



PROPOSED RULE MAKING

CR-102 (June 2024)
(Implements RCW 34.05.320)
Do **NOT** use for expedited rule making

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STATE OF WASHINGTON
FILED

DATE: November 15, 2024

TIME: 2:27 PM

WSR 24-23-057

Agency: Washington State Gambling Commission

Original Notice

Supplemental Notice to WSR 24-13-056

Continuance of WSR _____

Preproposal Statement of Inquiry was filed as WSR 24-07-075 ; or

Expedited Rule Making--Proposed notice was filed as WSR _____; or

Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1); or

Proposal is exempt under RCW _____.

Title of rule and other identifying information: (describe subject) WAC 230-15-050 Minimum Cash on Hand requirements; new sections WAC 230-15-190 Paying out odds-based and fixed based prizes & WAC 230-15-195 Keeping funds to pay fixed-based prizes

Hearing location(s):

Date:	Time:	Location: (be specific)	Comment:
August 8, 2024	9:30 am	Washington State Liquor and Cannabis Board 1025 Union Ave SE, Olympia, WA, 98501	The meeting time and location are tentative. Visit our website at www.wsgc.wa.gov approximately seven days prior to the meeting and select "About Us" and then, "Upcoming commission meetings" to confirm the hearing date, location, start time and agenda items

Date of intended adoption: January 9, 2025 (Note: This is **NOT** the **effective** date)

Submit written comments to:

Name Adam Amorine

Address PO Box 42400, Olympia, WA 98504-2400

Email rules.coordinator@wsgc.wa.gov

Fax

Other www.wsgc.wa.gov

Beginning (date and time) November 15, 12:00 pm

By (date and time) January 8, 2025 4:00 pm

Assistance for persons with disabilities:

Contact Julie Anderson

Phone 360-486-3453

Fax

TTY 360-486-3637

Email julie.anderson@wsgc.wa.gov

Other www.wsgc.wa.gov

By (date) January 8, 2025 4:00 pm

Purpose of the proposal and its anticipated effects, including any changes in existing rules: The proposed rules require card game licensees to exchange chips for cash unless the player requests payment by check; changes the formula for determining the minimum amount of cash required to be in the cage, safe, and/or vault for house-banked card rooms; allows for specific prizes to be paid by check; and requires house-banked card room licensees to have sufficient funds to pay fixed-based prizes offered.

Reasons supporting proposal: Currently, our rules require house-banked card game licensees to have sufficient cash on hand to redeem all chips issued for play and pay out all prizes. Staff has found that this existing formula may not be adequate for all house-banked card game licensees. Additionally, the new rules would allow for checks to be issued to certain winning players, which aims to mitigate potential safety concerns associated with a patron physically possessing a large amount of cash after winning a large prize.

Statutory authority for adoption: RCW 9.46.070

Statute being implemented: RCW 9.46.070

Is rule necessary because of a:

Federal Law?

Yes No

Federal Court Decision?

Yes No

State Court Decision?

Yes No

If yes, CITATION:

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:

Name of proponent: (person or organization) Washington State Gambling Commission

Type of proponent: Private. Public. Governmental.

Name of agency personnel responsible for:

	Name	Office Location	Phone
Drafting Manager	Adam Amorine, Legal	4565 7th Ave SE, Lacey, WA 98503	360-486-3473
Implementation	Tina Griffin, Director	4565 7th Ave SE, Lacey, WA 98503	360-486-3546
Enforcement Director	Gary Drumheller, Deputy	4565 7th Ave SE, Lacey, WA 98503	509-325-7904

Is a school district fiscal impact statement required under [RCW 28A.305.135](#)?

Yes No

If yes, insert statement here:

The public may obtain a copy of the school district fiscal impact statement by contacting:

Name
Address
Phone
Fax
TTY
Email
Other

Is a cost-benefit analysis required under [RCW 34.05.328](#)?

Yes: A preliminary cost-benefit analysis may be obtained by contacting:

Name
Address
Phone
Fax
TTY
Email
Other

No: Please explain: A cost-benefit analysis is not required as this agency is not listed under RCW 34.05.328(5)(a)(i). Further, the Gambling Commission does not voluntarily make that section applicable to the adoption of this rule pursuant to the subsection (5)(a)(ii) and to date the Joint Administrative Rules Review Committee has not made the section applicable to the adoption of this rule.

Regulatory Fairness Act and Small Business Economic Impact Statement

Note: The [Governor's Office for Regulatory Innovation and Assistance \(ORIA\)](#) provides support in completing this part.

(1) Identification of exemptions:

This rule proposal, or portions of the proposal, **may be exempt** from requirements of the Regulatory Fairness Act (see [chapter 19.85 RCW](#)). For additional information on exemptions, consult the [exemption guide published by ORIA](#). Please check the box for any applicable exemption(s):

This rule proposal, or portions of the proposal, is exempt under [RCW 19.85.061](#) because this rule making is being adopted solely to conform and/or comply with federal statute or regulations. Please cite the specific federal statute or regulation this rule is being adopted to conform or comply with, and describe the consequences to the state if the rule is not adopted.

Citation and description:

This rule proposal, or portions of the proposal, is exempt because the agency has completed the pilot rule process defined by [RCW 34.05.313](#) before filing the notice of this proposed rule.

This rule proposal, or portions of the proposal, is exempt under the provisions of [RCW 15.65.570\(2\)](#) because it was adopted by a referendum.

- This rule proposal, or portions of the proposal, is exempt under [RCW 19.85.025\(3\)](#). Check all that apply:
- | | |
|---|--|
| <input type="checkbox"/> RCW 34.05.310 (4)(b)
(Internal government operations) | <input type="checkbox"/> RCW 34.05.310 (4)(e)
(Dictated by statute) |
| <input type="checkbox"/> RCW 34.05.310 (4)(c)
(Incorporation by reference) | <input type="checkbox"/> RCW 34.05.310 (4)(f)
(Set or adjust fees) |
| <input type="checkbox"/> RCW 34.05.310 (4)(d)
(Correct or clarify language) | <input type="checkbox"/> RCW 34.05.310 (4)(g)
((i) Relating to agency hearings; or (ii) process requirements for applying to an agency for a license or permit) |
- This rule proposal, or portions of the proposal, is exempt under [RCW 19.85.025\(4\)](#). (Does not affect small businesses).
- This rule proposal, or portions of the proposal, is exempt under RCW _____.

Explanation of how the above exemption(s) applies to the proposed rule:

(2) Scope of exemptions: *Check one.*

- The rule proposal: Is fully exempt. (*Skip section 3.*) Exemptions identified above apply to all portions of the rule proposal.
- The rule proposal: Is partially exempt. (*Complete section 3.*) The exemptions identified above apply to portions of the rule proposal, but less than the entire rule proposal. Provide details here (consider using [this template from ORIA](#)):
- The rule proposal: Is not exempt. (*Complete section 3.*) No exemptions were identified above.

(3) Small business economic impact statement: *Complete this section if any portion is not exempt.*

If any portion of the proposed rule is **not exempt**, does it impose more-than-minor costs (as defined by RCW 19.85.020(2)) on businesses?

No Briefly summarize the agency's minor cost analysis and how the agency determined the proposed rule did not impose more-than-minor costs. This rule changes the formula for determining how much cash a card game licensee must have on hand and allows for licensees to write checks to winning patrons for prizes exceeding \$5,000 from general game play. Current rules already allow for checks to be written for certain prizes, such as player supported jackpots. Therefore, associated costs to small business would revolve around issuing additional checks to patrons who won over \$5,000 from general game play, which is not expected to exceed three tenths of one percent of the business's annual revenue or income.

Yes Calculations show the rule proposal likely imposes more-than-minor cost to businesses and a small business economic impact statement is required. Insert the required small business economic impact statement here:

The public may obtain a copy of the small business economic impact statement or the detailed cost calculations by contacting:

Name Adam Amorine
 Address 4565 7th Ave SE, Lacey, WA 98503
 Phone 360-486-3473
 Fax
 TTY
 Email rules.coordinator@wsgc.wa.gov
 Other

Date: November 15, 2024

Name: Adam Amorine

Title: Legal Manager

Signature:

