard for complying with ordinances, statutes, administrative rules, or court orders, whether at the local, state, or federal level; or

(4) Has failed to pay gambling taxes to local taxing authorities and the local taxing authority has petitioned us to take action; or

(5) Has failed to pay a quarterly license fee or submit a quarterly license report; or

(6) Is serving a period of probation or community supervision imposed as a sentence for any juvenile, misdemeanor, or felony criminal offense, whether or not the offense is covered under RCW 9.46.075(4); or

~~((6))~~ (7) Is the subject of an outstanding gross misdemeanor or felony arrest warrant; or

~~((7))~~ (8) Fails to provide us with any information required under commission rules within the time required, or, if the rule establishes no time limit, within thirty days after receiving a written request from us; or

~~((8))~~ (9) Poses a threat to the effective regulation of gambling, or creates or increases the likelihood of unfair or illegal practices, methods, and activities in the conduct of gambling activities, as demonstrated by:

(a) Prior activities; or

(b) Criminal record; or

(c) Reputation; or

(d) Habits; or

(e) Associations; or

~~((9))~~ (10) Knowingly provides or provided goods or services to an entity that illegally operates gambling activities.



Staff Request for New Rule

WAC 230-17-192 Submission of electronic or mechanical gambling equipment during rule-making.

November 2017 – Further Discussion
October 2017 – Further Discussion
September 2017 – Discussion and Possible Filing

Tab 9: NOVEMBER 2017 Commission Meeting Agenda.	Statutory Authority 9.46.070
Who Proposed the Rule Change?	
Staff	
Describe the Rule Change	
<p><u>Bold/Underline = Changes made after the October 2017 Commission Meeting</u></p> <p>Staff is requesting a new rule to require a manufacturer or its designee to submit electronic or mechanical gambling equipment for evaluation during rule-making.</p> <p>This rule change would allow staff to request and evaluate equipment during the rule-making process.</p> <p>The manufacturer would not be required to submit an application or fees for this evaluation during the rule-making process.</p> <p>If the new rule or rule change is adopted, thereby authorizing the use of such gambling equipment, the manufacturer would be required to submit an application and fees to us for our review and approval prior to selling or leasing the gambling equipment in the state, as outlined in WAC 230-06-050.</p> <p><u>A Small Business Economic Impact Statement has been prepared and is attached.</u></p> <p>Attachments:</p> <ul style="list-style-type: none"> • WAC 230-06-050 Review of electronic or mechanical gambling equipment. • <u>Notice of rule-making sent to all licensed manufacturers on October 27, 2017.</u> • <u>Small Business Economic Impact Statement.</u> 	
Policy Considerations	
<p>When a petition for rule-making involves new gambling equipment or a new concept involving gambling equipment, staff feels it is necessary to include a review of the gambling equipment as part of the rule-making process. A review of the gambling equipment during the rule-making process would ensure:</p> <ul style="list-style-type: none"> • Staff has a clear understanding of how the equipment works; • Regulatory guidelines can be addressed during the rule-making process; and • More effective rule-making can occur as a result of understanding how the gambling equipment operates. 	
Stakeholder Feedback	
<p>Victor Mena – Testified at the September commission meeting with concerns this new rule would be costly for small manufacturers and inhibit new gambling equipment and games in the state.</p> <p><u>When asked again in October, Victor Mena no longer had concerns.</u></p>	

NEW SECTION

WAC 230-17-192 ~~Submission of~~ Rule making that involves new or novel
~~el~~ electronic or mechanical gambling equipment during rule-making. (1)

A manufacturer or its designee is required to submit electronic or mechanical gambling equipment for evaluation during rule-making when:

~~(a) The equipment or intended use of the equipment is new or novel in Washington state; and~~

~~(b) t~~The commission is considering~~has~~ taking~~en~~ action to adopt, change, or repeal a rule in order to authorize use of the gambling equipment.

(2) When we are ready to begin our equipment evaluation, we will notify the manufacturer or its designee in writing. The manufacturer or its designee will have thirty days from the date of our written request to submit the requested electronic or mechanical gambling equipment to our headquarters, directly or through a designee, or we may administratively close our review and deny the requested rule change.

(3) Manufacturers or their designee must submit:

(a) The gambling equipment, including all relevant software, that is identical or substantially similar to what will be marketed, distributed, and deployed in Washington;

(b) A copy of detailed technical materials and diagrams associated with the equipment and software, and all of the operational procedures and manuals, including relevant hardware and software manuals; and

(c) Other technical specifications as requested by the commission.

(4) The manufacturer or its designee must install, configure, and support the equipment/software to allow us to fully evaluate its operation. Evaluation may include, but is not limited to, interoperability, communication, security, and player protection issues.

(5) We will notify the manufacturer or their designee in writing if we require additional equipment or information for our evaluation. The manufacturer or its designee must provide us with the requested equipment or information within thirty days from the date of our written request or we may administratively close our review and deny the requested rule change.

[]

WAC 230-06-050 Review of electronic or mechanical gambling equipment.

(1) When you submit gambling equipment, supplies, services, or games for our review to verify compliance with chapter [9.46 RCW](#) and Title 230 WAC, you must pay the application deposit before we perform the review. You must also reimburse us for any additional costs of the review. All costs must be paid in full prior to the completion of the review.

(2) The gambling equipment submitted for review must be identical or substantially similar to what will be marketed, distributed, and deployed in Washington. If the equipment is not sufficient for testing and review, we may require additional equipment or information.

(3) If your application is incomplete or we request additional information, you must provide us with the required items within thirty days of notification or we may administratively close your application.

(4) You can begin selling or leasing the gambling equipment when you are licensed and the gambling equipment has been approved by the director or director's designee.

(5) We may include security or surveillance requirements as part of gambling equipment approval.

(6) Gambling equipment must operate as approved by the director or director's designee.

(7) We may keep equipment submitted for review to allow for continued testing and training as long as the equipment remains in play in Washington. We are not liable for any damage to equipment while in our possession.

(8) If you do not agree with the director or director's designee's decision, you may file a petition for declaratory order with the commission according to [RCW 34.05.240](#) and chapter [230-17 WAC](#).

[Statutory Authority: [RCW 9.46.070](#). [WSR 14-09-037](#) (Order 696), § 230-06-050, filed 4/11/14, effective 7/1/14; [WSR 07-21-116](#) (Order 617), § 230-06-050, filed 10/22/07, effective 1/1/08; [WSR 06-17-132](#) (Order 601), § 230-06-050, filed 8/22/06, effective 1/1/08.]

From: [DONOTREPLY \(GMB\)](#)
To: [Griffin, Tina \(GMB\)](#); [Rancour, Michelle \(GMB\)](#)
Subject: Notice of Rule-Making
Date: Friday, October 27, 2017 3:09:54 PM
Attachments: [image001.gif](#)
[image002.png](#)
[image003.jpg](#)
[10_2017_Comm_meeting.pdf](#)
[image005.png](#)

Dear Licensee,

Commission staff is requesting a new rule to require manufacturers to submit electronic or mechanical gambling equipment for evaluation during rule-making. This [new](#) rule would allow staff to request and evaluate equipment during the rule-making process. Manufacturers would not be required to submit an application or fees for the evaluation during rule-making.

If the new rule or rule change [involving equipment](#) is adopted, thereby authorizing the use of such equipment, the manufacturer would be required to submit an application and fees to us for our review and approval of the gambling equipment, as outlined in WAC 230-06-050.

An equipment evaluation would allow staff to understand how the equipment works, communication, security and player protection issues. With this understanding, staff could make the necessary changes during rule-making to address any equipment related issues rather than [initiate](#) subsequent rule-making after the equipment is operational in the state.

[Staff's new rule](#) was filed for [further](#) discussion at the September 2017 commission meeting. It will be up for further discussion at the [November 16, 2017](#), commission meeting. Check our [website](#) for meeting dates, times and location.

If you have any questions or comments on this [new rule](#), you can testify before the Commissioners at the November 2017 or January 2018 commission meeting or submit your comments to Tina.Griffin@wsgc.wa.gov.

Sincerely,

Tina Griffin
Assistant Director
Licensing, Regulation and Enforcement
Washington State Gambling Commission
P.O. Box 42400
Olympia, WA 98504
360-486-3546 office



**Small Business Economic Impact Statement – RCW 19.85.040
Washington State Gambling Commission**

October 27, 2017

Proposed Changes to Rules: WAC 230-17-192, Submission of electronic or mechanical gambling equipment during rule-making.

This new rule requires manufacturers or their designee to submit electronic or mechanical gambling equipment for evaluation during rule-making, if the equipment submission is requested by Gambling Commission staff. The manufacturer would not be required to submit an application or fees for this evaluation during the rule-making process.

Allowing staff to evaluate the gambling equipment during the rule-making process will ensure:

- Staff has a clear understanding of how the equipment works before authorized by rule and implemented;
- Regulatory guidelines can be addressed during the rule-making process; and
- More effective rule-making can occur as a result of understanding how the gambling equipment operates.

The evaluation of the equipment may include an understanding of interoperability, communication, security, and player protection issues. The intent is to put rules into place during the rule-making process to set parameters for the authorization of the use of the equipment rather than after new rules are in place and the equipment deployed. Thereby, this process should save stakeholders money by not putting equipment into the marketplace and then having it pulled back because of subsequent changes in rules limiting the operation of the equipment because staff did not know how the equipment worked.

~~~~~

**1. Description of the reporting, record keeping and other compliance requirements of the proposed rule.**

There are no new reporting or record keeping requirements. The new rule solely creates a mechanism to require gambling equipment manufacturers or their designee to submit electronic or mechanical gambling equipment for evaluation during rule-making to authorize the use of such gambling equipment.

This new rule is only applicable during rule-making to authorize new gambling equipment. The gambling equipment review and approval process set out in WAC 230-06-050 will not be changed.



The manufacturer would be required to submit the following to our office in Lacey, WA, for inspection within thirty days of our request:

- Gambling equipment, including software, that is identical or substantially similar to what will be marketed, distributed or deployed in the state;
- A copy of detailed technical materials and diagrams associated with the equipment and software, and all of the operational procedures and manuals;
- Other requested technical specifications.

The manufacturer would be responsible for costs associated with the above information and the installing, configuring, and supporting the equipment/software to allow us to fully evaluate its operation.

The manufacturer would not be required to submit an application or any fees related to the evaluation during the rule-making process. The agency will assume all evaluation/inspection-related costs.

**2. Kinds of professional services that a small business is likely to need in order to comply.**

Manufacturers seeking rule-making to authorize new gambling equipment through a rule change may need to solicit transportation support to get their proposed gambling equipment to our Lacey office.

No other professional services are needed to comply with this new rule.

**3. The actual costs to small businesses of compliance, including costs of equipment, supplies, labor and increased administrative costs.**

The actual costs cannot be determined because of the following variables:

- Distance of manufacturer seeking a rule-change to authorize new gambling equipment (to determine transportation costs). Manufacturer may reside out-of-state; and
- Time to evaluate the new equipment during the rule-making process, including the value of the equipment/software and costs for installation, configuration, and support for the equipment is variable depending on type of equipment and complexity of equipment and software being evaluate. The cost could increase if the manufacturer had to remove equipment from possible sale, rental or lease in another jurisdiction where the equipment is authorized for use.

**4. Whether compliance with the rule, based on feedback received from licensees, will cause businesses to lose sales or revenue.**

No small business should lose sales or revenue because the rule relates to gambling equipment/software not currently authorized under the Gambling Act or by Gambling Commission rules. A card room licensee testified he feared increased costs to small manufacturers would prevent new gambling equipment coming into the state and being used by card room licensees. The licensee misunderstood that the equipment evaluation under this new rule only applied when a manufacturer is seeking a rule change to authorize the use of the new equipment.

Gambling Commission staff explained to the licensee there should be no costs preventing distribution of equipment for currently approved devices and software, and the licensee felt comfortable there would be no additional costs. The licensee also understood how this new rule would provide more transparency and be more economical for manufacturers. In the past, manufacturers have made financial investments by placing gambling equipment in the state after a rule change to authorize the equipment. Later, further rules had to be implemented, which required costly modifications to the equipment, as staff gained an understanding of how the equipment operated.

This new rule could cause a small business to delay sales or revenue on the one piece of gambling equipment they submit to us for evaluation during the rule-making process. Overall, we anticipate this new rule will save manufacturers from making investments in gambling equipment in the state and then having to change the functionality of the equipment, thereby costing the manufacturers money to make the changes to the equipment and possible loss of revenue, because of future rule changes to how the equipment will operate.

**5. A determination of whether the proposed rule will have a disproportionate cost impact on small businesses.**

The cost on small businesses and the cost for the largest 10 percent of manufacturers is indeterminate because shipping of the equipment/software and the value of the equipment/software and costs for installation, configuration, and support for the equipment is variable depending on type of equipment and complexity of equipment and software that will be evaluated. However, this rule should not have a disproportionate cost because the cost should be the same because the possible aforementioned costs are equipment/software specific and should not vary between manufacturers.

**6. Steps taken by the agency to reduce the costs of the rule on small businesses or reasonable justification for not doing so. Agencies “must consider, without limitation, each of the following methods of reducing the impact of the proposed rule on small businesses:”**

- a. **Reducing, modifying, or eliminating substantive regulatory requirements;**

This rule change does not add any new substantive regulatory requirements to licensees or potential licensees. Instead, it adds a process during the agency's rule-making consideration when it is considering rules authorizing and regulating new gambling equipment and/or software. The agency will incur most of the costs for inspection/evaluation of the gambling equipment and manufacturers will not be required to pay for our inspection/evaluation of the equipment during the rule-making process.

This should reduce manufacturer costs in the long-run because staff and Commissioners will understand the full functionality of the equipment during the rule-making process and then can ensure that the rules contain all necessary regulatory requirements to ensure effective implementation of the new equipment/software. This should prevent situations that have occurred in the past where equipment has been approved without review by the Commission's lab and then additional rules are enacted to address regulatory concerns with how the equipment is being operated after its initial approval.

**b. Simplifying, reducing, or eliminating recordkeeping and reporting requirements;**

This rule change does not require any additional recordkeeping or reporting requirements.

**c. Reducing the frequency of inspections;**

This rule change will not impact the number of inspections.

**d. Delaying compliance timetables;**

A delay is not necessary because it could provide a financial benefit for manufacturers seeking a rule change to allow the gambling equipment they manufacture in Washington.

**e. Reducing or modifying fine schedules for noncompliance; or**

Reduction or modification is unnecessary because there is no fine schedule related to this rule.

**f. Any other mitigation techniques including those suggested by small businesses or small business advocates.**

A mitigation analysis is unnecessary because of the positive impact to manufacturers. We have not received any feedback from stakeholders requesting changes to the proposed rule.

**7. A description of how the Gambling Commission will involve small businesses in the development of the rule.**

Notice of this rule-making followed the Gambling Commission's standard procedure. It was included in the September 2017 commission materials posted on our website. On September 15, 2017, staff presented the new rule to the Commissioners for discussion and possible filing. The Commissioners filed the new rule for further discussion after taking comment from the public.

The new rule was included in the October 2017 commission materials posted on our website. Prior to the start of the October 2017 commission meeting, we held an informal "Question and Answer" session for stakeholders to ask questions and discuss with staff proposed rules. The new rule was discussed at the Commission meeting and the public was taken.

In October 2017, we posted the new rule on our agency's website under "Breaking News." ("Breaking News" is in the middle of our main website, [www.wsgc.wa.gov](http://www.wsgc.wa.gov))

On October 27, 2017, we sent an email to all licensed manufacturers giving them notice of the new rule and a copy of the proposed rule language.

The new rule will be discussed at future commission meetings until the Commissioners take final action, which is anticipated to be at the January 2018 meeting. Public comment is taken at each meeting. The new rule and this Small Business Economic Impact Statement will be made available on our website for each commission meeting that the rule will be heard. Lastly, the new rule will remain posted under "Breaking News" on our main website until the Commissioners take final action.

This process provided small businesses several opportunities to provide feedback in the development of the new rule.

**8. A list of industries that will be required to comply with the rule.**  
7132.

**9. An estimate of the number of jobs that will be created or lost as the result of compliance with the proposed rule.**

No jobs will be impacted based on the information provided above.

# Washington State Gambling Commission



2017

Global Gaming Expo (G2E)

Summary Report

## Preface

The Global Gaming Expo (G2E) sponsored by the American Gaming Association (AGA) is considered the preeminent show for the global casino entertainment industry. The 2017 G2E was held at the Sands Expo in Las Vegas, NV from October 2 to October 5, 2017 and had more than 550 exhibitors and more than 26,000 attendees. Some of the common themes at this year's G2E were innovation, Tribal gaming, skill based games, eSports and iGaming.

In order to stay abreast of current and future trends in the gambling industry as well as regulatory concerns about the industry and/or products, the Washington State Gambling Commission sends staff to G2E. Attendance also allows staff to network with regulators from various jurisdictions, manufacturers, current licensees and potential licensees.

Commission Chair Bud Sizemore and Commissioner Ed Troyer attended the 2017 G2E along with Ex Officio members Senator Conway and Representative Sawyer. Nine staff members from the agency attended as well. We had two teams of staff members who attended for different areas of expertise. One team of staff members work primarily with Tribal Lottery System submissions and associated regulations; the staff members who made up this team are Chief Information Officer Tom Means, Electronic Gambling Lab Administrator Melissa Valencia, Electronic Gambling Lab Lead Testing Engineer Rodney Joubert and Electronic Gambling Lab Lead Testing Engineer Logan Blazian. The team of staff members who work primarily with all other gambling equipment in the state and associated regulations, are Agent in Charge, Licensing, Jennifer LaMont, and Agent in Charge, Tribal Gaming, Cathy Harvey, Special Agent Donna Khanhasa, and Special Agent Brian Lane. Deputy Director Amy Hunter also attended G2E 2017; although staff had primary focus on their areas, meeting attendance overlapped depending on expertise, interest, request of the stakeholder or manufacturer, etc. This report consists of information provided by all of these staff members.

## Regulators Roundtable

The Regulator’s Roundtable was attended by 8 jurisdictions:

|                                      |                                      |
|--------------------------------------|--------------------------------------|
| Arizona Department of Gaming         | Nevada Gaming Control Board          |
| New Jersey Casino Control Commission | Montana Gaming Control Division      |
| Ohio Casino Control Commission       | Ontario Alcohol & Gaming Commission  |
| Missouri Gaming Commission           | Washington State Gambling Commission |

Topics of interest were testing labs, skill based games, electronic table games or Fusion games’ revenue accounting, and Daily Fantasy Sports (DFS)/sports wagering.

Representatives of the Nevada Gaming Control Board discussed their experience in having their own lab to test products versus relying on testing from independent testing labs (ITLs). In the past, Nevada had their own lab test a wide variety of products. Currently, the lab primarily tests outlying technology that is unusual, and depend entirely on ITLs for testing slot games. It was also shared that ITL’s certifications for revenue reporting have had deficiencies and since ITLs have been testing the games, time to conduct testing and approval of games has increased.

Jurisdictional differences in regulating skill based gaming was discussed. Skill based games are increasing in popularity. Regulatory agencies are trying to make policy decisions and accounting procedures for this new emerging gaming. How do skill/chance based gambling activities fit into gambling regulation? It is not the regulator’s job to limit a skilled player’s success on a game. Further, manufacturers of this type of gaming have a hard time controlling win percentages; it truly is based on the skill of a particular player.

Missouri contributed that they now allow DFS betting, Arizona allows skill/chance hybrid games, and Ohio is preparing to allow DFS betting. Montana discussed the rash of forged or altered cash tickets that they have seen recently. Attendees discussed the regulation of table games and fusion type games that have both slot and table game revenues with shared accounting systems and the difficulty in accounting for revenue generated by which type of gaming.

Representatives from the New Jersey Casino Control Commission contributed that their own Licensing and Lab staff have had communication issues and other representatives agreed that they have experienced this in their own agencies. New Jersey also shared that geolocating products are not as accurate as iGaming products and that there are problems locating players in state border areas.

## Lab Tours

### BMM Lab Tour

Three staff members were given a tour of BMM's Las Vegas lab, BMM is a licensed independent testing lab. They were able to see BMM's testing lab space, which included isolation and investigation rooms. Isolation rooms are privacy rooms for manufacturers who have new products that they don't want seen on the floor. WSGC staff was unable to see the forensics and investigation room, as only 3 people have access, none of which were on-site at that time. The room is used for system investigations from states, manufacturers, etc. when necessary.

BMM keeps all system servers in one room and do networking with overhead cable trays. They have a small interoperability lab on the premises for testing using simulators and real accounting systems. There is also a math group that performs random number generator (RNG) testing as well as code review. They have a lot of the same challenges we at the WSGC lab face, such as prompt manufacturer support, new system technical issues, etc. The SASsimulator program they use was built and provided by IGT. WSGC can ask for a copy for simple SAS testing, but we don't expect this to replace real interoperability SAS testing in our lab.

There was also a demonstration of two tools that BMM utilizes, EGMedit and PayNPlay. EGMedit was developed by BMM and can simulate a real game on a PC with wins like jackpots, invalid wins, etc. PayNPlay is the actual game simulator software. BMM will take the core game code and put it in a .dll that runs a simulation of the game on Pay N Play. Similar to WSGC lab, most testers work on one manufacturer for long periods of time, allowing a degree of familiarity with one system.

### Gaming Laboratories International (GLI) Lab Tour

Two staff members were given a tour of GLI's Las Vegas lab, GLI is a licensed independent testing lab. They were able to see GLI's vast testing lab space and meet with a few of GLI's testing engineers. During the tour, GLI discussed and demonstrated their ability to link the accounting systems to any one of their labs in the world via VPN. This allows the Colorado lab to hook up to accounting in the Vegas lab and produce reports if needed. They also explained that emulated testing is conducted and SAS sniffing tools are implemented to parse out which manufacturer's software is causing issues. Similar to our lab and BMM, GLI has specialized teams of engineers that are dedicated to each manufacturer. They mentioned that they are in the midst of skill based game testing.

Several other staff members and Commissioners had a separate meeting with GLI at their booth on the Expo floor at G2E. James Maida, President of GLI, explained that he will be visiting Washington in early December to attend a conference. He plans to stop by WSGC while he's in town. GLI also discussed a program called GLI Scale, which is a program that can simulate up to 20,000 machines. GLI does not test using this unless the manufacturers request load testing on certain components.

Staff was also given an overview of GLI's Bulletproof product. GLI was encouraged by Nevada to go out and engage the Tribes and help them with their IT systems by providing IT consulting. They would like to do a network risk assessment at facilities for both their gaming and non-gaming networks. The service is



essentially monitoring for threats to the network. They can quarantine the threat or notify the casino of the threat so that they can deal with it, depending on the casino's preference. They would like to find a consistent standard to apply to everyone. They would like to bring a group of technicians to WSGC to demonstrate the product to us. Tom Means, CIO, explained he would work further with both GLI staff and Tribal partners to explore this product and its use in Washington tribal facilities.

Mr. Maida complimented WSGC by letting us know that he has heard no complaints or negative feedback from the manufacturers in the last six months and suggested that we continue to be transparent. What he has heard in the industry has been mostly complimentary and positive.

## SIQ

Staff met with Zoran Svetik and Brandon Griffith from SIQ. SIQ is an applicant to become a licensed independent testing lab. Brandon is the Director of Business Development for the US market. He will become the main point of contact after the initial licensing process. Zoran explained that their test scripts are under review. These test scripts are the testing criteria SIQ will follow to ensure tribal lottery system compliance with the standards of Appendix X2 of tribal-state compact. Once they're finalized, he will forward them to WSGC. We will look at the scripts, as part of the pre-licensing investigation, and let them know if we have any questions. We will also determine at that time if someone from our lab needs to visit as part of the on-site review to determine qualification for licensure, or if the Licensing investigators can obtain all of the information needed while they are there.

## Educational Sessions and Keynotes Attended

Tom Means, Melissa Valencia, Rodney Joubert, Logan Blazian and Donna Khanhasa attended several workshop/education sessions while attending the Global Gaming Expo. Combined, staff members attended approximately 35 Educational Sessions and/or Keynotes. The sessions found to be most useful and insightful are detailed below:

### Global Regulation: What Gaming Regs Should Be

- As regulators, we should work with legislation, be engaged in the legislation process and drafting new language.
- When writing legislation, make the language with not as many restrictions to change with modifying businesses.
- Be involved up-front.
- Be prepared if new legislation is enacted to allow sports wagering.

### Maximize Brainomics: The Economic Gains from Advancing Innovative Thinking

- When attending a class or meeting, focus on the top 2 most relevant things.
- You can build new brain cells.
- Multitasking is harmful for your brain.
- There could be more than one way to solve a problem.
- Learn from someone with a different perspective.

### What Does the Constantly Shifting Landscape Mean for Regulators?

- Illinois is slower to get new technology. They have a test lab and also use GLI. They do field evaluation as well.
- New Jersey took a “Wild West” approach to skills-based gaming. They wanted all products in the market submitted there first. They concentrated on RTP and Player Disputes during testing. They want to be the first to market and have been extremely lenient on new technology.
- A CEO of a gaming company thinks Nevada gaming is very collaborative with business. He says the not to blame regulation for lack of innovation, but the companies themselves.
- Former Illinois regulator: “Saying No just doesn’t work anymore”. Illinois wants new products to succeed.
- Head to Head eSports gambling CEO thinks this will be on the floor of casinos soon.
- CEO of gaming company thinks that it’s powerful people inside the gaming industry that are holding back internet gaming, not the regulators.
- Mobile Account-Based wagering. Former Illinois regulator sees it coming, but not quite yet.
- Skills-based gaming has been out on the market in the US (NJ and NV) for about 9 months and is not quite the smash hit it was hoped it would be.

### eSports Betting

- eSports betting is betting on video games.
- Including Skins betting, the market is \$5 billion.
- Gaming lounges are being built in casinos for players to play and bettors to bet.

- TV and internet viewers are at 20% growth per year.
- Most companies treated eSports betting exactly the same as sports betting, but now they are giving it their own platform and treating it as its own entity.
- Millennials are not traditional gamblers and games of skill/chance are not catching on. It's a feeling that eSports lounges will be successful in attracting younger gamblers.
- Twitch is a major online outlet for eSports, similar to a live YouTube.
- Game Integrity - one operator works with the ESL or E-Sports League to ensure honest competition, no match fixing, cheating etc.
- Pinnacle sports betting doesn't offer head-to-head betting, only large tournament betting.
- Skins Betting - uses gaming skins ie limited availability cool looking weapons and armor as real-value objects with which to gamble.
- A representative for a leading skills-based gaming company, Gamblit, questioned one of the operators about the integrity of the eSports setup, citing no ITL certification and little to no regulation.

### iGaming Policy – Another Year Later

- iGaming policies are driven by economics.
- Slow pace is due to legislation.
- There is no real interest at the Federal level when it comes to iGaming and the Wire Act.
- In 2013, three states had iGaming policies:
  - Nevada
  - Delaware
  - New Jersey
- In 2017, the same three states have iGaming.
- 5 states have passed on-line lottery.
- Michigan may be the best model for on-line lottery.

### Gaming Leaders: View from the Top

- There is strength in the industry and the industry is growing.
- The American Gaming Association (AGA) presented their Strategic Plan 2020.

### Scams, Cheats & Blacklists: Current Fraud and Casino Crimes

- Discussed criminal cases – there were 808 total for 2016.
- Different case types were theft, fraud acts/cheating and minor gambling.
- Employees account for around 20% of arrests.
- Theft trends include counterfeiting, armed robbery and chip grabs.
- Fraudulent acts include bet manipulation, card switching, collusion, dice sliding/scooting, software flaws and glitches and card crimping.
- One case was brought up regarding a Konami Vibrant 7 machine having a flaw in a locking mechanism on the side. Once key is inserted and turned, bar is released and door opens. A man hit the bar and the belly door opened, without a key. With a screwdriver, he could pull out cash can; this took 9.5 seconds to do. Konami is putting an alert out about this. (There are no Konami products currently in Washington)

### Policy Pitfalls to Avoid

- US Tribal gaming – faster growth than commercial growth.
- 2/3 of revenue in Las Vegas is coming from Non-Gaming.
- iGaming Revenue – Nevada, Delaware and NJ (only legal iGaming jurisdictions).
- NJ is far outperforming the other 2 states. There are now 2 tribal operators in NJ – which is believed to be a contributor.
- Millennials less engaged by gaming – they are looking for shared experiences and choices/empowerment.
- Nothing in the gaming industry is really compelling or inspires Millennials to gamble. It is very intimidating for them to sit at a poker table and place sports bets – a generation of doing everything via text. They don't know the verbiage or way to do things. Those tools are not utilized in the gaming industry today.
- A lot of advantages in tribal gaming that don't exist in commercial gaming. Tribal casinos have more committed/loyal customers. Class II continues to be an underutilized option for revenue.

## Stakeholder Meetings

Staff had the opportunity to meet with a number of Washington State licensed manufacturers, those interested in becoming licensed manufacturers, licensed individuals and/or those involved with house-banked card rooms in Washington and other regulatory agencies such as the Washington State Lottery Commission, whom were interested in products that would cross both regulatory jurisdictions.

Meetings with licensed manufacturers included Galaxy Gaming, GPI, Masque Publishing, Bally Technologies, AGS, NRT, and Cammegh Limited. These meetings gave licensees an opportunity to discuss current issues with staff such as stock interpretations of Washington Administrative Code and gambling equipment, approval of new proprietary table games, the gambling equipment approval process, and licensing implications of business changes. Manufacturers also demonstrated products to include shufflers, dealing shoes, table games, roulette wheels and readers, and progressive and bonusing systems and discussed compliance with RCW, WAC, and tribal-state compact.

Meetings with potential or current licensing applicants included SIQ, an independent testing lab currently in pre-licensing, Aristocrat, also in pre-licensing and Gamblit. These meetings offered the opportunity to discuss upcoming investigations and an ability to demonstrate products. Staff had the opportunity to view and understand how the products and/or games worked. Then had a discussion regarding potential barriers to approval and/or issues with compliance with RCW, WAC, and tribal-state compact. Gamblit is interested in marketing table games with both elements of skill and chance.

Meetings with licensed individuals involved in the gambling industry in Washington allowed staff to discuss gambling concepts or new table games ideas and how these concepts and ideas may or may not comply with current RCW and WAC. If barriers were identified in WAC, staff shared proposed rules, the rule change process, and the gambling equipment review and approval process.

Staff also attended a meeting with a manufacturer and staff from the Washington State Lottery Commission. The manufacturer demonstrated a ticket validation system for use with Tribal Lottery Systems that would also be capable of selling, dispensing, and redeeming lottery tickets.

## Manufacturer Meetings

Staff also had the opportunity to meet with most of the Tribal Lottery System manufacturers currently licensed in Washington at G2E. Meetings with Everi-Payments, Everi-Games, IGT and M3 offered manufacturers the opportunity to showcase new products that they hope to deploy in Washington.

Meetings with Eclipse, Ainsworth, Rocket, SciGames Bally, Bluberi and NRT gave manufacturers an opportunity to discuss a variety of topics with staff including upcoming submissions for 2018, current issues with software, the testing timeframes in the lab and new processes for testing going forward. Manufacturers also demonstrated products to include new player terminal cabinets, software upgrades, new game themes, display monitors and discussed compliance with Appendix X2 of tribal-state compact.

Staff also met with Aristocrat, a manufacturer currently going through the pre-licensing process. This meeting allowed for the discussion as to what specific requirements are detailed in the Tribal-state compact, the testing process in our lab, subsequent approval and deployment in Washington.



# G2E 2017 Overview

November 16, 2017

Jennifer LaMont, Agent in Charge, Licensing  
Melissa Valencia, Lab Administrator,  
Electronic Gambling Lab



# G2E: Global Gaming Expo

Preeminent show for gaming-entertainment industry

October 2 – 5

Sands Expo, Las Vegas

26,000+ attendees

450+ exhibitors

Keynotes, educational sessions, exhibit hall, stakeholder meetings





# Commissioners & Staff Attended

**Bud Sizemore, Commission Chair**

**Ed Troyer, Commissioner**

**Senator Conway, Ex Officio**

**Representative Sawyer, Ex Officio**

**Amy Hunter, Deputy Director**

**Tom Means, Chief Information Officer**

**Melissa Valencia, Administrator, Electronic Gambling Lab**

**Rodney Joubert, Lead Testing Engineer, Electronic Gambling Lab**

**Logan Blazian, Lead Testing Engineer, Electronic Gambling Lab**

**Jennifer LaMont, Agent in Charge, Licensing**

**Cathy Harvey, Agent in Charge, Tribal Gaming**

**Donna Khanhasa, Special Agent, Licensing**

**Brian Lane, Special Agent, Regulation**

# Regulators Roundtable & Lab Tours



# Educational Sessions & Keynotes

**Global Regulation: What Gaming Regs Should Be**  
**Maximize Brainomics: The Economic Gains from**  
**Advancing Innovative Thinking**

**What Does the Constantly Shifting Landscape**  
**Mean for Regulators?**

**eSports Betting**

**iGaming Policy – Another Year Later**

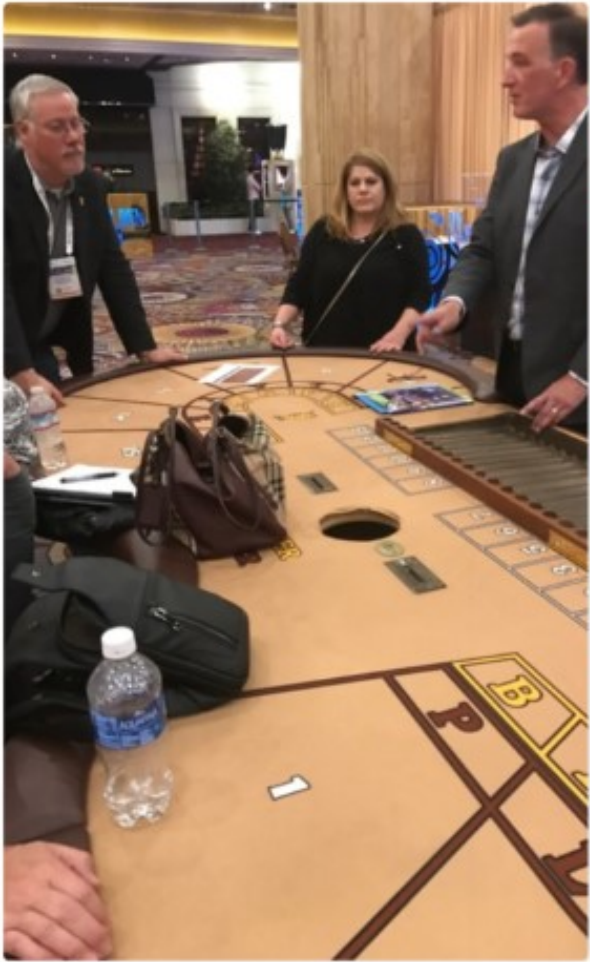
**Gaming Leaders: View from the Top**

**Scams, cheats & Blacklists: Current Fraud and**  
**Casino Crimes**

**Policy Pitfalls to Avoid**



# Stakeholder Meetings



# Manufacturer Meetings





# Questions?

Jennifer LaMont, Agent in Charge, Licensing  
Melissa Valencia, Lab Administrator,  
Electronic Gambling Lab



The presentation will be handed out at the meeting.