



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