

AMENDATORY SECTION (Amending WSR 18-05-026, filed 2/9/18, effective 5/1/18)

WAC 230-03-035 Applying for a license. (1) You must fully complete the license application form we provide in order to be considered for a license. You must submit it with the appropriate fees online in the manner we require, or 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 of an incomplete application 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 new application fee they are applying for with their application.

AMENDATORY SECTION (Amending WSR 07-21-116, filed 10/22/07, effective 1/1/08)

WAC 230-03-040 Signing the application. The applicant signs the application under oath and under penalty of perjury under the laws of the state of Washington. This oath affirms that the information on the application and any accompanying materials is accurate and complete.

(1) The person signing the application must be:

(a) The highest ranking officer, or their designee, of a charitable, nonprofit, or profit-seeking corporation, or limited liability company seeking licensure; or

(b) The owner of a sole proprietorship seeking licensure; or

(c) All partners of a partnership or general partner of a limited partnership seeking licensure.

(2) The person seeking an individual license and a designated officer of the organization for which the person will work must both sign the application.

AMENDATORY SECTION (Amending WSR 13-09-048, filed 4/15/13, effective 5/16/13)

WAC 230-03-045 Defining substantial interest holder. (1) "Substantial interest holder" means a person who has actual or potential influence over the management or operation of any organization, association, or other business entity.

(2) Evidence of substantial interest may include, but is not limited to:

(a) Directly or indirectly owning, operating, managing, or controlling an entity or any part of an entity; or

(b) Directly or indirectly profiting from an entity or assuming liability for debts or expenditures of the entity; or

(c) Being an officer or director or managing member of an entity;
or

(d) Owning ten percent or more of any class of stock in a privately or closely held corporation; or

(e) Owning five percent or more of any class of stock in a publicly traded corporation; or

(f) Owning ten percent or more of the membership shares/units in a privately or closely held limited liability company; or

(g) Owning five percent or more of the membership shares/units in a publicly traded limited liability company; or

(h) Providing ten percent or more of cash, goods, or services for the start up of operations or the continuing operation of the business during any calendar year or fiscal year. To calculate ten percent of cash, goods, or services, take the operational expenses of the business over the past calendar or fiscal year, less depreciation and amortization expenses, and multiply that number by ten percent; or

(i) Receiving, directly or indirectly, a salary, commission, royalties, or other form of compensation based on the gambling receipts.

(3) Spouses of officers of charitable or nonprofit organizations and spouses of officers or board members of publicly traded entities or subsidiaries of publicly traded entities are not considered substantial interest holders, unless there is evidence to the contrary. If so, then an investigation will be conducted to determine if they qualify as a substantial interest holder.

(4) Spouses of officers, owners, or shareholders owning ten percent or more of the organizations' shares of a sports wagering organization are not considered substantial interest holders.

AMENDATORY SECTION (Amending WSR 18-05-026, filed 2/9/18, effective 5/1/18)

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, and sports wagering vendor 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.

(2) Recreational gaming activity and agricultural fair permit holders do not need to submit fingerprints.

AMENDATORY SECTION (Amending WSR 13-09-048, filed 4/15/13, effective 5/16/13)

WAC 230-03-065 Spouses must also be qualified. (1) Applicants' spouses must also meet the qualifications to hold a gambling license when married persons who maintain a marital community apply for or

hold a license to operate gambling activities. This includes, but is not limited to, owners and substantial interest holders of commercial gambling establishments.

(2) If you are a licensed employee of a gambling operation, officer of a charitable or nonprofit organization, or an officer or a board member of a publicly traded entity or subsidiary of a publicly traded entity, your spouse does not need to meet the licensing qualifications, unless they are deemed to be a substantial interest holder.

(3) Spouses of owners and substantial interest holders of a sports wagering organization are not considered substantial interest holders.

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

WAC 230-03-070 Training required for licensing. (1) You must complete a training course we establish if you:

(a) Signed the licensing application; or

(b) Are a manager; or

(c) Are responsible for conducting gambling activities or completing records.

(2) You must complete training within thirty days of the effective date of your license.

(3) We do not require manufacturers ~~((or))~~, manufacturers' representatives, or major sports wagering vendors to complete training. However, all licensees are expected to know and follow all rules upon receiving your license.

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

WAC 230-03-075 Withdrawing your application. (1) You may withdraw your license application for any reason by sending written or electronic mail notice to us. We must receive your written request at our headquarters office before we issue or deny the license.

(2) Withdrawing an application will not affect any future application for a license.

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

WAC 230-03-195 Additional information required from manufacturer ~~((and))~~, distributor, and sports wagering vendor license applicants.

If you are applying for a manufacturer ~~((or))~~, distributor, or sports wagering vendor license, you must attach the following to your application form or submit the following in a manner we require:

(1) A list of all businesses or corporations which you, or officers, directors, or substantial interest holders of your business, ei-

ther directly or indirectly, own or control as a substantial interest holder; and

(2) A list of all businesses or corporations licensed to conduct gambling activities or to supply gambling-related equipment, supplies, or services in which you, officers, directors, or substantial interest holders of your business have any interest; and

(3) A list of all jurisdictions in which you or any of the officers, directors, or substantial interest holders of your business have had a gambling-related license at any level during the previous ten years; and

(4) A statement about whether you, or officers, directors, or substantial interest holders have ever been part of a business that had a gambling-related license denied, revoked, or suspended by any jurisdiction for a period longer than thirty days.

NEW SECTION

WAC 230-03-196 Additional information required for sports wagering vendors. Sports wagering vendor applicants must provide contracts and agreements, or proposed contracts or agreements, with any third parties, excluding contracts or agreements with Washington state tribes, that are part of their sports wagering offerings for review for compliance with chapter 9.46 RCW and Title 230 WAC. Contracts or agreements to be provided for review will relate to the applicant's or third-party vendor's sports wagering equipment, goods, services, and information.

LICENSING SPORTS WAGERING VENDORS

NEW SECTION

WAC 230-03-229 Applying for a major sports wagering vendor license. You must apply for a major sports wagering vendor license if you provide integral sports wagering goods or services in our state. This includes:

- (1) Managing a Tribe's or Tribes' sports wagering operations;
- (2) Being a Tribe's or Tribes' primary consultant who provides substantial sports wagering related services;
- (3) Being a manufacturer or distributor of a sports wagering system(s);
- (4) Providing bookmaking services; or
- (5) Providing sports wagering risk management services.

NEW SECTION

WAC 230-03-231 Applying for a mid-level sports wagering vendor license. You must apply for a mid-level sports wagering vendor license if you provide services or equipment related to data, security, and integrity that include, but are not limited to:

- (1) Integrity monitoring;
- (2) Data to be used by a Tribe(s) or sports wagering vendor, including data to set odds;
- (3) The compilation, furnishing, or storage of data for use in sports wagering;
- (4) Initial or annual wagering system security testing or assessment;
- (5) Geofence and geolocation compliance and monitoring; and
- (6) Sports wagering account management, including Software-as-a-Service (SaaS) products.

NEW SECTION

WAC 230-03-233 Applying for an ancillary sports wagering vendor license. You must apply for an ancillary sports wagering vendor license if you provide necessary sports wagering support services that include, but are not limited to:

- (1) Mobile payment processing for use in mobile sports wagering;
- (2) Know your customer or identity verification for use in mobile sports wagering; and
- (3) Marketing or promotional affiliates for a sports wagering vendor or tribal sports wagering operator where the contractual financial arrangement is based on a percentage of an operator's sports wagering revenue.

NEW SECTION

WAC 230-03-234 Sports wagering vendor applicants and associated entities in their corporate structure. You must apply for a sports wagering vendor license if you enter into contracts or agreements to provide sports wagering gaming goods or services to operators or other sports wagering vendors for sports wagering goods or services in our state. Any associated organizations linked to the sports wagering applicant in their corporate structure, who provides sports wagering goods or services to the applicant, must comply with our rules. The applicant will have the ultimate responsibility for any goods or services provided by another legal entity associated to the applicant. This only includes organizations in the applicant's corporate ownership structure.

NEW SECTION

WAC 230-03-311 Applying for a major sports wagering vendor representative license. You must apply for a major sports wagering representative license if you, as an individual, are employed or contracted by a major sports wagering vendor to represent, service, or work in any sports wagering activities in our state or you supervise those who do.

NEW SECTION

WAC 230-03-312 Applying for a mid-level sports wagering vendor representative license. You must apply for a mid-level sports wagering representative license if you, as an individual, are employed or contracted by a mid-level sports wagering vendor to represent, service, or work in any sports wagering activities in our state or you supervise those who do.

NEW SECTION

WAC 230-03-313 Applying for an ancillary sports wagering vendor representative license. You must apply for an ancillary sports wagering representative license if you, as an individual, are employed or contracted by an ancillary sports wagering vendor to represent, service, or work in any sports wagering activities in our state or you supervise those who do.

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

WAC 230-03-320 Substantial interest holders not required to be licensed as representatives. (1) If you are a substantial interest holder in a business licensed to operate a manufacturer, distributor, gambling service supplier, call centers for enhanced raffles, or linked bingo prize provider or a spouse of the same, you do not have to have an additional license to perform representative duties connected with that licensed business.

(2) If you are a substantial interest holder in a business licensed as a sports wagering vendor, you do not need to have an additional sports wagering vendor representative license to perform representative duties connected with that licensed business.

AMENDATORY SECTION (Amending WSR 18-05-026, filed 2/9/18, effective 5/1/18)

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) Sports wagering vendor representatives may represent more than one licensed sports wagering vendor so long as their representation would not create a conflict that would undermine the integrity of sports wagering or a sporting event.

(4) If the owner you represent owns more than one licensed business, you may represent the owner in all those licensed businesses, including licensed manufacturers.

~~((4))~~ (5) You must submit an application and pay a fee before beginning work at a new or additional employer.

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

WAC 230-03-335 Representatives must not work before receiving a license. If you are applying for a license as a representative for a manufacturer, distributor, gambling services supplier, call centers for enhanced raffles, a sports wagering vendor, or linked bingo prize provider, you must not work until you receive a license from us.

NEW SECTION

The following sections of the Washington Administrative Code are decodified and recodified as follows:

Old WAC Number	New WAC Number
230-03-230	230-03-226
230-03-232	230-03-227