

**WAC 230-06-030 Restrictions and conditions for gambling promotions.** Licensees may conduct gambling promotions to encourage players to participate in the gambling activity they are licensed to conduct without our review or approval under these restrictions and conditions:

(1) You must establish rules and restrictions to determine how you will give promotional prizes and items to players; and

(2) You must comply with all applicable federal, state, and tribal laws and rules; and

(3) You must display all rules and restrictions clearly in the gambling area and include them on promotional materials or advertisements; and

~~((3))~~ (4) You must give all players eligible for the promotion an equal opportunity to participate; and

~~((4))~~ (5) Except for members-only progressive raffles conducted as authorized in WAC 230-11-091, you must not give another chance to participate in a gambling activity we regulate as a promotional item; and

~~((5))~~ (6) As part of a gambling promotion, you may add additional merchandise or cash prizes, including increasing payouts for gambling activities you are licensed to conduct; and

~~((6))~~ (7) Licensed manufacturers, distributors, and service suppliers may give cash or merchandise items to licensed operators to be used as promotional prizes as long as:

(a) The cash or merchandise is offered to all licensed operators; and

(b) The gambling promotion is approved by the director or director's designee when cash or merchandise provided to a licensed operator for a single promotion is over twenty-five thousand dollars; and

~~((7))~~ (8) In order for a licensed manufacturer, distributor, and service supplier to receive approval, the plan for the gambling promotion must be submitted to the director at least ninety days in advance of the intended start date. The promotion must include sufficient information for the director's approval, comply with all applicable federal and state laws, and include:

(a) The gambling promotion rules and restrictions; and

(b) How the operator will safeguard the prizes; and

(c) How the prizes will be given away; and

(d) The beginning and ending dates for the gambling promotion; and

(e) A detailed prize winner's record to be filled out upon completion of the promotion that includes the winner's name, prizes paid out, date the prize was awarded; and

(f) Any other information we request; and

~~((8))~~ (9) You must not give promotional prizes or items based on additional elements of chance except that:

(a) Licensed bingo operators are authorized to give promotional prizes or items as part of a bingo game; and

(b) Licensed card rooms are authorized to give promotional prizes or items as part of a physical drawing, spinning a wheel, or selecting from a group of concealed items; and

~~((9))~~ (10) You must not combine gambling activities and related gambling promotions in any way with a promotional contest of chance as defined in RCW 9.46.0356.

AMENDATORY SECTION (Amending WSR 19-11-047, filed 5/10/19, effective 6/10/19)

**WAC 230-06-050 Review of electronic or mechanical gambling equipment.** (1) When you are required to 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 accepting orders for gambling equipment when you are licensed.

(5) Only gambling equipment approved by the director or director's designee is allowed in Washington except as provided under WAC 230-16-005.

(6) We may include security or surveillance requirements as part of gambling equipment approval.

(7) Gambling equipment must operate as approved by the director or director's designee.

(8) 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.

(9) 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.

AMENDATORY SECTION (Amending WSR 18-05-029, filed 2/9/18, effective 7/1/18)

**WAC 230-06-082 Manufacturers, distributors, gambling service suppliers, sports wagering vendors, linked bingo prize providers, and call centers for enhanced raffles reporting changes in licensed employees.** Manufacturers, distributors, gambling service suppliers, sports wagering vendors, linked bingo prize providers and call centers for enhanced raffles licensees must:

(1) Submit an application and the required fees before allowing licensed employees or sports wagering vendor representatives to begin working.

(2) Notify us in the format we require when a licensed employee or sports wagering vendor representative no longer works for them. We must receive the notice at our Lacey office within ten days of the licensed (~~(employee's)~~) employee or representative's last day.

NEW SECTION

**WAC 230-06-084 Submitting sports wagering related contracts and agreements.** Sports wagering vendors must provide contracts or agreements, or changes to contracts or agreements, with any third parties, excluding contracts or agreements with Washington state tribes, that are part of their sports wagering offerings within thirty days of the effective date of the contract or agreement. Contracts or agreements to be provided will relate to the applicant's or third-party vendor's sports wagering equipment, goods, services, and information.

AMENDATORY SECTION (Amending WSR 18-05-029, filed 2/9/18, effective 7/1/18)

**WAC 230-06-110 Buying, selling, or transferring gambling or sports wagering equipment.** (1) All licensees and persons authorized to possess gambling or sports wagering equipment must closely control the (~~(gambling)~~) equipment in their possession.

(2) Before selling gambling or sports wagering equipment, licensees must ensure that the buyer possesses a valid gambling license or can legally possess the equipment without a license.

(3) Licensees buying, selling, or transferring gambling or sports wagering equipment must ensure that it will be used pursuant to all state laws and rules, or laws and rules in the jurisdiction(s) where the activity is occurring.

(4) Before purchasing gambling or sports wagering equipment, licensees must ensure that the seller possesses a valid gambling license.

~~((4))~~ (5) 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))~~ (6) Charitable and nonprofit organizations conducting unlicensed bingo games, as allowed by RCW 9.46.0321, may possess bingo equipment without a license.

~~((6))~~ (7) Group 12 amusement games can only be sold or leased to amusement game licensees by a licensed manufacturer or distributor. Amusement game licensees can lease or rent group 12 amusement games for operation at approved amusement game locations.

~~((7))~~ (8) Licensees may transfer gambling or sports wagering 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 or sports wagering equipment transferred in this manner, including I.D. stamps. Licensees must report these transfers, including a copy of the inventory record, to us.

NEW SECTION

**WAC 230-06-116 Transporting, displaying, and selling gambling equipment at trade shows.** (1) "Trade show" when used in this section means an exhibition where licensees can promote their products and services to operators of authorized gambling activities in Washington; the exhibition is not open to the public; and it is of limited duration.

(2) "Gambling equipment" as used in this section has the same meaning as in WAC 230-03-200.

(3) "Demonstration mode" when used in this section means when gambling equipment cannot be used for actual wagering and the equipment's coin or bill acceptor is removed or physically restricted from use.

(4) Licensees may transport, display, and accept orders for the sale or lease of their products at trade shows only under the following conditions:

(a) All products must be manufactured by a licensee for activities authorized by state laws or tribal-state compacts, or is Class II gaming equipment as authorized by federal law for use on tribal lands; and

(b) All gambling or sports wagering equipment physically displayed must be in demonstration mode and either:

(i) Approved for sale or lease in the state; or

(ii) Not approved by us but is only used for authorized activities under state laws or tribal-state compacts, or is Class II gaming equipment as authorized by federal law for use on tribal lands, and is transported into the state no more than ten days before a trade show begins and is removed from the state within ten days following the last day of a trade show.

(c) Equipment must have a sign posted in close proximity to the device that contains the phrase, "No one under 18 years of age is allowed to operate this machine."

(5) Licensees must provide notification that they will be transporting, displaying, or accepting orders for gambling or sports wagering equipment on a form prescribed by us at least ten days before a specified trade show.

(6) Gambling equipment and sports wagering equipment at a trade show is subject to on-site inspection by us.

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

**WAC 230-06-120 Selling or transferring gambling or sports wagering equipment when no longer licensed.** (1) If we have revoked your operator (~~(operator)~~), distributor, or sports wagering vendor license, your license has expired, or you have voluntarily surrendered your license, you may only sell or otherwise transfer gambling or sports wagering equipment to a licensed manufacturer (~~(operator)~~), distributor, or sports wagering vendor, as applicable, and consistent with all laws and rules, including WAC 230-06-110.

(2) Transfers of gambling or sports wagering equipment in this manner are subject to the following requirements:

(a) The transfer must be complete within thirty days of the date the license became invalid; and

(b) Distributors must use the cash or credit against amounts they owe manufacturers; and

(c) Operators ~~((~~o~~))~~, distributors, or sports wagering vendors selling the equipment must report to us within ten days of the transaction a complete inventory of all the ~~((~~gambling~~))~~ equipment transferred, including commission I.D. stamps; and

(d) Manufacturers ~~((~~o~~))~~, distributors, or sports wagering vendors receiving the equipment must prepare a credit memorandum and retain it with their records.