



Concise Explanatory Statement

Notice of Permanent Rule Changes Related to Restrictions on Progressive Jackpots

This explanatory statement concerns the Washington State Gambling Commission's amendments to:

- WAC 230-05-685 Restrictions on progressive jackpots

The Administrative Procedure Act ([RCW 34.05.325\(6\)](#)) requires agencies to complete a concise explanatory statement before filing amended rules with the Office of the Code Reviser. This statement must be sent to anyone who provided comments about the proposed rulemaking.

Once persons who gave comment during this rule-making process have had an opportunity to receive this document, the Washington State Gambling Commission will file the amended rules with the Office of the Code Reviser. These changes will become effective on September 2, 2023.

The Washington State Gambling Commission appreciates your involvement in the rule-making process. If you have any questions, please contact the WSGC Rules Coordinator at rules.coordinator@wsgc.wa.gov or at (360) 486-3454.

What are the agency's reasons for adopting these rules?

The Washington State Gambling Commission received a petition from a licensee proposing to amend the rule related to progressive jackpots and their restrictions to allow house-banked card room licensees to connect *more than one* progressive jackpot on different card games. Until now, the rule only allowed licensees to connect *one* progressive jackpot on different card games.

From a regulatory standpoint, the Commission already has approved recordkeeping processes for progressive jackpots that the petition would not alter in any way. Furthermore, the Commission must review and approve progressive jackpot systems and all card games offering progressive jackpots. The Commission requires card rooms to keep detailed records related to progressive jackpots, and regulatory agents conduct annual inspections of all progressive jackpot games in play.

Adoption of the amended rule will enable operators to offer and connect more than one jackpot per table across different card games in the same fashion as is currently allowed across the same card games.

The Rule Development Process

The Commission introduced this petition at the March 9, 2023 Commission meeting and filed the CR-101 with the code reviser on March 20, 2023. It was a topic for public discussion at the April 13, 2023 Commission meeting and the May 11, 2023 Commission meeting. The CR-102 with the

proposed amended rule was filed with the code reviser on May 19, 2023. The rule-making hearing on the proposed rule was held at the regular Commission meeting on July 20, 2023 where the Commission opened the floor to public comment. As is its practice, the Commission also welcomed public comments via email and through a webform on the Commission's website.

If there are variances from the proposed rule and final adopted rule, state the reasons for the differences (RCW 34.05.325(6)(a)(ii)).

There are no variances from the proposed rules filed with the CR-102 and the final adopted rules.

Summary of all public comments received on this rule proposal and Commission response to the comments

The petitioner was present at all Commission meetings when the topic was discussed. At the March 2023 Commission meeting, the petitioner and Commission staff responded to questions from Commissioners about what is currently allowed in the rules. There were no other public comments in writing or orally provided in defense of or against the petition.