

Washington State Gambling Commission
August 2016 Study Session
REVISED



Date: August 11, 2016

Time: 10:00 a.m. – 11:00 a.m.

Location: South Puget Sound Community College Lacey Campus
4220 6th Avenue SE, Lacey, WA 98503

Study Session Agenda

I. Up for Final Action at the August 2016 Commission Meeting

Group 12 Amusement Games – Requiring Notice to Players

- Amended Section: WAC 230-13-067 Group 12 - Electronic puzzle and pattern solving game standards. Requiring notice to players.

Group 12 Amusement Games - Licensing

- Amended Section: WAC 230-03-185 Applying for a manufacturer license.
- Amended Section: WAC 230-03-190 Applying for a distributor license.
- Amended Section: WAC 230-06-110 Buying, selling, or transferring gambling equipment.
- New Section: WAC 230-06-112 Buying, selling, renting and leasing amusement games.

Petition for Rule Change from the Recreational Gaming Association: Promotions

- WAC 230-15-025 Hours of play.
- WAC 230-06-030 Restrictions and conditions for gambling promotions.
- WAC 230-06-031 Using wheels in promotional contests of chance, fund-raising events, or gambling activities – Promotional Contests of Chance (PCOC)

II. Up for Discussion at the August 2016 Commission Meeting

Group 12 Amusement Games – Reporting, Recordkeeping and Non-transferability of Tokens

- Amended Section: WAC 230-13-075 Assigning and reporting group numbers of authorized amusement games.
- Amended Section: WAC 230-13-170 Recordkeeping for commercial amusement games.
- Amended Section: WAC 230-07-125 Recordkeeping requirements for lower volume charitable or nonprofit organizations.
- Amended Section: WAC 230-13-005 Amusement games authorized

Petition for Rule Change from Teresa Malphrus – Poker Wagering **Previously was listed under Final Action******

- WAC 230-15-080 Authorized fees and authorized methods of collection.
- WAC 230-15-135 Wagering Limits for nonhouse-banked card games.

Petition for Rule Change from George Teeny – Poker Wagering **Previously was listed under Final Action******

- WAC 230-15-135 Wagering Limits for nonhouse-banked card games.

III. Up for Discussion and possible filing at the September 2016 Commission Meeting



**STATE OF WASHINGTON
GAMBLING COMMISSION**

“Protect the Public by Ensuring that Gambling is Legal and Honest”

South Puget Sound Community College Lacey Campus **Room 186**
4220 6th Avenue SE Lacey, WA 98503
August 11, 2016 Commission Meeting
Informal Study Group Session

10:00 A.M. – 11:00 A.M.

Charitable/Nonprofit and Commercial Operators Study Session

REVISED. See **

**Executive Session to Discuss Pending Investigations, Tribal Negotiations, and Litigation –
Working Lunch**

Public Meeting

Please note, agenda items may be taken out of sequence at the discretion of the Chair

	Public Meeting Adjourns and Executive Session Begins at 11:05 A.M. Public Meeting Reconvene at 1:00 P.M.
	Welcome and Introductions <i>Julia Patterson, Commission Vice-Chair</i>
Tab 1	Director’s Report <i>David Trujillo, Director</i> <ul style="list-style-type: none"> • Fee Restructure Outreach and Stakeholder Update <i>Amy Hunter, Deputy Director</i>
Tab 2	Budget Presentation <i>Michael Kashmar, Chief Financial Officer</i>
Tab 3	G2E Asia 2016 Presentation <i>Special Agent, Donna Khanhasa Agent in Charge, Jennifer LaMont</i>
ADMINISTRATIVE PROCEDURE ACT PROCEEDINGS	
Rules Up for Final Action	
Tab 4	Group 12 Amusement Games Requiring Notice to Players <i>Tina Griffin, Assistant Director</i> <ul style="list-style-type: none"> • Amended Section: WAC 230-13-067 Group 12 Electronic Puzzle and Pattern Solving Game Standards. <p style="font-size: small;"><i>Filed 3/02/2016 as a Pre-Proposal Statement of Inquiry (CR-101) under WSR #16-06-130. Proposed Rule Making (CR-102) under WSR #16-09-044 with a published date of 5/04/2016. Proposed Rule Making (CR-102) under WSR #16-12-107 with a published date of 6/15/2016.</i></p>
Tab 5	Group 12 Amusement Games Licensing <i>Tina Griffin, Assistant Director</i> <ul style="list-style-type: none"> • Amended Section: WAC 230-03-185 Applying for a manufacturer license. • Amended Section: WAC 230-03-190 Applying for a distributor license. • Amended Section: WAC 230-06-110 Buying, selling, or transferring gambling equipment. • New Section: WAC 230-06-112 Buying, selling, renting and leasing amusement games. <p style="font-size: small;"><i>Filed 04/04/2016 as a Pre-Proposal Statement of Inquiry (CR-101) under WSR #16-08-057. Proposed Rule Making (CR-102) under WSR #16-08-057 with a published date of 4/4/2016. Proposed Rule Making (CR-102) under WSR #16-12-110 with a published date of 6/15/2016.</i></p>
Tab 6	Petition from Theresa Malphrus ***This will be up for discussion. Final action will be at the September meeting.** Poker Wagering <i>Tina Griffin, Assistant Director</i>

	<ul style="list-style-type: none"> Amended Section: WAC 230-15-080 Authorized fees and authorized methods of collection. Amended Section: WAC 230-15-135 Wagering Limits for nonhouse-banked card games. <p><i>Filed 04/13/2016 as a Pre-Proposal Statement of Inquiry (CR-101) under WSR #16-09-031. Proposed Rule Making (CR-102) under WSR #16-14-111 with a published date of 7/06/2016.</i></p>
Tab 7	<p>Petition from George Teeny**This will be up for discussion. Final action will be at the September meeting.**</p> <p>Poker Wagering <i>Tina Griffin, Assistant Director</i></p> <ul style="list-style-type: none"> Amended Section: WAC 230-15-135 Wagering Limits for nonhouse-banked card games. <p><i>Filed 04/13/2016 as a Pre-Proposal Statement of Inquiry (CR-101) under WSR #16-09-032. Proposed Rule Making (CR-102) under WSR #16-13-152 with a published date of 7/06/2016.</i></p>
Tab 8	<p>Petition from Recreational Gaming Association Promotions <i>Tina Griffin, Assistant Director</i></p> <ul style="list-style-type: none"> WAC 230-15-025 Hours of play. WAC 230-06-030 Restrictions and conditions for gambling promotions. WAC 230-06-031 Using wheels in promotional contests of chance, fund-raising events, or gambling activities – Promotional Contests of Chance (PCOC) <p><i>Filed 03/22/2016 as a Pre-Proposal Statement of Inquiry (CR-101) under WSR #16-07-122. Proposed Rule Making (CR-102) under WSR #16-12-113 with a published date of 06/01/2016.</i></p>
Rules Up for Discussion	
Tab 9	<p>Group 12 Amusement Games Reporting, Recordkeeping and Non-transferability of Tokens <i>Tina Griffin, Assistant Director</i></p> <ul style="list-style-type: none"> Amended Section: WAC 230-13-075 Assigning and reporting group numbers of authorized amusement games. Amended Section: WAC 230-13-170 Recordkeeping for commercial amusement games. Amended Section: WAC 230-07-125 Recordkeeping requirements for lower volume charitable or nonprofit organizations. Amended Section: WAC 230-13-005 Amusement games authorized. <p><i>Filed 3/02/2016 as a Pre-Proposal Statement of Inquiry (CR-101) under WSR #16-06-130. Proposed Rule Making (CR-102) under WSR #16-09-043 with a published date of 5/04/2016. Proposed Rule Making (CR-102) under WSR #16-12-108 with a published date of 6/15/2016.</i></p>
Tab 10	New Licenses and Class III Employees <i>Tina Griffin, Assistant Director</i>
Tab 11	<p>Default</p> <ul style="list-style-type: none"> Minh Nguyen, Cardroom Licensee, Revocation <i>Brian Considine, Managing Attorney</i>
Tab 12	<p>Approval of the Commission Meeting Minutes</p> <ul style="list-style-type: none"> July 14, 2016
	Other Business/General Discussion/Comments from the Public
	Adjourn

Upon advance request, the Commission will pursue reasonable accommodations to enable persons with disabilities to attend Commission meetings. Questions or comments pertaining to the agenda and requests for special accommodations should be directed to Julie Anderson, Executive Assistant at (360) 486-3453 or TDD (360) 486-3637. Questions or comments pertaining to rule changes should be directed to the Rules Coordinator and Public Information Officer at (360) 486-3466.

Petition for Rule Change from Warren Montney - Restrictions and Conditions for Gambling Promotions

- Amended Section: WAC 230-06-030 Restriction and Conditions for Gambling Promotions.
- Amended Section: WAC 230-15-453

Petition for Rule Change from the Recreational Gaming Association: Wagering Limits

- WAC 230-15-140 Wagering Limits for House-Banked Card Games

IV. Responses to Questions from Previous Study Session.

V. Open Discussion



STATE OF WASHINGTON
GAMBLING COMMISSION

"Protect the Public by Ensuring that Gambling is Legal and Honest"

July 28, 2016

TO: **COMMISSIONERS** **EX OFFICIO MEMBERS**
Bud Sizemore, Chair Senator Steve Conway
Julia Patterson, Vice-Chair Senator Mike Hewitt
Chris Stearns Representative Bruce Chandler
Kelsey Gray, PhD. Representative Christopher Hurst
Ed Troyer

FROM: Amy B. Hunter, Deputy Director 

SUBJECT: Fee Restructure Stakeholder Outreach Update

At the May 12, 2016, Commission meeting, staff presented two options to you: (A) simplify the existing fee structure or (B) create a new fee structure. You voted 5-0 to explore creating a new fee structure that is more sustainable and equitable than the current model. In doing so, you asked staff to reach out to stakeholders about our proposed new fee structure and report back in October.

Here is an update of the stakeholder outreach that has been conducted so far.

Groups staff met with so far:

- Legislative Staff June 15, 2016 Olympia
- Legislative Staff June 26, 2016 Olympia
- Recreational Gaming Association July 13, 2016 SeaTac
 - House-banked Card Room Owners (Representing 13 House-banked Card Rooms/HBCRs)
 - Manufacturer (1)
- Pull-tab Manufacturers (2) and Distributors (1) July 26, 2016 Lynnwood
- House-banked Card Room Owner July 26, 2016 Everett
(Representing 3 HBCRs)

Legislative Liaison Brian Considine has also met with seven (7) legislators.

I plan to meet with several other groups through the next two months. In August I plan to meet with a Nonprofit Organization in Vancouver, a Gambling Service Supplier, and a house-banked card room representative.

Feedback received from stakeholders:

Fee Restructure Outreach Update

July 28, 2016

Page 2 of 2

- Vendors will pass increased fees onto customers. Impact on small businesses, particularly pull-tab operators.
- Get rid of ID stamps – Fee per game instead.
- Will agency pursue funding from state general fund?
- Look at a flat rate instead.
- Beneficial that new fee structure could allow use of Business License Services (BLS) – would help small businesses.
- \$60 renewal fee may be too low. Might be easier for businesses if the amount were higher, so less likely to have to pay each quarter.
- Fees versus taxes.

I look forward to giving you a full report at the October Commission meeting.

Washington State Gambling Commission



FY 2017 Budget Revision 2017-19 Budget Request

Mission

Protect the public by ensuring that gambling is legal and honest

August 11, 2016

Presenter:
Mike Kashmar, CFO



Agenda

- FY 2016 Wrap-up
- Projected Revenue
- Projected Expenditures
- Projected Working Capital Balance
- Staff Recommendations

FY 2016 Wrap-Up

<u>FY 2016</u>	<u>Projected</u>	<u>Actual</u>	<u>Variance</u>
Revenue	\$12,774,000	\$13,936,000	\$1,162,000
Expenditures	12,857,000	12,133,000	(724,000)
Ending Working Capital (WC)	\$4,054,000	\$5,940,000	\$1,886,000



Gambling Revolving Account (884) Revenue

FY 2017

Projected Revenue (August 2015)	\$12,850,000
Proposed Adjustment	<u>1,141,000</u>
Revised Projection	\$13,991,000

Proposed adjustment reflects an 8.9% increase over original projection

2017-19 Biennium

	<u>FY2018</u>	<u>FY2019</u>	<u>Biennial Total</u>
Projected Revenue	\$10,377,000	\$14,194,000	\$24,571,000

Projection assumes a staggered implementation of a fee restructure beginning July 1, 2017. Assumptions are draft and may change based on stakeholder input.

Gambling Revolving Account (884) Expenditures



FY 2017

Projected Expenditures (August 2015)	\$13,216,000
Proposed Adjustment	<u>1,002,000</u>
Revised Projection	\$14,218,000

Proposed adjustment includes costs for:

- Headquarters relocation
- Radio replacement/upgrade
- Scheduled Vehicle replacement

2017-19 Biennium

	<u>FY2018</u>	<u>FY2019</u>	<u>Biennial Total</u>
Projected Expenditures	\$13,731,000	\$13,731,000	\$27,462,000

Projection assumes the following:

- Lease not renewed - Everett
- Scheduled Vehicle replacement

Gambling Revolving Account (884)



Working Capital

	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>
Beginning WC	\$5,940,000	\$5,713,000	\$2,359,000
Plus: Projected Revenue	13,991,000	10,377,000 **	14,265,000
Total	\$19,931,000	\$16,090,000	\$16,624,000
Less: WC Reserve *	(2,370,000)	(2,288,000)	(2,288,000)
Available Revenue	\$17,561,000	\$13,802,000	\$14,336,000
Less: Projected Expenditures	14,218,000	13,731,000	13,731,000
Available Remaining	\$3,343,000	\$71,000	\$605,000
Plus: WC Reserve	2,370,000	2,288,000	2,288,000
Ending WC	\$5,713,000	\$2,359,000	\$2,893,000

*WC Reserve = 60 days of projected expenditures
** FY 2018 Projected Revenue assumes a staggered implementation of a fee restructure beginning July 1, 2017.



Staff Recommendation

Approve the following:

<u>FY 2017 (revised)</u>	
Revenue	13,991,000
Expenditures	14,218,000
Ending WC Balance	5,713,000

<u>2017-19 Biennium</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>Biennial total</u>
Revenue	10,377,000	14,194,000	24,571,000
Expenditures	13,731,000	13,731,000	27,462,000
Ending WC Balance	2,359,000	2,893,000	



Global Gaming Expo Asia 2016 Activities Summary

Washington State Gambling Commission

Jennifer LaMont, Agent in Charge

Donna Khanhasa, Special Agent

July 2016

Mission Statement:

Protect the public by ensuring that gambling is legal and honest



global gaming expo
G2E ASIA
亞洲國際博彩娛樂展會

ufi
Approved
Event

- Trade show
- Stakeholder meetings



Bally

CAMMEGH
The World's Finest Roulette Wheel

Global Gaming Expo Activities



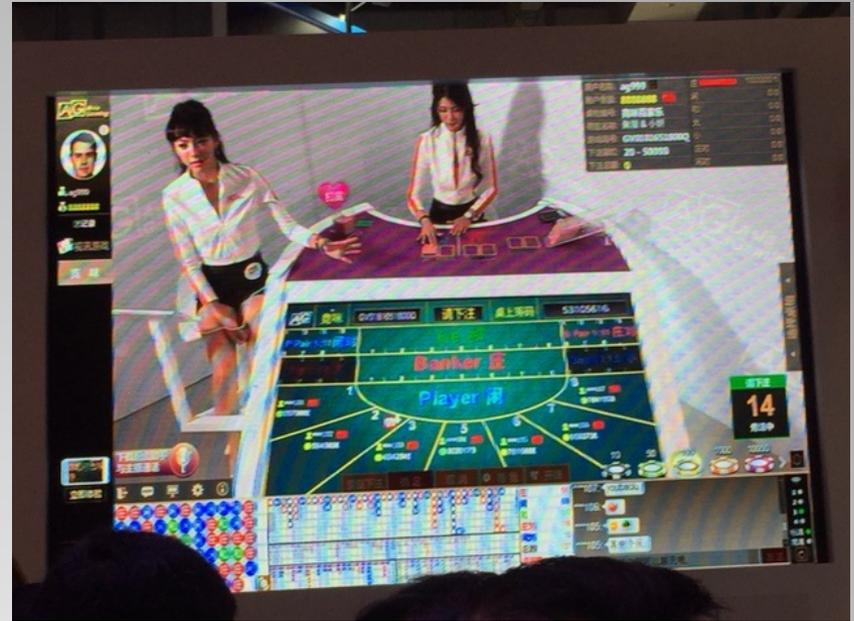
Electronic Table Games



Bally product for the Asian market



Table Game Technology



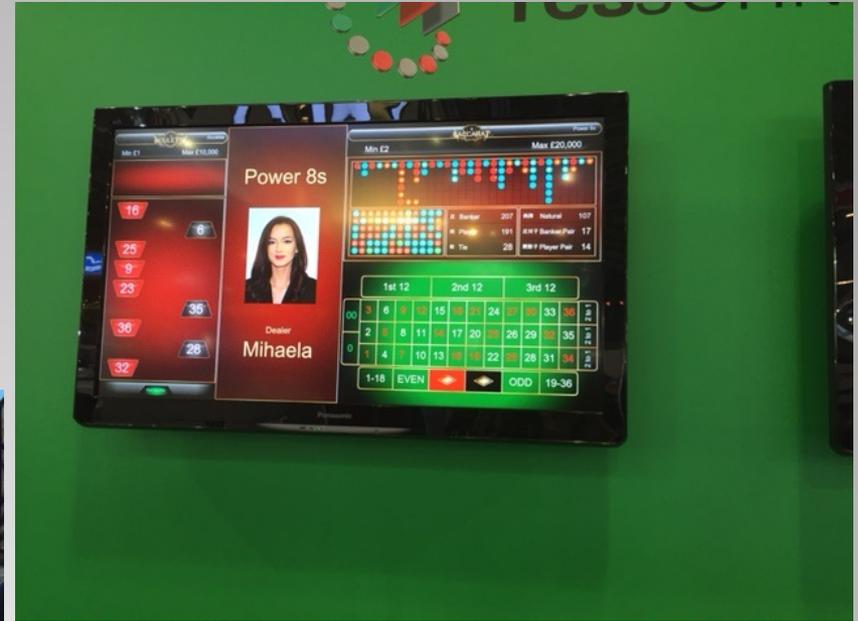
Electronic Table Games



Table Game Technology



Electronic Dice Shaker



Electronic Roulette, no live dealer



Table Game Technology



Thank You



Amended:

WAC 230-13-067 Group 12—Electronic puzzle and pattern solving game standards.

- August 2016 – Final Action**
- July 2016 – Further Discussion**
- June 2016 – No Meeting**
- May 2016 – Further Discussion**
- April 2016 – Further Discussion**
- March 2016 – Up for Discussion and Filing**

TAB 4: August 2016 Commission Meeting Agenda.	Statutory Authority 9.46.070, 9.46.0201
Who proposed the rule changes?	
Staff at the request of the Commissioners at the February 2016 commission meeting.	
Proposed Changes	
<p>In July 2015, the Commissioners authorized Group 12 amusement games to be played by persons 21 and over. Since this time, numerous questions and concerns have been raised.</p> <p>At their February 2016 meeting, the Commissioners asked staff to explore regulating the appearance so that the game does not look like a slot machine. Staff prepared a rule change with two options for consideration at the March meeting.</p> <p>Option 1 - The Commissioners did not file this option at the March 2016 Commission meeting. This option required the appearance of Group 12 amusement games to not look like a slot machine.</p> <p>Option 2 requires Group 12 amusement games to prominently display on a sticker or on the screen, “This is not a slot machine. No cash prizes are allowed. You can preview the prize available before each play of the game without the insertion of money or anything of value.”</p> <p>At the April Commission meeting, then Chair Stearns asked that we revise the language to better explain the preview function, see Option 2A.</p> <p>At the May and July Commission meetings Option 2A was presented.</p> <p>A Small Business Economic Impact Statement was prepared and is attached.</p> <p>Attachments:</p> <ul style="list-style-type: none"> • Budget Proviso (the following language was included in the budget passed by the legislature): “The commission is directed to review and reconsider, including repeal, rules adopted to authorize the amusement games classified as group 12 under WAC 230-13-067, recognizing the impact such games may have on state lottery revenues used to support public education programs.” • Small Business Economic Impact Statement. 	
Licensee Impacts	
<ul style="list-style-type: none"> • As of April 2016, there were approximately 385 Group 12 amusement games in Washington. • As of February 8, 2016, there were approximately 430 Group 12 amusement games in Washington. 	

- Licensees would need to print stickers to attach to the amusement game or program the amusement game to display the message.

Agency Impacts

Staff would confirm that each Group 12 amusement game has the sticker or displays the message on the screen.

Statements Supporting or Opposing the Proposed Rule Change

At the March meeting, one person testified that requiring the appearance of the games to be changed would be expensive if Option 1 were chosen.

Staff Recommendation

Final action on Option 2A.

Proposed Effective Date for Rule Change

31 days from filing.

Option 2A At Chair Stearns' Request

Yellow highlight = Language changed after the April 2016 Commission Meeting

Amended Section

WAC 230-13-067 Group 12—Electronic puzzle and pattern solving game standards.

(1) In Group 12 games, players must correctly solve a puzzle to win a game prize, which is viewable by the player before each puzzle is presented.

(2) The game must allow the player to preview the points to be awarded if the puzzle is correctly solved~~prize that is available~~ before each play of the game without the insertion of money or any other thing of value; and

(3) Prizes are awarded based upon the player's skill in correctly discerning a pattern and completing that pattern; and

(4) When a game presents a potential winning pattern, the puzzle must be capable of completion within the predetermined time period; and

(5) Group 12 amusement games are for adults over the age of twenty-one only and may only be operated by licensees where persons under the age of twenty-one are prohibited from entering; and

(6) The amusement game must prominently display on a sticker or on the screen, "This is not a slot machine. No cash prizes are allowed. You can preview the points to be awarded if the puzzle is correctly solved~~available~~ before each play of the game without the insertion of money or anything of value."

[Statutory Authority: RCW [9.46.070](#) and [9.46.0331](#). WSR 15-15-063 (Order 713), § 230-13-067, filed 7/10/15, effective 8/10/15.]

Budget Proviso

SECOND ENGROSSED SUBSTITUTE HOUSE BILL 2376

FOR THE GAMBLING COMMISSION

State Lottery Account: For transfer to gambling revolving account \$1,000,000

The transfer in this section is subject to the following conditions and limitations:

- (1) (~~The commission shall maintain working capital reserves in the gambling revolving account of no more than five percent of projected expenses in the account~~) This funding is provided solely for the costs of enforcement of gambling activities, including but not limited to evaluation, analysis, and dissemination of information on individuals and groups who are suspected of being involved in illegal gambling and other associated crimes.
- (2) The commission shall not approve any electronic raffle systems to conduct fifty-fifty raffles until the legislature has reviewed all impacts to the state lottery.
- (3) The commission is directed to review and reconsider, including repeal, rules adopted to authorize the amusement games classified as group 12 under WAC 230-13-067, recognizing the impact such games may have on state lottery revenues used to support public education programs.

**Small Business Economic Impact Statement – RCW 19.85.040
Washington State Gambling Commission**

May 20, 2016

Proposed Changes to Rules:

WAC 230-13-067 Group 12—Electronic puzzle and pattern solving game standards.

This rule change would require group 12 amusement games to prominently display on a sticker or on the screen, “This is not a slot machine. No cash prizes are allowed. You can preview the points to be awarded if the puzzle is correctly solved before each play of the game without the insertion of money or anything of value.”

Involvement of Small Businesses:

We filed the Code Revisor’s 101 on March 2, 2016, under WSR# 16-06-130.

On July 2015, the Commissioners approved a new type of amusement game, group 12 amusement games with the passage of a new rule, WAC 230-13-067.

In October 2015, operators began putting group 12 amusement games into play and a number of questions arose regarding the operation, licensure, recordkeeping, and regulatory controls for this new type of amusement games. In an effort to address the questions and get information out to stakeholders timely, we started posting information on our website under Breaking News on group 12 amusement games.

On November 9, 2015, we sent an email to the Class B and above amusement game licensees that we had email addresses for informing them that we had drafted rules for discussion on a number of different issues concerning Group 12 amusement games. (These rules did not include this rule change.)

On November 12, 2015, we asked stakeholders that attended the Study Session, which is open to the general public, to submit any comments or rule change language, not limited to the rules staff drafted, to address the issues surrounding group 12 amusement games to commission staff by November 30, 2015.

On December 24, 2015, we sent notice to all commercial and amusement game licensees of the updated rule proposals based the feedback we received during the comment period. We also posted the draft rules on our website.

At their February 11, 2016 meeting, the Commissioners asked staff to explore regulating the appearance so that the game does not look like a slot machine. On February 12, 2016, staff posted a summary of the Commissioners request for a rule change in the special “Breaking News” section of our website for group 12 amusement game information. We also posted that we would hold a stakeholder meeting to discuss all group 12 amusement game rules currently

being discussed, which included the Commissioner’s request for rule change to WAC 230-13-067.

On February 26, 2016, staff posted in the “Breaking News” section of the website for group 12 amusement games a summary of the February 22, 2016, stakeholder meeting in which this proposed rule was discussed.

At least one week prior to the March 11, 2016 Commission meeting, we posted this rules package, which included this specific rule, on our website.

On March 25, 2016, we posted information on this rule as filed by the Commissioners at their March 11, 2016, Commission meeting in the special section of our website for group 12 amusement games. We also posted that we would be holding a stakeholder meeting to discuss all group 12 amusement game rules pending on April 9, 2016.

On April 9, 2016, we held a stakeholder meeting to discuss all group 12 amusement game rules, which included all rules in this package, including this specific rule.

At least one week prior to the April 14, 2016, Commission meeting, we posted this rules package, including this specific rule, on our website.

At the April 14, 2016, Commission meeting, a Commissioner asked staff to make additional changes to the rule to make it clearer. On April 15, 2016, we posted in the “Breaking News” section of our website for group 12 amusement games a summary of the rules discussed and action taken by the Commissioners at the April Commission meeting.

At least one week prior to the May 12, 2016, Commission meeting, we posted this rules package, along with the Commissioner’s requested language change from the April 2016 Commission meeting, on our website.

At the May 12, 2016, Study Session, stakeholders were asked what costs they would incur if the rule proposal went into effect. Stakeholders provided feedback as indicated below.

In summary, the rule proposal to change WAC 230-13-067 was discussed at Study Sessions on the following dates: March 11, 2016, April 14, 2016, and May 12, 2016. It will also be discussed at the Study Session on July 14/15, 2016. The rule proposal was discussed and public comment taken at the Commission meetings on March 11, 2016, April 14, 2016, and May 12, 2016. It will also be discussed and public comment will be taken at the July 14/15, 2016, Commission meeting. Lastly, it was discussed at two stakeholder meeting held on February 22, 2016 and April 9, 2016.

This process provided small businesses opportunities in the development of the new rule.

~~~~~

**1. Description of the reporting, record keeping and other compliance requirements of the proposed rule.**

In July 2015, the Commissioners authorized Group 12 amusement games to be played by persons 21 and over. Since this time, numerous questions and concerns have been raised.

At their February 2016 meeting, the Commissioners asked staff to explore regulating the appearance of group 12 amusement games, so that the game does not look like a slot machine. Staff prepared a rule change with two options for consideration at the March meeting. The Commissioners filed the rule option that requires group 12 amusement game operators to prominently display a sticker or an on-screen warning stating: “This is not a slot machine. No cash prizes are allowed. You can preview the points to be awarded if the puzzle is correctly solved available before each play of the game without the insertion of money or anything of value.”

**2. Kinds of professional services that a small business is likely to need in order to comply.**

Small business licensees do not need to use any professional services to comply with this rule change. Licensees can choose how they will comply with this rule if it goes into effect. They can either put a sticker on each group 12 amusement game or work with the manufacturer of the group 12 amusement game to have the game display the warning message on the game screen before a game is played.

If operators choose to put a sticker on each group 12 amusement game they own, they will need to create and print the sticker. Licensees should be able to use store bought labels and print the warning with a home/work computer and printer.

Alternatively, a licensee would only be able to work with its group 12 amusement game manufacturer to place the warning on the manufacturer’s group 12 amusement game software. No additional professional services would be needed for this option.

**3. The actual costs to small businesses of compliance, including costs of equipment, supplies, labor and increased administrative costs.**

There would be some costs to small business licensees to comply with this rule change. As of May 3, 2016, when we asked amusement game owners to tell us how many group 12 amusement games they had in the state, there were about 280 group 12 amusement games placed at about 135 licensed locations in Washington. The most a single owner had was 128 group 12 amusement games in about 55 locations. The second highest number of group 12 amusement games by a single owner is about 50 in 10 locations.

Small business licensees informed us at the May 2016 Study Session that their costs would include printing, labor and gas to print and put the stickers on each their group 12 amusement games. Licensees have not provided an actual monetary cost associated with this rule change.

We contacted one group 12 amusement game manufacturer who estimated it would be a one-time cost of about \$1,000 for a software change to display the warning message.

Alternatively, creating warning label stickers on a work computer and printer should cost less than \$5.00 per sticker. This cost should mostly be a one-time cost unless a sticker needed to be replaced. A box of 1,000 2” x 4” labels, including tax, costs about \$48. Additional costs would include: printer ink and gas and labor to place the labels onto devices they own.

There would also be a labor cost to track which group 12 amusement games had stickers and which did not. However, we don’t know the labor costs per hour of each game owner and the gas it would take to travel to all approximately 135 locations in Washington for the approximately 20 game owners. Some of the games are co-located on the business premises while other games are in locations that are renting the games from the group 12 amusement game owner.

Currently, group 12 amusement game owners go to each location in which a game is in operation at least once a month to check on the game and withdraw the cash from the game. Therefore, game owners should be able to minimize the cost of compliance by placing the warning label onto the machine during one of their regularly scheduled visits to service the games.

Game owners would likely incur the same labor, gas and administrative tracking costs to install the upgraded software on each group 12 amusement game they owned in Washington, which as of May 3, 2016, there were approximately 280 games in about 135 licensed locations. As stated above, we don’t know the labor costs per hour, number of hours and the travel expenses each of the approximate 20 game owners would incur to bring each group 12 amusement game into compliance with this rule.

**4. Whether compliance with the rule, based on feedback received from licensees, will cause businesses to lose sales or revenue.**

This rule should not cause a small business to lose sales or revenue. Stakeholders have not indicated at the two stakeholder meetings and three Study Sessions that compliance with this rule will result in loss of sales or revenue.

**5. A determination of whether the proposed rule will have a disproportionate impact on small businesses.**

This rule should not have a disproportionate impact on small business licensees. We have not received any feedback from small business licensees indicating this proposed rule change will cause them a hardship or disproportionately impact them compared to larger businesses.

All licensees that put a group 12 amusement game into play will have to comply with this rule regardless of the size of their business. The costs for compliance with each licensee to put stickers on their group 12 amusement games will depend on the number of games they own, the proximity of the games to their business, and their labor costs.

We currently have three out-of-state manufacturers of group 12 amusement games. These manufacturers are not currently licensed and they are privately owned businesses. Therefore, we do not know if they qualify as a small business. If any are qualified to be considered a small business, we do not expect this rule to have disproportionate impact on them

Additionally, it is difficult to determine if our small business licensees will be disproportionately impacted without their input. This is a new activity with the first group 12 amusement game approved at the end of September 2015. We do not yet have any financial information on the operation of the group 12 amusement games by their owners. We are, therefore, unable to know the total impact at this time unless licensees provide us information showing how this rule change would disproportionately impact them.

**6. Steps taken by the agency to reduce the costs of the rule on small businesses or reasonable justification for not doing so. Agencies “must consider, without limitation, each of the following methods of reducing the impact of the proposed rule on small businesses:”**

**a. Reducing, modifying, or eliminating substantive regulatory requirements;**

This is a proposed rule for consumer protection to ensure players know group 12 amusement games do not operate as a gambling activity even though it can look similar to a slot machine. The Commissioners initially looked into prohibiting group 12 amusement games from looking like slot machines. This would have placed a much higher burden on licensees and the proposed rule reduced the burden on licensees to only require them to place a warning sticker or have a warning label on the game screen before play of the game.

Additionally, this rule offers flexibility by allowing licensees to choose how they wish to comply with this rule. This also reduces the possible impacts on the licensee and allows the licensee to choose the cheapest, easiest way to provide consumer protection while complying with the rule.

**b. Simplifying, reducing, or eliminating recordkeeping and reporting requirements;**

This rule change does not require any additional recordkeeping or reporting requirements.

**c. Reducing the frequency of inspections;**

This rule will not require additional inspections. Verification of the sticker on the games can be done during routine inspections to verify licensure, identification stamp, and other operational requirements.

**d. Delaying compliance timetables;**

Delaying compliance is impractical because it is in the public interest to provide this consumer protection. Additionally, the rule provides low-cost and flexible options for compliance negating any need to delay compliance with this rule should it become final.

**e. Reducing or modifying fine schedules for noncompliance; or**

There is no fine schedule related to this rule. Any finding of noncompliance with this rule would likely be handled like all other amusement game violations, which is a progressive enforcement model that includes verbal warnings, written warnings, fines, suspension, and revocation. Our goal is to seek voluntary compliance with our licensees through education and training.

**f. Any other mitigation techniques including those suggested by small businesses or small business advocates.**

Only one small business licensee has requested or suggested any mitigation techniques for the implementation of this rule change. One licensee suggested we create and supply the stickers to the operators. We have determined that it is more efficient and cost effective for licensees to have the flexibility to print their own warning stickers and replace them or create a message on the electronic game itself. This provides them the greatest flexibility with the least amount of reliance on the agency for compliance with this rule. Additionally, licensees would still incur the labor and travel costs for installation of the sticker onto each group 12 amusement game regardless of who prints the stickers.

**7. A description of how the Gambling Commission will involve small businesses in the development of the rule.**

In December 2015, we sent notices of rulemaking to all amusement game licensees regarding rules for group 12 amusement games.

At their February 11, 2016, Commission meeting during a discussion of other group 12 amusement game rules, the Commissioners asked staff to explore regulating the appearance so that the group 12 game does not look like a slot machine. On February 12, 2016, staff posted a summary of the Commissioners' request for a rule change in the special "Breaking News" section of our website for group 12 amusement game information. We also posted that we would hold a stakeholder meeting to discuss all group 12 amusement game rules currently being discussed, which included the Commissioner's request for rule change to WAC 230-13-067.

On February 26, 2016, staff posted in the Breaking News section of the website for group 12 amusement games a summary of the February 22, 2016, stakeholder meeting in which this proposed rule was discussed.

At least one week prior to the March 11, 2016 Commission meeting, we posted this rules package, which included this specific rule, on our website.

On March 25, 2016, we posted information on this rule as filed by the Commissioners at their March 11, 2016, Commission meeting in the Breaking News section of our website for group 12 amusement games. We also posted that we would be holding a stakeholder meeting to discuss all group 12 amusement game rules pending on April 9, 2016.

On April 15, 2016, we posted in the Breaking News section of our website for group 12 amusement games a summary of the rules discussed and action taken by the Commissioners at the April Commission meeting.

The rules proposal to change WAC 230-13-067 was discussed at Study Sessions on the following dates: March 11, 2016, April 14, 2016, and May 12, 2016. It will also be discussed at the Study Session on July 14/15, 2016. In addition, the rule proposal was discussed and public comment taken at the Commission meetings on March 11, 2016, April 14, 2016, and May 12, 2016. It will also be discussed and public comment will be taken at the July 14/15, 2016, Commission meeting.

At the April 11, 2016, Commission meeting, a Commissioner asked staff to make additional changes to the rule to make it clearer. The language changes were posted on the agency website with the May 2016 Commission meeting agenda at least one week before the meeting. At the May 12, 2016, Study Session, stakeholders were asked what costs they would incur if the rule proposal went into effect. Stakeholders provided feedback, as indicated above.

**8. A list of industries that will be required to comply with the rule.**

7132. *(Leave this number here)*

**9. An estimate of the number of jobs that will be created or lost as the result of compliance with the proposed rule.**

There is no evidence that any jobs will be created or lost as a result of this rule change. Small business licensees have not indicated any jobs would be created or lost as a result of compliance with this proposed rule change from the three Study Sessions and two stakeholder meetings we have discussed this rule change.



**Amend**

- WAC 230-03-185 Applying for a manufacturer license.
- WAC 230-03-190 Applying for a distributor license.
- WAC 230-06-110 Buying, selling, or transferring gambling equipment.

**New Section**

WAC 230-06-112 Buying, selling, renting and leasing amusement games.

- August 2016 – Final Action**
- July 2016 – Further Discussion**
- June 2016 – No Meeting**
- May 2016 – Further Discussion**
- April 2016 – Up for Discussion and Possible Filing**

TAB 5: August 2016 Commission Meeting Agenda. Statutory Authority 9.46.070, 9.46.0201

Who proposed the rule changes?

Staff

Proposed Changes and Licensee Impacts

In March 2016, the Commissioners approved rule changes that required distributors of group 12 amusement games to be licensed. Staff realized upon passage of the rule change that the rules would have required Class B and above amusement game licensees who would like to own and/or lease group 12 amusement games to have a distributor’s license in addition to, or in place of, the license they currently have. This was not the intent of the original rule change.

This rules package clearly defines:

- The activities of a manufacturer and distributor of group 12 amusement games, Class A amusement game licensees, Class B and above amusement game licensees; and
- Who needs a distributor license.

Businesses will need a:

- Distributor’s license if they buy or lease a group 12 amusement game from another licensee and sell or lease the group 12 amusement game to a Class B or above amusement game licensee; or
- Class B or above amusement game license if they:
  - Own and operate group 1 through 12 amusement games at their licensed premises; and
  - Lease or buy group 12 amusement games from a licensed manufacturer or distributor and lease or rent them to a Class A amusement game licensee; and
  - Lease or rent group 1 through 11 amusement games to Class A amusement game licensees.

Manufacturers will only be able to sell or lease group 12 amusement games to licensed distributors or Class B or above amusement game licensees.

Only Class B and above licensees will be able to rent or lease group 12 amusement games to Class A amusement game licensees.

A Small Business Economic Impact Statement was prepared and is attached.

Attachments:

Budget Proviso (the following language was included in the budget passed by the legislature):

“The commission is directed to review and reconsider, including repeal, rules adopted to authorize the amusement games classified as group 12 under WAC 230-13-067, recognizing the impact such games may have on state lottery revenues used to support public education programs.”

Small Business Economic Impact Statement

Stakeholder Impacts

Without this rule change, some class B and above licensees would need to get an additional distributor's license, which would be more costly to licensees.

Agency Impacts

- Without clear definitions of the type of license needed for the activity being conducted, we will have inconsistency in licensing.
- We would not have an accurate reporting of gross receipts from group 12 amusement games if we do not clearly define the activity at each level.

Staff Recommendation

Final Action.

Proposed Effective Date for Rule Change

31 days from filing.

**WAC 230-03-185 Applying for a manufacturer license.**

(1) You must apply for a manufacturer license if you:

(a) Make or assemble a completed piece or pieces of gambling equipment for use in authorized gambling activities; or

(b) Convert, modify, combine, add to, or remove parts or components of any gambling equipment for use in authorized gambling activities; or

(c) Manufacture group 12 amusement games approved or modified after May 1, 2016. Manufacturers of group 12 amusement games that were approved before the effective date of this rule must apply by May 1, 2016, and be licensed by December 31, 2016. Manufacturers of group 12 amusement games can sell or lease group 12 amusement games to a licensed distributor or a Class B or above amusement game licensee.

(2) You must demonstrate your ability to comply with all manufacturing, quality control, and operations restrictions imposed on authorized gambling equipment that you want to manufacture or market for use in Washington state.

(3) The licensing process may include an on-site review of your manufacturing equipment and process for each separate type of authorized gambling equipment to ensure compliance capability.

[Statutory Authority: RCW 9.46.070, 9.46.0201. WSR 16-08-033 (Order 718), § 230-03-185, filed 3/30/16, effective 4/30/16.

Statutory Authority: RCW 9.46.070. WSR 09-11-085 (Order 646), § 230-03-185, filed 5/18/09, effective 7/1/09; WSR 06-07-157 (Order 457), § 230-03-185, filed 3/22/06, effective 1/1/08.]

**WAC 230-03-190 Applying for a distributor license.**

You must apply for a distributor license if you:

(1) Buy or otherwise obtain a finished piece of gambling equipment for use in authorized gambling activities ~~or a group 12 amusement game~~ from another person and sell or provide that gambling equipment to a third person for resale, display, or use; or

(2) Are a manufacturer who sells or provides gambling equipment you do not make to any other person for resale, display, or use; or

(3) Service and repair authorized gambling equipment. However, distributors must not add, modify, or alter the gambling equipment; or

(4) Modify gambling equipment using materials provided by manufacturers to upgrade equipment to current technology.

(5) Buy or lease a group 12 amusement game from another licensee and sell or lease the group 12 amusement game to a Class B and above amusement game licensee.

[Statutory Authority: RCW 9.46.070. WSR 06-07-157 (Order 457), § 230-03-190, filed 3/22/06, effective 1/1/08.]

**OTS VERSION – SEE BELOW**

**Amended Section**

**WAC 230-06-110 Buying, selling, or transferring gambling equipment.**

(1) All licensees and persons authorized to possess gambling equipment must closely control the gambling equipment in their possession.

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

(3) Before purchasing gambling equipment, licensees must ensure that the seller possesses a valid gambling license.

(4) Applicants for Class F or house-banked card room licenses may purchase and possess gambling equipment during the precicensing process, but only after receiving written approval from us.

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

(6) Group 12 amusement games can only be sold or leased to Class B and above amusement game licensees by a licensed manufacturer or distributor ~~to a licensee~~. Class B and above amusement game licensees can lease or rent group 12 amusement games to Class A amusement game licensees. Lease agreements entered into prior to the effective date of this rule may continue until the manufacturer is licensed or December 31, 2016, whichever occurs first.

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

[Statutory Authority: RCW 9.46.070. WSR 08-11-044 (Order 628), § 230-06-110, filed 5/14/08, effective 7/1/08; WSR 07-21-116 (Order 617), § 230-06-110, filed 10/22/07, effective 1/1/08; WSR 06-17-132 (Order 601), § 230-06-110, filed 8/22/06, effective 1/1/08.]

**WAC 230-06-110 Buying, selling, or transferring gambling equipment.**

(1) All licensees and persons authorized to possess gambling equipment must closely control the gambling equipment in their possession.

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

(3) Before purchasing gambling equipment, licensees must ensure that the seller possesses a valid gambling license.

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

(6) Group 12 amusement games can only be sold or leased to Class B and above amusement game licensees by a licensed manufacturer or distributor. Class B and above amusement game

licensees can lease or rent group 12 amusement games to Class A amusement game licensees. Lease agreements entered into prior to the effective date of this rule may continue until the manufacturer is licensed or December 31, 2016, whichever occurs first.

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

[Statutory Authority: RCW 9.46.070. WSR 08-11-044 (Order 628), § 230-06-110, filed 5/14/08, effective 7/1/08; WSR 07-21-116 (Order 617), § 230-06-110, filed 10/22/07, effective 1/1/08; WSR 06-17-132 (Order 601), § 230-06-110, filed 8/22/06, effective 1/1/08.]

NEW SECTION

**WAC 230-06-112 Buying, selling, renting and leasing  
amusement games.**

(1) Class A amusement game licensees can rent or lease amusement games from Class B and above amusement game licensees.

(2) Class B and above amusement game licensees can:

(a) Own and operate group 1 through 12 amusement games at their licensed premises;

(b) Buy or lease group 12 amusement games from a licensed manufacturer or distributor and lease or rent them to Class A amusement game licensees; and

(c) Rent or lease group 1 through 11 amusement games to Class A amusement game licensees.

[]

**Budget Proviso**

**SECOND ENGROSSED SUBSTITUTE HOUSE BILL 2376**

**FOR THE GAMBLING COMMISSION**

State Lottery Account: For transfer to gambling revolving account . . . . . \$1,000,000

The transfer in this section is subject to the following conditions and limitations:

- (1) (~~The commission shall maintain working capital reserves in the gambling revolving account of no more than five percent of projected expenses in the account~~) This funding is provided solely for the costs of enforcement of gambling activities, including but not limited to evaluation, analysis, and dissemination of information on individuals and groups who are suspected of being involved in illegal gambling and other associated crimes.
- (2) The commission shall not approve any electronic raffle systems to conduct fifty-fifty raffles until the legislature has reviewed all impacts to the state lottery.
- (3) The commission is directed to review and reconsider, including repeal, rules adopted to authorize the amusement games classified as group 12 under WAC 230-13-067, recognizing the impact such games may have on state lottery revenues used to support public education programs.



**Amend**

WAC 230-15-080 Authorized fees and authorized methods of collection.  
 WAC 230-15-135 Wagering limits for nonhouse-banked card games.

- August 2016 – Final Action**
- July 2016 – Further Discussion**
- June 2016 – No Meeting**
- May 2016 – Up for Discussion and Possible Filing**
- April 2016 – Study Session**

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| TAB 6: August 2016 Commission Meeting Agenda.      Statutory Authority 9.46.070, RCW 9.46.0282                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Who Proposed the Rule Change?</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Teresa Malphrus, owner of The Hideaway Restaurant and Casino, a 7 table Class F cardroom                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Describe the Proposed Change / Background</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <p>Teresa Malphrus is requesting the following rule changes:</p> <ul style="list-style-type: none"> <li>• Increase the maximum amount of a single wager on any authorized poker game, not just Texas Hold ‘Em, from \$40 to \$100 at Class F and house-banked cardrooms; and</li> <li>• Allow Class F and house-banked cardrooms to assess players of nonhouse-banked card games a rake fee of up to 10% of the pot with no limit. Currently, the rake cannot be more than \$5 per hand or 10% of the total wagers for a hand, whichever is less.</li> </ul> <p>Ms. Malphrus explained the reasons she is seeking these rule changes:</p> <ul style="list-style-type: none"> <li>• “In November of this year, the voters in the state of Washington will be voting on one of 3 initiatives that would raise the minimum wage in each of the next four years, with a starting date effective January, 2017. In addition, in January of 2018, we will be required to provide paid sick leave at the rate of 1 hour for every 40 hours worked. Should this initiative pass, this will create additional financial challenges to the cardrooms [and] possibly to the WSGC that regulates our activities.</li> <li>• As a Class F Cardroom Owner I am anticipating a passage of the initiative and am making some proposed changes that may help in generating additional revenue for the cardrooms.”</li> </ul> <p>A Small Business Economic Impact Statement was not prepared. These rule changes would allow for higher betting limits and would benefit businesses. The rule change would not impose additional costs to licensees.</p> <p>Attachments:</p> <ul style="list-style-type: none"> <li>• Petition for rule changes from Teresa Malphrus in a letter dated April 10, 2016.</li> <li>• May 4, 2016, email from Teresa Malphrus regarding changes to her original petition.</li> <li>• Notice of rule-making sent to all card game licensees</li> </ul> |
| <b>Licensees Impacted</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| The proposed rule changes would impact three Class F card rooms and those house-banked card room licensees that offer nonhouse-banked card games. As of April 29, 2016, there were 50 licensed and operating house-banked card rooms.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Policy Considerations</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| None.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Statements Supporting</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Stakeholder comments attached.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Staff Recommendation</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Final Action</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

Proposed Effective Date for Rule Change

31 days from filing.

AMENDATORY SECTION (Amending WSR 07-09-033, filed 4/10/07,  
effective 1/1/08)

**WAC 230-15-080 Authorized fees and authorized methods of collection.** Card game licensees must collect only one type of card game fee at a table at any given time. The following are authorized types of fees, the card game licensees who may use those fee types, and the methods of collection:

| <b>Authorized types of fees</b>                                                                                                                                                                                                                                                                                                       | <b>Licensees authorized to use the fee types</b> | <b>Authorized methods of collection</b>                                                                        | <b>Maximum amount to collect</b>                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|----------------------------------------------------------------------------------------------------------------|-------------------------------------------------|
| <p>(1) <b>Period of time</b> -</p> <p>(a) Licensees must collect the fee at least once per hour at times the licensee chooses, for example, at thirty minute increments; and</p> <p>(b) Licensees must record all fees immediately after collection; or</p>                                                                           | Class A, B, C, E, F                              | Direct collection;<br>or<br>Chip rack - Only allowed if licensed for three or fewer tables;<br>or<br>Drop box. | Not more than ten dollars per hour, per player. |
| <p>(2) <b>Per hand played</b> -</p> <p>(a) Players must place fees charged on a per-hand basis in a designated area of the table and dealers must collect them before dealing the first round of cards; and</p> <p>(b) After collecting the fees, dealers must deposit all chips or coins in either the drop box or chip rack; or</p> | Class F and house-banked                         | Drop box;<br>or<br>Chip rack - Only allowed if licensed for three or fewer tables.                             | Not more than one dollar per hand, per player.  |
| <p>(3) <b>Rake</b> -</p>                                                                                                                                                                                                                                                                                                              | Class F and house-banked                         |                                                                                                                |                                                 |

| Authorized types of fees                                                                                                                                                                                                                                                                                                                                                                                                                  | Licensees authorized to use the fee types | Authorized methods of collection                                                            | Maximum amount to collect                                                                                                                  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|---------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| <p>(a) Dealers must collect fees charged on the amounts wagered during the play of the hand and place the fees in a designated area of the table; and</p> <p>(b) Once dealers accumulate the maximum fee for a hand, they must spread the chips or coins to allow players and the surveillance system to view the amount collected. After spreading the chips or coins, the dealer deposits them in either the drop box or chip rack.</p> |                                           | <p>Drop box;<br/>or<br/>Chip rack - Only allowed if licensed for three or fewer tables.</p> | <p>Not more than ((<del>five dollars per hand or</del>) ten percent of the total wagers for a hand(<del>(, whichever is less)</del>)).</p> |

[Statutory Authority: RCW 9.46.070. WSR 07-09-033 (Order 608), § 230-15-080, filed 4/10/07, effective 1/1/08.]

AMENDATORY SECTION (Amending WSR 12-21-048, filed 10/12/12,  
effective 1/1/13)

**WAC 230-15-135 Wagering limits for nonhouse-banked card  
games.** Card room licensees must not exceed these wagering  
limits:

(1) **Poker** -

(a) There must be no more than five betting rounds in any  
one game; and

(b) There must be no more than four wagers in any betting  
round, for example, the initial wager plus three raises; and

(c) The maximum amount of a single wager must not exceed  
~~((forty dollars; however, class F and house-banked card game  
licensees may offer a single wager not to exceed))~~:

~~(i) One hundred dollars for ((the game of Texas Hold'em;))  
class F and house-banked card game licensees; and~~

~~(ii) Forty dollars for all other card game licensees.~~

(2) **Games based on achieving a specific number of  
points** - Each point must not exceed five cents in value;

(3) **Ante** - No more than the maximum wager allowed for the  
first betting round for any game, except for Panguingue (Pan).  
The ante may, by house rule:

(a) Be made by one or more players, but the total ante may not exceed the maximum wager allowed for the first betting round; and

(b) Be used as part of a player's wager((+)).

(4) **Panguingue (Pan)** - The maximum value of a chip must not exceed ten dollars. An ante must not exceed one chip. We prohibit doubling of conditions. Players going out may collect no more than two additional chips for going out from each participating player.

[Statutory Authority: RCW 9.46.070 and 9.46.0282. WSR 12-21-048 (Order 680), § 230-15-135, filed 10/12/12, effective 1/1/13; WSR 09-21-013 (Order 658), § 230-15-135, filed 10/9/09, effective 11/9/09. Statutory Authority: RCW 9.46.070. WSR 09-09-056 (Order 642), § 230-15-135, filed 4/10/09, effective 7/1/09; WSR 07-21-116 (Order 617), § 230-15-135, filed 10/22/07, effective 1/1/08; WSR 07-09-033 (Order 608), § 230-15-135, filed 4/10/07, effective 1/1/08.]

**From:** [Teresa Malphrus](#)  
**To:** [Newer, Susan \(GMB\)](#)  
**Subject:** WAC rule changes  
**Date:** Monday, April 11, 2016 8:07:38 PM  
**Attachments:** [hideaway\\_proposal.pdf](#)

---

Susan,

I've enclosed my letter and the two WAC rules with changes.

Please look it over and let me know if I should make changes or what more is needed.

Thanks again for your help.

Teresa Malphrus

The Hideaway



April 10, 2016

Ms. Susan Newer  
C/O WSGC  
4565 7<sup>th</sup> Ave. S.E.  
P.O. Box 42400  
Olympia, WA 98504-2400

Ms. Newer,

Thank you for guiding me through the process leading up to this letter proposing two WAC rule changes.

In November of this year, the voters in the state of Washington will be voting on one of 3 initiatives that would raise the minimum wage in each of the next four years, with a starting date effective January, 2017. In addition, in January of 2018, we will be required to provide paid sick leave at the rate of 1 hour for every 40 hours worked.

Should this initiative pass, this will create additional financial challenges to the cardrooms and possibly to the WSGC that regulates our activities.

As of the end of 2014, by your own online reporting, fourteen of the 49 remaining larger cardrooms were operating in the red, with several very close behind.

As a Class F Cardroom Owner I am anticipating a passage of the initiative and am making some proposed changes that may help in generating additional revenue for the cardrooms.

Both these changes have precedent.

WAC 230-15-135 (1c)

Wagering limits for nonhouse-banked card games.

The Game of Texas Holdem (a nonhouse-banked card game), currently has a maximum wager of one hundred dollars.

I am asking that all nonhouse-banked card games have a maximum wager of one hundred dollars.

My understanding is that the one hundred dollar limit in Texas Holdem has not resulted in any issues with the WSGC.

WAC 230-15-80 (3)

Authorized fees and authorized methods of collection.

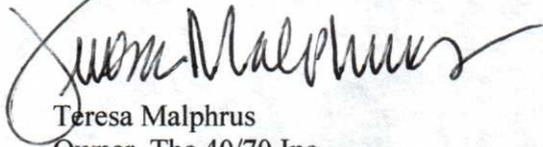
I am asking that the rake collection (house money) limit of ten percent of the pot up to five dollars be changed to ten percent of the pot with no regulation on limits.

The Player Supported Jackpot (PSJ) has already had all limit regulations removed. My understanding is that there has been no issue with the removal of those regulations with the WSGA. The rake, like the PSJ, will be regulated by what the players will be willing to accept while playing poker, i.e. what the market will bear.

I understand that the rake and the PSJ that each room chooses to take must be clearly communicated to the players. That would not change.

I appreciate consideration by the WSGC regarding the passage of these changes to existing WAC Regulations.

Regards,

A handwritten signature in black ink, appearing to read "Teresa Malphrus". The signature is fluid and cursive, with a large initial "T" and "M".

Teresa Malphrus  
Owner, The 40/70 Inc.  
Db/ The Hideaway Restaurant and Casino

Cc./ WSGC file

**WAC 230-15-135**

**Wagering limits for nonhouse-banked card games.**

Card room licensees must not exceed these wagering limits:

**(1) Poker -**

- (a) There must be no more than five betting rounds in any one game; and
- (b) There must be no more than four wagers in any betting round, for example, the initial wager plus three raises; and
- (c) ~~The maximum amount of a single wager must not exceed forty dollars; however,~~ Class F and house-banked card game licensees may offer a single wager not to exceed one hundred dollars. ~~for the game of Texas Hold'em;~~

**(2) Games based on achieving a specific number of points -** Each point must not exceed five cents in value;

**(3) Ante -** No more than the maximum wager allowed for the first betting round for any game, except for Panguingue (Pan). The ante may, by house rule:

- (a) Be made by one or more players, but the total ante may not exceed the maximum wager allowed for the first betting round; and
- (b) Be used as part of a player's wager;

**(4) Panguingue (Pan) -** The maximum value of a chip must not exceed ten dollars. An ante must not exceed one chip. We prohibit doubling of conditions. Players going out may collect no more than two additional chips for going out from each participating player.

| Authorized types of fees                                                                                                                                                                                                                                                                                                                                                                                                                                           | Licensees authorized to use the fee types | Authorized methods of collection                                                                         | Maximum amount to collect                                                                              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|
| <p>(1) <b>Period of time -</b></p> <p>(a) Licensees must collect the fee at least once per hour at times the licensee chooses, for example, at thirty minute increments; and</p> <p>(b) Licensees must record all fees immediately after collection; or</p>                                                                                                                                                                                                        | Class A, B, C, E, F                       | Direct collection; or<br>Chip rack - Only allowed if licensed for three or fewer tables; or<br>Drop box. | Not more than ten dollars per hour, per player.                                                        |
| <p>(2) <b>Per hand played -</b></p> <p>(a) Players must place fees charged on a per-hand basis in a designated area of the table and dealers must collect them before dealing the first round of cards; and</p> <p>(b) After collecting the fees, dealers must deposit all chips or coins in either the drop box or chip rack; or</p>                                                                                                                              | Class F and house-banked                  | Drop box; or<br>Chip rack - Only allowed if licensed for three or fewer tables.                          | Not more than one dollar per hand, per player.                                                         |
| <p>(3) <b>Rake -</b></p> <p>(a) Dealers must collect fees charged on the amounts wagered during the play of the hand and place the fees in a designated area of the table; and</p> <p>(b) Once dealers accumulate the maximum fee for a hand, they must spread the chips or coins to allow players and the surveillance system to view the amount collected. After spreading the chips or coins, the dealer deposits them in either the drop box or chip rack.</p> | Class F and house-banked                  | Drop box; or<br>Chip rack - Only allowed if licensed for three or fewer tables.                          | Not more than five dollars per hand or ten percent of the total wagers for a hand., whichever is less. |

**From:** [Teresa Malphrus](#)  
**To:** [Griffin, Tina \(GMB\)](#)  
**Subject:** Re: FW: WAC rule changes  
**Date:** Wednesday, May 04, 2016 1:21:15 PM

---

Tina, the changes below are acceptable to complete the two proposals I've put for for consideration by the Gambling commission.  
Thank you for your help through this process.  
Teresa Malphrus

On May 4, 2016 1:02 PM, "Griffin, Tina (GMB)" <[tina.griffin@wsgc.wa.gov](mailto:tina.griffin@wsgc.wa.gov)> wrote:

---

**From:** Griffin, Tina (GMB)  
**Sent:** Wednesday, May 04, 2016 10:00 AM  
**To:** '[teresa@hideawaycasino.com](mailto:teresa@hideawaycasino.com)' <[teresa@hideawaycasino.com](mailto:teresa@hideawaycasino.com)>  
**Cc:** Wittmers, Keith (GMB) <[keith.wittmers@wsgc.wa.gov](mailto:keith.wittmers@wsgc.wa.gov)>  
**Subject:** RE: WAC rule changes

Teresa,

In my haste to resolve the language in WAC 230-15-135(1), I forgot there are other license classes of cardrooms that rely on the \$40 single wagering limits. Would you be agreeable to the following language:

WAC 230-15-135(1)(c) "The maximum amount of a single wager must not exceed: (i) One hundred dollars for class F and house-banked card game licensees and (ii) Forty dollars for all other card game licensees;"

Thank you for your consideration,

*Tina Griffin*

*Assistant Director*

*Licensing, Regulation, and Enforcement Division*

*Washington State Gambling Commission*

[360-486-3546](tel:360-486-3546)

---

**From:** Griffin, Tina (GMB)  
**Sent:** Tuesday, May 03, 2016 10:12 PM  
**To:** 'teresa@hideawaycasino.com' <[teresa@hideawaycasino.com](mailto:teresa@hideawaycasino.com)>  
**Cc:** Wittmers, Keith (GMB) <[keith.wittmers@wsgc.wa.gov](mailto:keith.wittmers@wsgc.wa.gov)>  
**Subject:** FW: WAC rule changes  
**Importance:** High

Hello Teresa,

Thank you for your letter. I understand from your letter that you are agreeable to leaving the word “than” in WAC 230-15-080(3). Unfortunately, your letter includes an “or”. Are you agreeable to the following for WAC 230-15-080(3), “Not more than ten percent of the total wagers for a hand”?

Lastly, your requested changes to WAC 230-15-135(1)(c), to strike the phrase, “The maximum amount of a single wager must not exceed forty dollars”, eliminates the wagering limits for the eight licensed and operating card rooms in Washington. In doing so, you would be inadvertently causing them to no longer offer nonhouse-banked card games. I do not think this is your intent. It is my understanding from your letter you are asking the Commissioners to allow single maximum wagers of \$100 for nonhouse-banked card games offered by Class F and house-banked card rooms.

In order to continue to allow the eight Class E card rooms to continue to be operational and still meet your request, would you be agreeable to the following language changes to WAC 230-15-135(1)(c) “The maximum amount of a single wager must not exceed: (i) Forty dollars for class E card game licensees; and (ii) One hundred dollars for class F and house-banked card game licensees”?

If you are agreeable to these two changes to the rule language you submitted, please let me know as soon as possible. An email reply is preferable. If you have any questions, please feel free to contact me at [360-507-3456](tel:360-507-3456) (cell) or [360-486-3546](tel:360-486-3546) (office).

Sincerely,

*Tina Griffin*

*Assistant Director*

*Licensing, Regulation, and Enforcement Division*

*Washington State Gambling Commission*

[360-486-3546](tel:360-486-3546)

---

**From:** Wittmers, Keith (GMB)  
**Sent:** Tuesday, May 03, 2016 2:42 PM  
**To:** Griffin, Tina (GMB) <[tina.griffin@wsgc.wa.gov](mailto:tina.griffin@wsgc.wa.gov)>  
**Subject:** F. wd: WAC rule changes

FYI

Sent from my iPhone

Begin forwarded message:

**From:** Teresa Malphrus <[teresa@hideawaycasino.com](mailto:teresa@hideawaycasino.com)>  
**Date:** May 3, 2016 at 2:14:52 PM PDT  
**To:** <[TINA.GRIFFEN@WSGC.WA.GOV](mailto:TINA.GRIFFEN@WSGC.WA.GOV)>  
**Cc:** <[SUSAN.NEWER@WSGC.WA.GOV](mailto:SUSAN.NEWER@WSGC.WA.GOV)>, <[KEITH.WITTMERS@WSGC.WA.GOV](mailto:KEITH.WITTMERS@WSGC.WA.GOV)>  
**Subject:** WAC rule changes

Tina, Please see changes requested regarding my two proposals currently under review by staff.

Thank You

Teresa Malphrus

The Hideaway



STATE OF WASHINGTON  
GAMBLING COMMISSION

PO Box 42400 Olympia WA 98504-2400 (360) 486-3440 TDD (360) 486-3637 FAX (360) 486-3626

**NOTICE OF RULE MAKING**

May 9, 2016

Dear Card Game Licensee:

The Washington State Gambling Commission has received three petitions for rulemaking that will be up for discussion and possible filing at the May 12, 2016, Commission Meeting. The proposed rules address such things as hours of operation, gambling promotions, authorized fees and methods of collection, and nonhouse-banked card game wagering limits.

The proposed rules submitted by the petitioners can be found on our website at <http://www.wsgc.wa.gov/> under Public Meetings then May 2016. If you do not have access to the internet, you can obtain a copy of the proposed rule changes by contacting Hollee Arrona at (360) 486-3555.

These rules will be discussed at the May 2016 Study Session and Commission meeting, which will be held at the Red Lion Hotel at 2525 N. 20<sup>th</sup> Avenue in Pasco. You can participate in the meeting via phone. Please refer to our website, under Public Meetings to verify the agenda, meeting start times and instructions for participating via phone.

If the Commissioners file the petitions for further discussion, these rules will be discussed during at least two more Study Sessions and one more Commission Meeting. Refer to our website under Public Meetings at least two weeks prior to the meeting to verify meeting dates, times and agenda items.

We encourage you to comment on the proposed rules packages by attending an upcoming commission meeting or by sending us your comments. Lastly, if any of the proposed rule changes would cause a financial impact to your business, please let us know. All comments can be send to:

By email: [Holley.Arrona@wsgc.wa.gov](mailto:Holley.Arrona@wsgc.wa.gov); or

By mail: WSGC  
Attn: Hollee Arrona  
P.O. Box 42400  
Olympia, WA 98504

If you have any questions, please feel free to contact me at [Tina.Griffin@wsgc.wa.gov](mailto:Tina.Griffin@wsgc.wa.gov) or at (360) 486-3546.

Sincerely,

A handwritten signature in black ink, appearing to read "Tina Griffin".

Tina Griffin  
Assistant Director



**From:** [Accounting](#)  
**To:** [Newer, Susan \(GMB\)](#)  
**Subject:** Rule Changes  
**Date:** Wednesday, June 15, 2016 2:40:27 PM

---

Attention WSGC,

To whom it may concern

Please find below a list of potential rule changes that I support. I believe all of the following to be a positive change to assist Poker to not only remain strong but to grow and help support the now smaller number of casinos in Washington State.

1. Hours of Operation – would allow for 24-7 operations
2. Promotions – enhances opportunities for operating promotions
3. Poker wager limits – raises the poker limit to \$100 on all games and \$300 for poker games that also operate house banked games
4. Allows the rake at 10% removing the \$5 limit and allows for \$100 wager on all games, not just Texas Hold'em

Thank You,

Dan Baker  
Controller  
Black Pearl Spokane

**From:** [Newer, Susan \(GMB\)](#)  
**To:** [Griffin, Tina \(GMB\)](#); [Hunter, Amy \(GMB\)](#)  
**Subject:** FW: Rule Changes for Card rooms - Public Comment  
**Date:** Wednesday, June 15, 2016 4:47:30 PM

---

FYI – This came in today from Susan’s email.

---

**From:** Mark and Patricia Greene [mailto:maloa@hotmail.com]  
**Sent:** Wednesday, June 15, 2016 3:29 PM  
**To:** Newer, Susan (GMB) <susan.newer@wsgc.wa.gov>  
**Cc:** Lance Rinard <lancerin@aol.com>; Dolores (RGA) <DChiechi@rga-wa.org>  
**Subject:** Rule Changes for Card rooms

Dear Susan,

As owner of Lancer Lanes and Casino I would like to let you know that I'm in favor of all the rule changes to do with 24 hours open, Poker limits and rake, and enhanced opportunities for promotions. Please go ahead and adopt the new rules for these items.

Thank you,

Mark Greene

**From:** [Newer, Susan \(GMB\)](#)  
**To:** [Griffin, Tina \(GMB\)](#); [Hunter, Amy \(GMB\)](#)  
**Subject:** FW: Rule Changes - Public Comment  
**Date:** Wednesday, June 15, 2016 4:50:43 PM

---

[Another to add](#)

---

**From:** Ian Riley [mailto:ianriley@blackpearlspokane.com]  
**Sent:** Wednesday, June 15, 2016 2:04 PM  
**To:** Newer, Susan (GMB) <susan.newer@wsgc.wa.gov>  
**Cc:** Dolores Chiechi <DChiechi@rga-wa.org>  
**Subject:** Rule Changes

Attention WSGC

To whom it may concern

Please find below a list of potential rule changes that I support. I believe all of the following to be a positive change to assist Poker to not only remain strong but to grow and help support the now smaller number of casinos in Washington State.

1. [Hours of Operation – would allow for 24-7 operations](#)
2. [Promotions – enhances opportunities for operating promotions](#)
3. [Poker wager limits – raises the poker limit to \\$100 on all games and \\$300 for poker games that also operate house banked games](#)
4. [Allows the rake at 10% removing the \\$5 limit and allows for \\$100 wager on all games, not just Texas Hold'em](#)

Thank you,  
Regards,  
Ian Riley

**From:** [Newer, Susan \(GMB\)](#)  
**To:** [Griffin, Tina \(GMB\)](#)  
**Subject:** FW: Proposed Rule Changes - Public Comment  
**Date:** Thursday, June 16, 2016 10:48:40 AM

---

**From:** Josh Herschlip [mailto:josh\_herschlip@msn.com]  
**Sent:** Thursday, June 16, 2016 12:31 AM  
**To:** Newer, Susan (GMB) <susan.newer@wsgc.wa.gov>  
**Cc:** Dolores Chiechi <dchiechi@rga-wa.org>  
**Subject:** Proposed Rule Changes

My name is Josh Herschlip, I am the Regional Manager for the Buzz Inn Steakhouse Corporation, This includes representation of the Buzz Inn Steakhouse and Casino located in East Wenatchee. We also previously owned and operated Ace's Casino which was located in Arlington, WA. I'm contacting you regarding potential rule changes. The reason I mention the previous location is these rule changes could have been potential difference makers in our survival. Aces was located within 10 miles of three tribal casinos (Tulalip, Quil Ceda and Angel of the Winds)

\*We support the change in the hours of operation. The forcing of closure to our establishments when a potential of business exists and is accessible throughout the state with no limitations creates an unfair advantage as well as limits customer base with staggered schedules. Many occupations include swing shift/ grave yard shifts the forced closure drives that potential business elsewhere.

\*We support the changes in promotion allowances. These restrictions put a damper on our creativity and the possibilities of great promotions to entertain our guests. These promotions are how we create excitement about our businesses and generate new business! People like spinning wheels and the excitement of the possibility.

\*We support the increased poker wagers. Increasing this wager not only helps level the playing field that exists in our state but makes it less of a conversation to our guests as what the difference of playing poker at a tribal casino and our card rooms. It also allows greater flexibility to games being spread. I believe most people agree poker is a game of skill and proper wagering is an important part of the game and allows players to better protect their investment or wager by betting accordingly to pot size. The greater the spread the better the game. That being said all games approved to be spread or played should allow for the same wager to alleviate confusion to our staffs, agents and guests.

\*We support the change in rake structure. Allowing our operations to rake up to 10% of the pot allows for the rooms to absorb portions of the costs that have been added to our day to day operation.(Health Care, Minimum Wage Increase, Restrictive Scheduling, Sick Leave, Salary Structure as well as rising product cost) These are obviously much greater costs than increased rake can fix but it's a step in the right direction for those who offer poker. We are an industry in great need of finding a balance for gaming in our state we need new revenue to just survive, while the current rules allow the same industry to thrive with a few major adjustments to the rules.

Please support these changes and help the R.G.A. balance out gaming in our state!

Thank You For Your Time.  
Josh Herschlip

**From:** [Newer, Susan \(GMB\)](#)  
**To:** [Griffin, Tina \(GMB\)](#)  
**Subject:** FW: Call to action reply - Public Comment  
**Date:** Thursday, June 16, 2016 10:54:32 AM

---

FYI

---

**From:** B.J. Garbe [mailto:bj@lakebowl.com]  
**Sent:** Thursday, June 16, 2016 10:17 AM  
**To:** Newer, Susan (GMB) <susan.newer@wsgc.wa.gov>  
**Subject:** Call to action reply

Hello Susan,

As part of the Call To Action email, I would like to let you know that Lake Bowl/Papa's Sports Lounge and Casino is in favor of all rule changes.

Thanks,

B.J. Garbe, CEO  
Lake Bowl Inc.

**From:** [Newer, Susan \(GMB\)](#)  
**To:** [Griffin, Tina \(GMB\)](#)  
**Subject:** FW: petitions  
**Date:** Monday, June 27, 2016 2:10:31 PM

---

**From:** George Teeny [mailto:gteeny@thephoenixcasino.com]  
**Sent:** Monday, June 27, 2016 1:47 PM  
**To:** Newer, Susan (GMB) <susan.newer@wsgc.wa.gov>  
**Cc:** dolores@rga-wa.org; Jo England <jengland@thephoenixcasino.com>  
**Subject:** petitions

Afternoon Commissioners

This email is to notify you that my club, The Phoenix Casino, supports the petitions that have been submitted to you by private parties and the RGA.

WAC rules to be modified and petitions to follow:

- 1) 230-15-025 ---- Hours of Operation
- 2) 230-06-030 ---- Restrictions and Conditions – Gambling Promotions
- 3) 230-06-031 ---- Promotional Contests of Chance
- 4) 230-15-080 ---- Authorized Fees and Authorized Methods of Collection
- 5) 230-15-135 ---- Wagering Limits for Nonhouse-Banked Card Games

These petitions, all or in part, will help the gaming industry as a whole.

However, with that being said, none of these petitions are the “golden ticket” for the commercial clubs to grow and prosper in the years ahead. The only thing that might have that affect will be some form of electronic (gaming) pull tab machines.

thank you for your time and consideration,  
sincerely,  
george teeny



**Amend**

WAC 230-15-135 Wagering limits for nonhouse-banked card games.

- August 2016 – Final Action**
- July 2016 – Further Discussion**
- June 2016 – No Meeting**
- May 2016 – Up for Discussion and Possible Filing**
- April 2016 – Study Session**

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Tab 7: August 2016 Commission Meeting Agenda.      Statutory Authority 9.46.070, RCW 9.46.0282                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Who Proposed the Rule Change?</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| George Teeny, owner of the Last Frontier and New Phoenix, house-banked card rooms that may offer house-banked and non-house-banked card games                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Describe the Proposed Change / Background</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <p>Mr. Teeny is requesting increased wagering limits for non-house-banked card games, such as poker. Specifically, the proposed change would:</p> <ul style="list-style-type: none"> <li>• Increase the maximum amount of a single wager on any authorized poker game, not just Texas Hold ‘Em, from \$40 to \$100 at a Class F card rooms; and</li> <li>• Increase the maximum amount of a single wager on any authorized poker game, not just Texas Hold ‘Em, played at house-banked card room licensees to \$300, the same limits as those for house-banked card games.</li> </ul> <p>The petitioner stated in their letter that house-banked card room licensees pay the same per table fee to the gaming commission no matter if they use the table for a house-banked or non-house-banked table game. The same level of staffing and regulations/guidelines are required of the house-banked licensees if they are offering non-house banked games.</p> <p>A Small Business Economic Impact Statement was not prepared. These rule changes would allow for higher betting limits and would benefit businesses. The rule change would not impose additional costs to licensees.</p> <p>Attachments:</p> <ul style="list-style-type: none"> <li>• April 12, 2016, email from Dolores Chiechi on behalf of George Teeny requesting a rule change to WAC 230-15-135.</li> <li>• May 3, 2016, email from Dolores Chiechi on behalf of George Teeny revising the original rule petition language to WAC 230-15-135.</li> <li>• Notice of rule-making sent to all card game licensees</li> </ul> |
| <b>Licensees Impacted</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| The proposed change would impact three Class F card rooms and those house-banked card room licensees that offer non-house-banked card games. As of April 29, 2016, there were 50 licensed and operating house-banked card rooms.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Policy Consideration</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <ul style="list-style-type: none"> <li>• The amount of money on the table (pot) will increase significantly.</li> <li>• A wager in poker would now be the same as a house-banked card game wager.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Statements supporting and opposing</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| See attached emails from stakeholders.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Staff Recommendation</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Final Action</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Proposed Effective Date for Rule Change</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 31 days from filing.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

AMENDATORY SECTION (Amending WSR 12-21-048, filed 10/12/2012, effective 1/1/13)

**WAC 230-15-135 Wagering limits for nonhouse-banked card games.**

Card room licensees must not exceed these wagering limits.

- 1) Poker-
  - a) There must be no more than five betting rounds in any one game; and
  - b) There must be no more than four wagers in any betting round, for example, the initial wager plus three raises; and
  - c) The maximum amount of a single wager must not exceed forty dollars; however, class F may offer a maximum single wager not to exceed one hundred dollars; and house-banked card game licensees may offer a single wager not to exceed (~~one hundred dollars for the game of Texas Hold'em~~) three-hundred dollars;
- 2) Games based on achieving a specific number of points- Each point must not exceed five cents in value;
- 3) Ante- No more than the maximum wager allowed for the first betting round for any game, except for Panguingue (Pan). The ante may, by house rule:
  - a) Be made by one or more players, but the total ante may not exceed the maximum wager allowed for the first betting round; and
  - b) Be used as part of a player's wager;
- 4) Panguingue (Pan)- The maximum value of a chip must not exceed ten dollars. An ante must not exceed one chip. We prohibit doubling of conditions. Players going out may collect no more than two additional chips for going out from each participating player.

**From:** [Newer, Susan \(GMB\)](#)  
**To:** [Griffin, Tina \(GMB\)](#); [Trujillo, Dave \(GMB\)](#); [Hunter, Amy \(GMB\)](#)  
**Cc:** [Rancour, Michelle \(GMB\)](#); [Wittmers, Keith \(GMB\)](#); [Stueckle, Joshua \(GMB\)](#)  
**Subject:** New Petition from George Teeny  
**Date:** Tuesday, April 12, 2016 11:33:24 AM  
**Attachments:** [GT Wager Limits.docx](#)

---

Attached is a new petition for rule change submitted by George Teeny, via RGA. I will file a CR 101. I will let Mr. Teeny know we have received his petition.

---

**From:** Dolores Chiechi [mailto:DChiechi@rga-wa.org]  
**Sent:** Tuesday, April 12, 2016 10:20 AM  
**To:** Newer, Susan (GMB) <susan.newer@wsgc.wa.gov>  
**Cc:** 'George Teeny' <gteeny@thephoenixcasino.com>  
**Subject:** FW: Document1

Susan,  
I am forwarding the attached rule change request on behalf of George Teeny, petitioner.

We understand the timing is such that it will appear on the May study session agenda, with filing up at the July meeting, since there is no meeting scheduled in June.

Thank you for your attention.

*Dolores A Chiechi*  
*Executive Director*  
*Recreational Gaming Association*  
*PO Box 1787*  
*Olympia, WA 98507-1787*  
*360-352-0514 office*  
[WWW.RGA-WA.ORG](http://WWW.RGA-WA.ORG)

**UNITED WE STAND - DIVIDED WE FOLD**

---

**From:** George Teeny [mailto:gteeny@thephoenixcasino.com]  
**Sent:** Wednesday, April 06, 2016 3:55 PM  
**To:** [dolores@rga-wa.org](mailto:dolores@rga-wa.org)  
**Subject:** FW: Document1

Good Afternoon Susan

I am submitting this rule change to be added to the agenda for the WSGC May meeting in Pasco, Washington.

Reason for the rule change; if you are licensed as an Enhance Cardroom:

- 1) The licensees pay the same per table fee to the gaming commission no matter if they use the table for Blackjack (or any other house banked game) or poker;
- 2) the licensees have to have the same level of surveillance, security and management for any

game under the Enhanced Cardroom license;

- 3) the same regulations/guidelines are used for (e.g. "fills and credits", cash for chips, cash-out of chips, fiduciary accounts for players' funds, etc.) on all enhanced gaming tables (poker included);

Please let me know if there is anything else needed of me.

sincerely,

George Teeny

**WAC 230-15-135 Wagering limits for nonhouse-banked card games.**  
Card room licensees must not exceed these wagering limits.

- 1) Poker-
  - a) There must be no more than five betting rounds in any one game; and  
There must be no more than four wagers in any betting round, for example, the initial
  - b) wager plus three raises; and
  - c) The maximum amount of a single wager must not exceed ~~(forty)~~ one hundred dollars; however, ~~(class F and)~~ house-banked card game licensees may offer a single wager not to exceed ~~(one hundred dollars for the game of Texas Hold'em;)~~ the maximum allowable single wager limit in WAC 230-15-140
- 2) Games based on achieving a specific number of points- Each point must not exceed five cents in value;
- 3) Ante- No more than the maximum wager allowed for the first betting round for any game, except for Panguingue (Pan). The ante may, by house rule:
  - a) Be made by one or more players, but the total ante may not exceed the maximum wager allowed for the first betting round; and
  - b) Be used as part of a player's wager;
- 4) Panguingue (Pan)- The maximum value of a chip must not exceed ten dollars. An ante must not exceed one chip. We prohibit doubling of conditions. Players going out may collect no more than two additional chips for going out from each participating player.

**From:** [Dolores Chiechi](#)  
**To:** [Trujillo, Dave \(GMB\)](#)  
**Cc:** [Griffin, Tina \(GMB\)](#); "Jo England"; [Newer, Susan \(GMB\)](#); [Stueckle, Joshua \(GMB\)](#); [Wittmers, Keith \(GMB\)](#); [gteeny@thephoenixcasino.com](mailto:gteeny@thephoenixcasino.com)  
**Subject:** Revised wagering limit rule  
**Date:** Tuesday, May 03, 2016 12:53:16 PM  
**Attachments:** [GT Wager Limits rev.docx](#)

---

Greetings:

On behalf of George Teeny attached please find a revised draft for his petition for rule change relating to poker limits.

Please let us know if you need further information.

Thank you for your attention.

*Dolores A Chiechi*  
*Executive Director*  
*Recreational Gaming Association*  
*PO Box 1787*  
*Olympia, WA 98507-1787*  
*360-352-0514 office*  
[WWW.RGA-WA.ORG](http://WWW.RGA-WA.ORG)

**UNITED WE STAND - DIVIDED WE FOLD**

---

**From:** George Teeny [<mailto:gteeny@thephoenixcasino.com>]  
**Sent:** Thursday, April 28, 2016 8:48 AM  
**To:** [DChiechi@rga-wa.org](mailto:DChiechi@rga-wa.org)  
**Cc:** Jo England  
**Subject:** FW: wagering limit rule

FYI

---

**From:** Wittmers, Keith (GMB) [<mailto:keith.wittmers@wsgc.wa.gov>]  
**Sent:** Thursday, April 28, 2016 8:41 AM  
**To:** 'George Teeny'  
**Cc:** Newer, Susan (GMB)  
**Subject:** RE: wagering limit rule

George

Thanks for the clarification. This is how I wrote up the proposal for you.

Thanks KW

---

**From:** George Teeny [<mailto:gteeny@thephoenixcasino.com>]  
**Sent:** Thursday, April 28, 2016 8:33 AM  
**To:** Wittmers, Keith (GMB) <[keith.wittmers@wsgc.wa.gov](mailto:keith.wittmers@wsgc.wa.gov)>  
**Cc:** Newer, Susan (GMB) <[susan.newer@wsgc.wa.gov](mailto:susan.newer@wsgc.wa.gov)>  
**Subject:** RE: wagering limit rule

Good Morning

During our discussion yesterday (April 27<sup>th</sup>), Keith shared with me, that the way I had written my petition would open up all non-house banked poker rooms and the games that they offered, to a maximum single wager of \$100 and that was not my intent.

My intent was to allow "Class F" cardrooms, not only to have \$100 limits in the game of Hold'em, but to all poker games that they offer.

House-banked rooms would be able to offer limits (in all types of poker games offered) that match the maximum single allowable wager limit in **WAC 230-15-140**

All other non-house poker rooms (e.g. "Class E") would offer the maximum amount of a single wager not to exceed \$40 to all of the games that they offer.

So, in referencing the rewrite in --- **WAC-15-135**

**Wagering limits for nonhouse-banked card games.**

1) POKER

c) The maximum amount of a single wager must not exceed forty dollars; however, class F may offer a maximum single wager not to exceed one hundred dollars; and, house-banked cardroom licensees may offer a single wager not to exceed the maximum allowable single wager limit in **WAC 230-15-140**

Keith or Susan if need anything else, please let me know.

work phone: 360-573-6442 ext 321

e-mail address: [gteeny@thephoenixcasino.com](mailto:gteeny@thephoenixcasino.com)

gdt

---

**From:** Wittmers, Keith (GMB) [mailto:[keith.wittmers@wsgc.wa.gov](mailto:keith.wittmers@wsgc.wa.gov)]

**Sent:** Wednesday, April 27, 2016 4:33 PM

**To:** '[gteeny@thephoenixcasino.com](mailto:gteeny@thephoenixcasino.com)'

**Cc:** Newer, Susan (GMB)

**Subject:** wagering limit rule

George

Please send a clarification email regarding the rule change verbiage we discussed. Please send to Susan Newer and myself.

Thanks KW

**WAC 230-15-135 Wagering limits for nonhouse-banked card games.**  
Card room licensees must not exceed these wagering limits.

- 1) Poker-
  - a) There must be no more than five betting rounds in any one game; and  
There must be no more than four wagers in any betting round, for example, the initial
  - b) wager plus three raises; and
  - c) The maximum amount of a single wager must not exceed forty dollars; however, class F may offer a maximum single wager not to exceed one hundred dollars; and house-banked card game licensees may offer a single wager not to exceed ~~one hundred dollars for the game of Texas Hold'em~~; three-hundred dollars.
- 2) Games based on achieving a specific number of points- Each point must not exceed five cents in value;
- 3) Ante- No more than the maximum wager allowed for the first betting round for any game, except for Panguingue (Pan). The ante may, by house rule:
  - a) Be made by one or more players, but the total ante may not exceed the maximum wager allowed for the first betting round; and
  - b) Be used as part of a player's wager;
- 4) Panguingue (Pan)- The maximum value of a chip must not exceed ten dollars. An ante must not exceed one chip. We prohibit doubling of conditions. Players going out may collect no more than two additional chips for going out from each participating player.



STATE OF WASHINGTON  
GAMBLING COMMISSION

PO Box 42400 Olympia WA 98504-2400 (360) 486-3440 TDD (360) 486-3637 FAX (360) 486-3626

**NOTICE OF RULE MAKING**

May 9, 2016

Dear Card Game Licensee:

The Washington State Gambling Commission has received three petitions for rulemaking that will be up for discussion and possible filing at the May 12, 2016, Commission Meeting. The proposed rules address such things as hours of operation, gambling promotions, authorized fees and methods of collection, and nonhouse-banked card game wagering limits.

The proposed rules submitted by the petitioners can be found on our website at <http://www.wsgc.wa.gov/> under Public Meetings then May 2016. If you do not have access to the internet, you can obtain a copy of the proposed rule changes by contacting Hollee Arrona at (360) 486-3555.

These rules will be discussed at the May 2016 Study Session and Commission meeting, which will be held at the Red Lion Hotel at 2525 N. 20<sup>th</sup> Avenue in Pasco. You can participate in the meeting via phone. Please refer to our website, under Public Meetings to verify the agenda, meeting start times and instructions for participating via phone.

If the Commissioners file the petitions for further discussion, these rules will be discussed during at least two more Study Sessions and one more Commission Meeting. Refer to our website under Public Meetings at least two weeks prior to the meeting to verify meeting dates, times and agenda items.

We encourage you to comment on the proposed rules packages by attending an upcoming commission meeting or by sending us your comments. Lastly, if any of the proposed rule changes would cause a financial impact to your business, please let us know. All comments can be send to:

By email: [Holley.Arrona@wsgc.wa.gov](mailto:Holley.Arrona@wsgc.wa.gov); or

By mail: WSGC  
Attn: Hollee Arrona  
P.O. Box 42400  
Olympia, WA 98504

If you have any questions, please feel free to contact me at [Tina.Griffin@wsgc.wa.gov](mailto:Tina.Griffin@wsgc.wa.gov) or at (360) 486-3546.

Sincerely,

A handwritten signature in black ink, appearing to read "Tina Griffin".

Tina Griffin  
Assistant Director



**From:** [Newer, Susan \(GMB\)](#)  
**To:** [Griffin, Tina \(GMB\)](#)  
**Subject:** FW: Call to action reply - Public Comment  
**Date:** Thursday, June 16, 2016 10:54:32 AM

---

FYI

---

**From:** B.J. Garbe [mailto:bj@lakebowl.com]  
**Sent:** Thursday, June 16, 2016 10:17 AM  
**To:** Newer, Susan (GMB) <susan.newer@wsgc.wa.gov>  
**Subject:** Call to action reply

Hello Susan,

As part of the Call To Action email, I would like to let you know that Lake Bowl/Papa's Sports Lounge and Casino is in favor of all rule changes.

Thanks,

B.J. Garbe, CEO  
Lake Bowl Inc.

**From:** [Newer, Susan \(GMB\)](#)  
**To:** [Griffin, Tina \(GMB\)](#); [Hunter, Amy \(GMB\)](#)  
**Subject:** FW: Rule Changes - Public Comment  
**Date:** Wednesday, June 15, 2016 4:48:19 PM

---

FYI – From Susan’s email.

---

**From:** Accounting [mailto:accounting@blackpearlspokane.com]  
**Sent:** Wednesday, June 15, 2016 2:39 PM  
**To:** Newer, Susan (GMB) <susan.newer@wsgc.wa.gov>  
**Subject:** Rule Changes

Attention WSGC,

To whom it may concern

Please find below a list of potential rule changes that I support. I believe all of the following to be a positive change to assist Poker to not only remain strong but to grow and help support the now smaller number of casinos in Washington State.

1. Hours of Operation – would allow for 24-7 operations
2. Promotions – enhances opportunities for operating promotions
3. Poker wager limits – raises the poker limit to \$100 on all games and \$300 for poker games that also operate house banked games
4. Allows the rake at 10% removing the \$5 limit and allows for \$100 wager on all games, not just Texas Hold'em

Thank You,

Dan Baker  
Controller  
Black Pearl Spokane

**From:** [Newer, Susan \(GMB\)](#)  
**To:** [Griffin, Tina \(GMB\)](#); [Hunter, Amy \(GMB\)](#)  
**Subject:** FW: Rule Changes - Public Comment  
**Date:** Wednesday, June 15, 2016 4:50:43 PM

---

[Another to add](#)

---

**From:** Ian Riley [mailto:[ianriley@blackpearlspokane.com](mailto:ianriley@blackpearlspokane.com)]  
**Sent:** Wednesday, June 15, 2016 2:04 PM  
**To:** Newer, Susan (GMB) <[susan.newer@wsgc.wa.gov](mailto:susan.newer@wsgc.wa.gov)>  
**Cc:** Dolores Chiechi <[DChiechi@rga-wa.org](mailto:DChiechi@rga-wa.org)>  
**Subject:** Rule Changes

Attention WSGC

To whom it may concern

Please find below a list of potential rule changes that I support. I believe all of the following to be a positive change to assist Poker to not only remain strong but to grow and help support the now smaller number of casinos in Washington State.

1. [Hours of Operation – would allow for 24-7 operations](#)
2. [Promotions – enhances opportunities for operating promotions](#)
3. [Poker wager limits – raises the poker limit to \\$100 on all games and \\$300 for poker games that also operate house banked games](#)
4. [Allows the rake at 10% removing the \\$5 limit and allows for \\$100 wager on all games, not just Texas Hold'em](#)

Thank you,  
Regards,  
Ian Riley

**From:** [Newer, Susan \(GMB\)](#)  
**To:** [Griffin, Tina \(GMB\)](#)  
**Subject:** FW: Proposed Rule Changes - Public Comment  
**Date:** Thursday, June 16, 2016 10:48:40 AM

---

**From:** Josh Herschlip [mailto:josh\_herschlip@msn.com]  
**Sent:** Thursday, June 16, 2016 12:31 AM  
**To:** Newer, Susan (GMB) <susan.newer@wsgc.wa.gov>  
**Cc:** Dolores Chiechi <dchiechi@rga-wa.org>  
**Subject:** Proposed Rule Changes

My name is Josh Herschlip, I am the Regional Manager for the Buzz Inn Steakhouse Corporation, This includes representation of the Buzz Inn Steakhouse and Casino located in East Wenatchee. We also previously owned and operated Ace's Casino which was located in Arlington, WA. I'm contacting you regarding potential rule changes. The reason I mention the previous location is these rule changes could have been potential difference makers in our survival. Aces was located within 10 miles of three tribal casinos (Tulalip, Quil Ceda and Angel of the Winds)

\*We support the change in the hours of operation. The forcing of closure to our establishments when a potential of business exists and is accessible throughout the state with no limitations creates an unfair advantage as well as limits customer base with staggered schedules. Many occupations include swing shift/ grave yard shifts the forced closure drives that potential business elsewhere.

\*We support the changes in promotion allowances. These restrictions put a damper on our creativity and the possibilities of great promotions to entertain our guests. These promotions are how we create excitement about our businesses and generate new business! People like spinning wheels and the excitement of the possibility.

\*We support the increased poker wagers. Increasing this wager not only helps level the playing field that exists in our state but makes it less of a conversation to our guests as what the difference of playing poker at a tribal casino and our card rooms. It also allows greater flexibility to games being spread. I believe most people agree poker is a game of skill and proper wagering is an important part of the game and allows players to better protect their investment or wager by betting accordingly to pot size. The greater the spread the better the game. That being said all games approved to be spread or played should allow for the same wager to alleviate confusion to our staffs, agents and guests.

\*We support the change in rake structure. Allowing our operations to rake up to 10% of the pot allows for the rooms to absorb portions of the costs that have been added to our day to day operation.(Health Care, Minimum Wage Increase, Restrictive Scheduling, Sick Leave, Salary Structure as well as rising product cost) These are obviously much greater costs than increased rake can fix but it's a step in the right direction for those who offer poker. We are an industry in great need of finding a balance for gaming in our state we need new revenue to just survive, while the current rules allow the same industry to thrive with a few major adjustments to the rules.

Please support these changes and help the R.G.A. balance out gaming in our state!

Thank You For Your Time.  
Josh Herschlip

**From:** [Newer, Susan \(GMB\)](#)  
**To:** [Griffin, Tina \(GMB\)](#); [Hunter, Amy \(GMB\)](#)  
**Subject:** FW: Rule Changes for Card rooms - Public Comment  
**Date:** Wednesday, June 15, 2016 4:47:30 PM

---

FYI – This came in today from Susan’s email.

---

**From:** Mark and Patricia Greene [mailto:maloa@hotmail.com]  
**Sent:** Wednesday, June 15, 2016 3:29 PM  
**To:** Newer, Susan (GMB) <susan.newer@wsgc.wa.gov>  
**Cc:** Lance Rinard <lancerin@aol.com>; Dolores (RGA) <DChiechi@rga-wa.org>  
**Subject:** Rule Changes for Card rooms

Dear Susan,

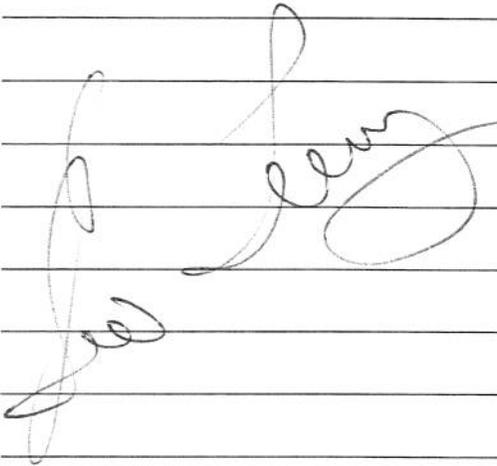
As owner of Lancer Lanes and Casino I would like to let you know that I'm in favor of all the rule changes to do with 24 hours open, Poker limits and rake, and enhanced opportunities for promotions. Please go ahead and adopt the new rules for these items.

Thank you,

Mark Greene

HERE ARE 7 PAGES OF SIGNATURES  
FROM SOME OF OUR CUSTOMERS  
WAITING TO SEE THE INCREASE IN THE  
LIMITS FOR POKER FROM \$100 TO \$300

WAL 230-15-135



**George Teeny**

(360) 573-6442  
(503) 281-0932

Fax: (360) 263-3573  
gteeny@thephoenixcasino.com  
www.thephoenixcasino.com

P.O. Box 1990 La Center, WA 98629

The Last Frontier  
**Casino**

June 11, 2016

To the Washington State Gambling Commission

It has come to our attention that there is a petition for a rule change dealing with the limits that are now being played in the house-banked poker rooms of Washington State. The petition is asking that the limits for poker be adjusted in the house banked rooms from the now \$100 limits on Texas Holdem to a \$300 limit, and that the limit that is being requested, can be played on all types of poker games throughout the state.

It has been explained to us that gaming in this state is highly regulated, that limits are controlled by the gambling commission with advice from the legislature, and even though the most popular type of poker throughout the country and in this state is no-limit poker, we are unable to play a "true" no-limit game format.

The increase that is being asked for will allow us to play a faux-type of no-limit. The maximum bet of \$300 will rarely be seen in the small blind games (e.g. \$1.00/\$2.00) offered, and yet the game can be played similar in like to no-limit.

We asked that the limit be adjusted (for all games), so that our game of choice will be able to be played in these cardrooms.

Sincerely,

Players in Southwest Washington

PLEASE SIGN, DATE AND THEN PRINT YOUR NAME

~~\_\_\_\_\_ 6-13-16~~  
 Fort Buchanan 6-13-16  
~~\_\_\_\_\_ 6-13-16~~  
~~\_\_\_\_\_ 6-13-16~~  
 6/13/16  
 6/13/16  
 AM  
 Sarah M. KorteKaas 6-13-16  
~~\_\_\_\_\_ 6/13/16~~  
 6/13/16  
 6-13-16  
 6/13/16  
 6/13/16  
 Marion Hale 6/13/16

Robert Clement  
 Lonnie T. Smith  
 Thomas Moss  
 Susan Miser  
 AJ Summers  
 Alexander Magallanes  
 Sarah M.F. KorteKaas  
 Chris Kroll  
 RON - STEVIE  
 Kyle Nelson  
 \_\_\_\_\_  
 Marion Hale

June 11, 2016

To the Washington State Gambling Commission

It has come to our attention that there is a petition for a rule change dealing with the limits that are now being played in the house-banked poker rooms of Washington State. The petition is asking that the limits for poker be adjusted in the house banked rooms from the now \$100 limits on Texas Holdem to a \$300 limit, and that the limit that is being requested, can be played on all types of poker games throughout the state.

It has been explained to us that gaming in this state is highly regulated, that limits are controlled by the gambling commission with advice from the legislature, and even though the most popular type of poker throughout the country and in this state is no-limit poker, we are unable to play a "true" no-limit game format.

The increase that is being asked for will allow us to play a faux-type of no-limit. The maximum bet of \$300 will rarely be seen in the small blind games (e.g. \$1.00/\$2.00) offered, and yet the game can be played similar in like to no-limit.

We asked that the limit be adjusted (for all games), so that our game of choice will be able to be played in these cardrooms.

Sincerely,

Players in Southwest Washington

PLEASE SIGN, DATE AND THEN PRINT YOUR NAME

Dwight Cotton  
[Signature]  
[Signature]  
Steve 6/13/16  
[Signature] 6-13-16  
Harley 6-13-16  
Carl M 6/13/16  
[Signature] 6/13/16  
[Signature] 6/13/16  
[Signature] 6/13/16  
[Signature] 6/13/16  
[Signature] 6/13-16  
[Signature] 6-13-16  
[Signature] 6-13-16

Dwight Cotton 6-12-16  
Stephen Krystynik 6/12/16  
Kevin Erickson  
Billy Westom  
Susan Chamberlin  
David Shockey  
Paul D Johnson  
Mike Raser  
John Law  
Kim Anderson  
Julius Schultz  
Salvador Calderon  
Michael Cherney

June 11, 2016

To the Washington State Gambling Commission

It has come to our attention that there is a petition for a rule change dealing with the limits that are now being played in the house-banked poker rooms of Washington State. The petition is asking that the limits for poker be adjusted in the house banked rooms from the now \$100 limits on Texas Holdem to a \$300 limit, and that the limit that is being requested, can be played on all types of poker games throughout the state.

It has been explained to us that gaming in this state is highly regulated, that limits are controlled by the gambling commission with advice from the legislature, and even though the most popular type of poker throughout the country and in this state is no-limit poker, we are unable to play a "true" no-limit game format.

The increase that is being asked for will allow us to play a faux-type of no-limit. The maximum bet of \$300 will rarely be seen in the small blind games (e.g. \$1.00/\$2.00) offered, and yet the game can be played similar in like to no-limit.

We asked that the limit be adjusted (for all games), so that our game of choice will be able to be played in these cardrooms.

Sincerely,

Players in Southwest Washington

PLEASE SIGN, DATE AND THEN PRINT YOUR NAME

Robert F. Arvasiti  
[Signature]  
SW  
[Signature]  
[Signature]  
Jessie Moran  
Chris Bacto  
[Signature]  
[Signature]  
William R. Wagner  
[Signature]  
[Signature]

Robert F. Arvasiti  
Adam Martin 6/12/16  
Steve Starbuck 6/12  
Poon Chan 6/12  
Juanita Siwinski 6-12-16  
Virginia Moran  
Cheryl Bartow 6/12/16  
Patrick Petree  
Johnny Ah-Yuk 6/12/16  
Anthony AN 6/12/16  
William R. Wagner 6/12/16  
Doon Koolga 6/13/16  
Emily Esandero 6/13/16



June 11, 2016

To the Washington State Gambling Commission

It has come to our attention that there is a petition for a rule change dealing with the limits that are now being played in the house-banked poker rooms of Washington State. The petition is asking that the limits for poker be adjusted in the house banked rooms from the now \$100 limits on Texas Holdem to a \$300 limit, and that the limit that is being requested, can be played on all types of poker games throughout the state.

It has been explained to us that gaming in this state is highly regulated, that limits are controlled by the gambling commission with advice from the legislature, and even though the most popular type of poker throughout the country and in this state is no-limit poker, we are unable to play a "true" no-limit game format.

The increase that is being asked for will allow us to play a faux-type of no-limit. The maximum bet of \$300 will rarely be seen in the small blind games (e.g. \$1.00/\$2.00) offered, and yet the game can be played similar in like to no-limit.

We asked that the limit be adjusted (for all games), so that our game of choice will be able to be played in these cardrooms.

Sincerely,

Players in Southwest Washington

PLEASE SIGN, DATE AND THEN PRINT YOUR NAME

Gary Ross  
D  
Larry Loria  
John  
Alan Harper  
R A J  
John  
John Dinger  
Mark & Bruce  
Bill  
E Stewart  
Bob  
John Scott

Gary Ross 6/11/16  
Dan Dehoff 6/11/16  
Larry Davidson 6/11/16  
John Kales 6-11-16  
Alan Harper 6/11/16  
TIMOTHY A. GREEN 6/11/16  
Shaen Ross 6-12-16  
Steven Demjan 6/12/16  
Gary Brown 6-12-16  
Bill's Cable 6-12-16  
C. STEWART  
Dag Boyd 6-12-16  
Robin Scott 6-12-16







June 11, 2016

To the Washington State Gambling Commission

It has come to our attention that there is a petition for a rule change dealing with the limits that are now being played in the house-banked poker rooms of Washington State. The petition is asking that the limits for poker be adjusted in the house banked rooms from the now \$100 limits on Texas Holdem to a \$300 limit, and that the limit that is being requested, can be played on all types of poker games throughout the state.

It has been explained to us that gaming in this state is highly regulated, that limits are controlled by the gambling commission with advice from the legislature, and even though the most popular type of poker throughout the country and in this state is no-limit poker, we are unable to play a "true" no-limit game format.

The increase that is being asked for will allow us to play a faux-type of no-limit. The maximum bet of \$300 will rarely be seen in the small blind games (e.g. \$1.00/\$2.00) offered, and yet the game can be played similar in like to no-limit.

We asked that the limit be adjusted (for all games), so that our game of choice will be able to be played in these cardrooms.

Sincerely,

Players in Southwest Washington

PLEASE SIGN, DATE AND THEN PRINT YOUR NAME

Durkee R. Lewis 6/14/16  
Steve 6/14/16  
Chris Nguyen 6/14/16  
Emanuel Mendez 6/14/16  
John 6-14-16  
Paul 6-15-2016  
Paul Wallace 6-15-2016  
[Signature]  
John C. Levesque  
Cynthia G. Biggs 6-15-16  
[Signature]  
Joseph J. Anderk

DURKEE R. LEWIS  
Jason Hill  
Chris Nguyen  
Emanuel Mendez  
John Novak  
JASON A GARDNER  
DICK WALLACE  
Chris Cantor 6/15/16  
DANA C. LEVESQUE 6/15/16  
Cynthia G. Biggs  
Marilyn Grant #69  
Dave Thomas  
JOSEPH J ANDERK

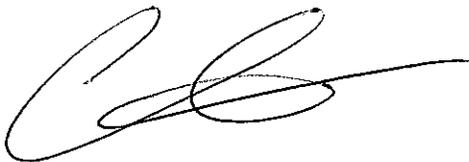
6/15/16

To the Washington State Gambling Commission,

My name is Christopher Canter. As a low limit player in SW Washington I would strongly like to recommend that you adjust the betting limit from \$100 a bet to \$300 a bet for poker rooms in Washington State.

A structure of \$1-\$2, \$1-\$300 spread limit will allow myself and many players like me to play the type of game that we would most enjoy, and would be more affordable than the current structured betting of limit games. While it might seem that raising the betting limit to \$300 would be more expensive for current players, in actuality it will not be any bigger of a game such as a \$4/\$8 structured betting game as we will be able to decide how much or how little to bet instead of being forced to bet or call a preset amount. Allowing this change to the betting structure would go great lengths to strengthen poker in Washington State.

Thank you for your time and consideration,

A handwritten signature in black ink, consisting of a large, stylized 'C' followed by several loops and a long horizontal stroke extending to the right.

Christopher Canter

**From:** [Newer, Susan \(GMB\)](#)  
**To:** [Griffin, Tina \(GMB\)](#)  
**Subject:** FW: petitions  
**Date:** Monday, June 27, 2016 2:10:31 PM

---

**From:** George Teeny [mailto:gteeny@thephoenixcasino.com]  
**Sent:** Monday, June 27, 2016 1:47 PM  
**To:** Newer, Susan (GMB) <susan.newer@wsgc.wa.gov>  
**Cc:** dolores@rga-wa.org; Jo England <jengland@thephoenixcasino.com>  
**Subject:** petitions

Afternoon Commissioners

This email is to notify you that my club, The Phoenix Casino, supports the petitions that have been submitted to you by private parties and the RGA.

WAC rules to be modified and petitions to follow:

- 1) 230-15-025 ---- Hours of Operation
- 2) 230-06-030 ---- Restrictions and Conditions – Gambling Promotions
- 3) 230-06-031 ---- Promotional Contests of Chance
- 4) 230-15-080 ---- Authorized Fees and Authorized Methods of Collection
- 5) 230-15-135 ---- Wagering Limits for Nonhouse-Banked Card Games

These petitions, all or in part, will help the gaming industry as a whole.

However, with that being said, none of these petitions are the “golden ticket” for the commercial clubs to grow and prosper in the years ahead. The only thing that might have that affect will be some form of electronic (gaming) pull tab machines.

thank you for your time and consideration,  
sincerely,  
george teeny

**From:** [Newer, Susan \(GMB\)](#)  
**To:** [Griffin, Tina \(GMB\)](#)  
**Subject:** FW: petitions  
**Date:** Monday, June 27, 2016 2:10:17 PM

---

**From:** George Teeny [mailto:gteeny@thephoenixcasino.com]  
**Sent:** Monday, June 27, 2016 1:49 PM  
**To:** Newer, Susan (GMB) <susan.newer@wsgc.wa.gov>  
**Cc:** dolores@rga-wa.org; Jo England <jengland@thephoenixcasino.com>  
**Subject:** FW: petitions

Afternoon Commissioners

This email is to notify you that my club, [THE LAST FRONTIER CASINO](#), supports the petitions that have been submitted to you by private parties and the RGA.

WAC rules to be modified and petitions to follow:

- 1) 230-15-025 ---- Hours of Operation
- 2) 230-06-030 ---- Restrictions and Conditions – Gambling Promotions
- 3) 230-06-031 ---- Promotional Contests of Chance
- 4) 230-15-080 ---- Authorized Fees and Authorized Methods of Collection
- 5) 230-15-135 ---- Wagering Limits for Nonhouse-Banked Card Games

These petitions, all or in part, will help the gaming industry as a whole.

However, with that being said, none of these petitions are the “golden ticket” for the commercial clubs to grow and prosper in the years ahead. The only thing that might have that affect will be some form of electronic (gaming) pull tab machines.

thank you for your time and consideration,  
sincerely,  
george teeny



**Amend**

WAC 230-15-025 Hours of play.

WAC 230-06-030 Restrictions and conditions for gambling promotions.

WAC 230-06-031 Using wheels in promotional contests of chance, fund-raising events, or gambling activities.

**August 2016 – Up for Final Action**

**May 2016 – Up for Discussion and Possible Filing**

**April 2016 – Study Session**

ITEM 8: August 2016 Commission Meeting Agenda. Statutory Authority 9.46.070, RCW 9.46.0282

Who Proposed the Rule Change?

Recreational Gaming Association.

Describe the Proposed Change / Background

The Recreational Gaming Association is requesting the following rule changes:

**Hours of Play** (WAC 230-15-025): The proposed change would allow house-banked card rooms to be open 24 hours a day, seven days a week. Currently, house-banked card rooms can be open 24 hours a day, five days a week. On the remaining two days, they must be closed for a four hour period.

**Promotions** (WAC 230-06-030): The proposed change would allow operators to offer gambling promotions that:

- Allow entry based on disclosed criteria;
- Offer lottery tickets as a prize;
- Add additional merchandise or cash prizes to licensed gambling activities;
- Allow licensed manufacturers, distributors, and service suppliers to give licensees cash or merchandise to offer as a prize;
- Allow card rooms to use a physical drawing, spinning a wheel or selection from a group of concealed items to award a prize;
- Are not reviewed or approved by us when offered as outlined in the rule.

When offering gambling promotions, operators (1) must offer to all patrons of their establishments, (2) cannot use second elements of chance (spinning wheels, drawings, etc.) except for bingo operators and (3) cannot offer lottery tickets as prizes.

**Use of wheels in promotions** (WAC 230-06-031): The proposed change would allow card room licensees to use spinning wheels in conjunction with promotions they offer to customers. Currently, card room licensees cannot use spinning wheels in conjunction with promotions.

Note: The RGA has withdrawn their rule change to allow patrons to make wagers on the line (line-betting) on all games of baccarat, WAC 230-15-055.

A Small Business Economic Impact Statement was not prepared because the rule change would not impose costs to licensees.

Attachments:

- March 21, 2016, letter from Dolores Chiechi, Executive Director of the RGA.
- April 25, 2016, email from Dolores Chiechi requesting to hold over the rule change to WAC 230-15-055.
- Notices of rule-making sent to all manufacturers, distributors, service suppliers, and card game licensees.

Licensees Impacted

Licensed card rooms.

Regulatory Impacts

These changes would reduce staff time with promotions since staff would not be reviewing each new promotion, which currently takes a significant amount of staff time to review proposed gambling promotions from all licensees.

The change in hours of play for card room licensees would not require additional staff resources since most house-banked card rooms already operate 24 hours a day for five days a week and 20 hours, two days a week.

Policy Considerations

None

Statements supporting

See comments attached.

Staff Recommendation

Final Action

Proposed Effective Date for Rule Change

31 days from filing.

## Amended Section

### WAC 230-15-025 Hours of play.

(1) Licensees may ~~only~~ allow the use of their premises for card playing twenty-four hours a day between the hours of 2:00 a.m. and 6:00 a.m. with written approval from us.

(2) After we have received a written request, we will consult with the local law enforcement agency with jurisdiction over the licensee's business and with other state agencies involved in regulation of the business.

(3) After you have received written approval to operate twenty-four hours a day between the hours of 2:00 a.m. and 6:00 p.m. you may change your hours of operation without further approval from us. Class F and house-banked card rooms must include their hours of operation in their internal controls.

(4) You must also meet the following requirements:

(a) Open the food and/or drink business being stimulated to the public for business any time licensees are conducting card games; and

~~(b) Observe a four hour period of closure at the end of at least two business days a week before beginning the next period of operation; and~~

~~(b) (c)~~ Comply with any other terms and conditions we require.

(5) We may deny the request for extended hours or revoke hours already approved if:

(a) The local law enforcement agency or a state agency objects; or

(b) We determine that the licensee has violated any provisions of chapter 9.46 RCW, any other commission rule, or any of the terms of our approval.

(6) Licensees must submit all objections to revocations of operating hours in writing.

(7) If requested, we allow the licensee an opportunity for a brief adjudicative proceeding (BAP) before denying or revoking the licensee's authorization for extended card game hours. An administrative law judge hears the BAP, under the provisions of Title 230 WAC and chapter 34.05 RCW.

[Statutory Authority: RCW 9.46.070 and 9.46.0282. WSR 14-11-021 (Order 699), § 230-15-025, filed 5/9/14, effective 7/1/14. Statutory Authority: RCW 9.46.070. WSR 08-09-056 (Order 624), § 230-15-025, filed 4/14/08, effective 7/1/08; WSR 07-09-033 (Order 608), § 230-15-025, filed 4/10/07, effective 1/1/08.]

Changes since the May Commission Meeting are highlighted and bold. \*Note: Subsections (1) through (3) have been reordered.

## **Amended Section**

### **WAC 230-06-030 Restrictions and conditions for gambling promotions.**

Licenses may conduct gambling promotions to encourage players to participate in the a gambling activity they are licensed to conduct without our review or approval under these restrictions and conditions:

(12) You must establish rules and restrictions to determine how you will give promotional prizes and items to players. ~~((You must not give the items based on an element of chance, such as a drawing or spinning wheel, unless you are doing so as part of a bingo game));~~ and

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

(3) You must give all players **eligible for the promotion** an equal opportunity to participate; **allowing entries based on criteria, for example, time played or promotions for groups, such as “Ladies’ Night” are allowed;** and

(4) 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) 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) Licensed manufacturers, distributors, and service suppliers may give cash or merchandise items to licensed operators to be used as promotional prizes; and

(7) You must not give promotional prizes based on additional elements of chance, except:

(a) Licensed bingo operators may give items as part of a bingo game based on an element of chance, such as a drawing or spinning wheel;

(b) Licensed card rooms may only use physical drawings, spinning a wheel, or selecting from a group of concealed items; and

(8) 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.

## **Amended Section**

### **WAC 230-06-031 Using wheels in promotional contests of chance, fund-raising events, or gambling activities.**

#### Promotional contests of chance (PCOCs)

(1) Operators may use wheels specifically manufactured for a promotional contest of chance (PCOC), whether commercially made or home made.

(2) Operators must not use professionally manufactured wheels made specifically for gambling activities (for example, Big 6 Wheels) in PCOCs unless they receive permission ahead of time from us.

#### Fund-raising events

(3) Operators may use commercially made wheels in gambling activities for fund-raising events.

#### Separation of PCOCs from gambling activities and promotions

(4) No wheel may be used in conjunction with their gambling activities by ~~(=~~

~~(a) Card room licensees; or~~

~~(b))~~ pull-tab licensees.

#### Card rooms, pull-tabs, bingo, raffles

(5) Licensees and operators must not use professionally manufactured wheels made specifically for gambling activities (for example, Big 6 Wheels) in:

(a) Bingo; or

(b) Card games; or

(c) Pull-tabs.

(6) Operators may use commercially made or home made wheels as part of drawings for prizes, good neighbor prizes, or second element of chance prizes as part of bingo games, as set

out in WAC 230-10-280 or to award promotional prizes on card games as set out in WAC 230-06-030.



---

Post Office Box 1787 ♦ Olympia, WA 98507-1787 ♦ 360-352-0514

March 21, 2016

Washington State Gambling Commission  
P.O. Box 42400  
Olympia, WA 98504-2400

**RE: Petition for Rule Changes:**  
**WAC 230-15-025 - Hours of play**  
**WAC 230-06-030 - Restrictions and conditions for gambling promotions**  
**WAC 230-06-031 - Using wheels in promotional contests of chance, fund-raising events, or gambling activities - Promotional Contests of Chance (PCOC)**  
**WAC 230-15-055 - Limit on number of players at each table**

Dear Commissioners:

On behalf of our members, we respectfully submit the attached rules changes for review and consideration.

These changes would authorize licensees to:

- Request the authorization to operate gambling 24 hours a day 7 days a week (as other venues are allowed), retaining the requirement of input from local law enforcement;
- Conduct varied promotions for patrons, within specified parameters, without hindering staff with a review of each idea;
- Utilize spinning wheels in promotional contests of chance and offer prizes or contests for patrons with certain hands of cards during play; and
- Allow patrons to make wagers on the line (line-betting) on all games of baccarat - staff's rule change last year allowed this only on non-proprietary games - house banked card room licensees only offer proprietary games of baccarat, similar to those offered at other venues.

We request that the Commission consider filing these petitions for further discussion. We will provide further information before and during our presentation at the May meeting. We anticipate letters of support from house banked card room licensees will ensue once the petitions appear on the Commission's formal agenda.

Thank you in advance for your attention and consideration.

Sincerely,

*Dolores A. Chiechi*  
Dolores A. Chiechi  
Executive Director  
Attachments

## Rancour, Michelle (GMB)

---

**From:** Dolores Chiechi <DChiechi@rga-wa.org>  
**Sent:** Monday, April 25, 2016 1:02 PM  
**To:** Trujillo, Dave (GMB)  
**Cc:** Rancour, Michelle (GMB); Griffin, Tina (GMB); Stueckle, Joshua (GMB)  
**Subject:** Requested May Mtg changes  
**Attachments:** Number of players.docx

Greetings:

Please accept this as a notice requesting postponement until the July meeting of RGA's presentation and the discussion and possible filing of the "number of players" rule relating to mini-baccarat.

Please let me know you received this request.

Thank you for your attention to and consideration of this request.

*Dolores A Chiechi*  
*Executive Director*  
*Recreational Gaming Association*  
*PO Box 1787*  
*Olympia, WA 98507-1787*  
*360-352-0514 office*  
[WWW.RGA-WA.ORG](http://WWW.RGA-WA.ORG)

**UNITED WE STAND - DIVIDED WE FOLD**



STATE OF WASHINGTON  
GAMBLING COMMISSION

PO Box 42400 Olympia WA 98504-2400 (360) 486-3440 TDD (360) 486-3637 FAX (360) 486-3626

**NOTICE OF RULE MAKING**

May 9, 2016

Dear Licensee:

The Washington State Gambling Commission has received a petition for rulemaking that will be up for discussion and possible filing at the May 12, 2016, Commission Meeting. The proposed rules address such things as gambling promotions. The proposed rules submitted by the petitioners are attached.

These rules will be discussed at the May 2016 Study Session and Commission meeting, which will be held at the Red Lion Hotel at 2525 N. 20<sup>th</sup> Avenue in Pasco. You can participate in the meeting via phone. Please refer to our website, under Public Meetings to verify the agenda, meeting start times and instructions for participating via phone.

If the Commissioners file the petitions for further discussion, these rules will be discussed during at least two more Study Sessions and one more Commission Meeting. Refer to our website under Public Meetings at least two weeks prior to the meeting to verify meeting dates, times and agenda items.

We encourage you to comment on the proposed rules packages by attending an upcoming commission meeting or by sending us your comments. Lastly, if any of the proposed rule changes would cause a financial impact to your business, please let us know. All comments can be send to:

By email: [Hollee.Arrona@wsgc.wa.gov](mailto:Hollee.Arrona@wsgc.wa.gov); or

By mail: WSGC  
Attn: Hollee Arrona  
P.O. Box 42400  
Olympia, WA 98504

If you have any questions, please feel free to contact me at [Tina.Griffin@wsgc.wa.gov](mailto:Tina.Griffin@wsgc.wa.gov) or at (360) 486-3546.

Sincerely,

Tina Griffin  
Assistant Director



## Amended Section

### WAC 230-06-030 Restrictions and conditions for gambling promotions.

Licensees may conduct gambling promotions to encourage players to participate in the a gambling activity they are licensed to conduct without our review or approval under these restrictions and conditions:

(1) You must give all players an equal opportunity to participate; allowing entries based on criteria, for example, time played or promotions for groups, such as “Ladies’ Night” are allowed; and

(2) You must establish rules and restrictions to determine how you will give promotional prizes and items to players. ~~((You must not give the items based on an element of chance, such as a drawing or spinning wheel, unless you are doing so as part of a bingo game))~~; and

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

(4) 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) 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) Licensed manufacturers, distributors, and service suppliers may give cash or merchandise items to licensed operators to be used as promotional prizes; and

(7) You must not give promotional prizes based on additional elements of chance, except:  
(a) Licensed bingo operators may give items as part of a bingo game based on an element of chance, such as a drawing or spinning wheel;

(b) Licensed card rooms may only use physical drawings, spinning a wheel, or selecting from a group of concealed items; and

(8) 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.

## Amended Section

### WAC 230-06-031 Using wheels in promotional contests of chance, fund-raising events, or gambling activities.

#### Promotional contests of chance (PCOCs)

(1) Operators may use wheels specifically manufactured for a promotional contest of chance (PCOC), whether commercially made or home made.

(2) Operators must not use professionally manufactured wheels made specifically for gambling activities (for example, Big 6 Wheels) in PCOCs unless they receive permission ahead of time from us.

#### Fund-raising events

(3) Operators may use commercially made wheels in gambling activities for fund-raising events.

#### Separation of PCOCs from gambling activities and promotions

(4) No wheel may be used in conjunction with their gambling activities by

~~(a) Card room licensees; or~~

~~(b)) pull-tab licensees.~~

#### Card rooms, pull-tabs, bingo, raffles

(5) Licensees and operators must not use professionally manufactured wheels made specifically for gambling activities (for example, Big 6 Wheels) in:

(a) Bingo; or

(b) Card games; or

(c) Pull-tabs.

(6) Operators may use commercially made or home made wheels as part of drawings for prizes, good neighbor prizes, or second element of chance prizes as part of bingo games, as set out in WAC 230-10-280 or to award promotional prizes on card games as set out in WAC 230-06-030.



STATE OF WASHINGTON  
GAMBLING COMMISSION

PO Box 42400 Olympia WA 98504-2400 (360) 486-3440 TDD (360) 486-3637 FAX (360) 486-3626

**NOTICE OF RULE MAKING**

May 9, 2016

Dear Card Game Licensee:

The Washington State Gambling Commission has received three petitions for rulemaking that will be up for discussion and possible filing at the May 12, 2016, Commission Meeting. The proposed rules address such things as hours of operation, gambling promotions, authorized fees and methods of collection, and nonhouse-banked card game wagering limits.

The proposed rules submitted by the petitioners can be found on our website at <http://www.wsgc.wa.gov/> under Public Meetings then May 2016. If you do not have access to the internet, you can obtain a copy of the proposed rule changes by contacting Hollee Arrona at (360) 486-3555.

These rules will be discussed at the May 2016 Study Session and Commission meeting, which will be held at the Red Lion Hotel at 2525 N. 20<sup>th</sup> Avenue in Pasco. You can participate in the meeting via phone. Please refer to our website, under Public Meetings to verify the agenda, meeting start times and instructions for participating via phone.

If the Commissioners file the petitions for further discussion, these rules will be discussed during at least two more Study Sessions and one more Commission Meeting. Refer to our website under Public Meetings at least two weeks prior to the meeting to verify meeting dates, times and agenda items.

We encourage you to comment on the proposed rules packages by attending an upcoming commission meeting or by sending us your comments. Lastly, if any of the proposed rule changes would cause a financial impact to your business, please let us know. All comments can be send to:

By email: [Holley.Arrona@wsgc.wa.gov](mailto:Holley.Arrona@wsgc.wa.gov); or

By mail: WSGC  
Attn: Hollee Arrona  
P.O. Box 42400  
Olympia, WA 98504

If you have any questions, please feel free to contact me at [Tina.Griffin@wsgc.wa.gov](mailto:Tina.Griffin@wsgc.wa.gov) or at (360) 486-3546.

Sincerely,

A handwritten signature in black ink, appearing to read "Tina Griffin".

Tina Griffin  
Assistant Director



**From:** [Arrona, Hollee \(GMB\)](#)  
**To:** [Griffin, Tina \(GMB\)](#)  
**Subject:** FW: Washington State Gambling Commission - Notice of Rule Making  
**Date:** Tuesday, May 17, 2016 9:50:25 AM  
**Attachments:** [05 09 2016 Notice of Rule Making - with attachments.docx](#)

---

**From:** Jim Wisler [mailto:jwisler@masque.com]  
**Sent:** Tuesday, May 17, 2016 2:00 AM  
**To:** Arrona, Hollee (GMB) <hollee.aronna@wsgc.wa.gov>  
**Cc:** LaMont, Jennifer (GMB) <jennifer.lamont@wsgc.wa.gov>  
**Subject:** RE: Washington State Gambling Commission - Notice of Rule Making

Hollee,

Thanks for your email from May 10<sup>th</sup>. Unfortunately, after or trip to Washington, I had to travel out of state again last week. I see from your letter that the proposed rule changes were up for discussion and possible filing at the May 12 Commission meeting. Hopefully, it is not too late to include Masque's comments, which are included in the attached redline.

We created the redline by saving the pdf to a docx format, pasting the existing proposed changes as redline text on one computer and then adding Masque's proposed additions/changes in redline text on my computer. The two redlines will show up as different redline colors to easily differentiate the two. For example: on my machine one redline shows up as red text, the other as blue text.

Please let me know if you have any comments and/or questions.

Kind regards,  
Jim

---

**From:** DONOTREPLY (GMB) [mailto:[donotreply@wsgc.wa.gov](mailto:donotreply@wsgc.wa.gov)]  
**Sent:** May 10, 2016 1:17 PM  
**To:** Griffin, Tina (GMB)  
**Subject:** Washington State Gambling Commission - Notice of Rule Making

A Notice of Rule Making is attached.

Hollee Arrona  
Administrative Assistant  
Washington State Gambling Commission  
P.O. Box 42400  
Olympia, WA 98504  
(360) 486-3555

**Amended Section**

**WAC 230-06-030 Restrictions and conditions for gambling promotions.**

Licensees may conduct gambling promotions to encourage players to participate in ~~the a-~~ gambling activity they are licensed to conduct without our review or approval under these restrictions and conditions:

- (1) You must give all players an equal opportunity to participate; allowing entries based on criteria, for example, time played (including a single wager) or promotions for groups, such as "Ladies' Night" are allowed; and
- (2) You must establish rules and restrictions to determine how you will give promotional prizes and items to players. ~~((You must not give the items based on an element of chance, such as a drawing or spinning wheel, unless you are doing so as part of a bingo game)); and~~
- (3) You must display all rules and restrictions clearly in the gambling area and include them on promotional materials or advertisements; and
- (4) 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) 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) Licensed manufacturers, distributors, and service suppliers may provide or give cash, cash equivalents or merchandise items to licensed operators to be used as promotional prizes; and
- (7) You must not give promotional prizes based on additional elements of chance, except:
  - (a) Licensed bingo operators may give items as part of a bingo game based on an element of chance, such as a drawing or spinning wheel;
  - (b) Licensed card rooms may only use physical drawings, card facsimiles, spinning a wheel, or selecting from a group of concealed items; and
- (8) Other than noted in WAC 230-06-030, yYou 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.

Formatted: List Paragraph, Indent: First line: 0.48", Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: -0.15" + Indent at: 0.08", Tab stops: 0.81", Left

Amended Section

**WAC 230-06-031 Using wheels in promotional contests of chance, fund-raising events, or gambling activities.**

Promotional contests of chance (PCOCs)

(1) Operators may use wheels specifically manufactured for a promotional contest of chance (PCOC), whether commercially made or home made.

(2) Operators must not use professionally manufactured wheels made specifically for gambling activities (for example, Big 6 Wheels) in PCOCs unless they receive permission ahead of time from us.

Fund-raising events

(3) Operators may use commercially made wheels in gambling activities for fund-raising events.

Separation of PCOCs from gambling activities and promotions

(4) No wheel may be used in conjunction with their gambling activities by ~~((~~

~~(a) Card room licensees; or~~

~~(b))) Pull-tab licensees.~~

Card rooms, pull-tabs, bingo, raffles

(5) Licensees and operators must not use professionally manufactured wheels made specifically for gambling activities (for example, Big 6 Wheels) in:

(a) Bingo; or

(b) Card games; or

(c) Pull-tabs.

(6) Operators may use commercially made or home made wheels as part of drawings for prizes, good neighbor prizes, or second element of chance prizes as part of bingo games, as set out in WAC 230-10-280 or to award promotional prizes on card games as set out in WAC 230-06-030.

Amended Section  
**WAC 230-15-685**

**Restrictions on progressive jackpots.**

House-banked card game licensees operating progressive jackpots must follow these restrictions and procedures:

- (1) Progressive jackpot funds must accrue according to the rules of the game; and
- (2) At each gambling table, licensees must prominently post the amount of the progressive jackpot that players can win; and
- (3) Licensees must record the beginning amount of each progressive jackpot offered, including explanations for any increases or decreases in the prize amount offered. Licensees must keep this documentation with the progressive jackpot records; and
- (4) Licensees may establish a maximum limit on a progressive jackpot prize. If licensees establish a limit, they must make the amount equal to, or greater than, the amount of the jackpot when they imposed the limit. They must prominently post a notice of the limit at or near the game; and
- (5) Licensees may connect progressive jackpots offered on the same card game on multiple tables within the same licensed location.
- (6) Licensees may connect progressive jackpots on different card games on multiple tables within the same licensed location when the following requirements are met. Only one progressive jackpot may be operated on a card game at a time and the card games must have:
  - (a) The progressive is based on Match The Dealer on Blackjack and Match The Dealer on Spanish 21; or the same probability of winning the jackpot prize; and
  - (b) The same winning hand; and
  - (c) A progressive meter on each table that increases incrementally each time a wager is made.
- (7) When gambling equipment will allow a progressive jackpot between different manufacturers, the gambling equipment must be submitted for testing for interoperability in accordance with WAC 230-06-050.

Amended Section  
**WAC 230-15-040**

**Requirements for authorized card games.**

(1) In order for a card game to be authorized, it must be approved by the director or the director's designee and must:

(a) Be played with standard playing cards or with electronic card facsimiles approved by the director or the director's designee; and

(b) Offer no more than four "separate games" with a single hand of cards and no more than three of the "separate games" may offer a wager that exceeds five dollars each.

(i) "Separate game" means each individual objective to be achieved within a card game that requires a separate wager and results in a distinct and separate pay out based upon the outcome.

(ii) Progressive jackpots are considered "separate games."

(c) Identify "bonus features" to be allowed in each card game:

(i) "Bonus feature" means an added prize and/or variation based on achieving the predetermined specific hand required to win the prize and does not require a separate wager. More than one "bonus feature" may be offered per card game. A "bonus feature" ~~must not may~~ be combined with a progressive jackpot. Examples include, but are not limited to, "envy" and "share the wealth" "bonus features" when operated as described below.

(ii) A "bonus feature" is not considered a separate game.

(d) Operate "envy" and "share the wealth" "bonus features" as follows:

(i) If a player makes a wager that qualifies for an "envy" "bonus feature" pay out, they are entitled to receive a prize if another player's hand achieves the predetermined specific hand. If a player is playing more than one wagering area or if a hand they are playing is split into two or more hands and any one of their hands achieves the predetermined specific hand, their other hand with a qualifying wager is entitled to receive a prize also.

(ii) If a player makes a wager that qualifies for a "share the wealth" pay out, they are entitled to receive a prize if their hand(s) or another player's hand(s) achieves the predetermined specific hand.

(e) Not allow side bets between players.

(2) Card game licensees may use more than one deck of cards for a specific game. They also may remove cards to comply with rules of a specific game, such as Pinochle or Spanish 21.

(3) Players must:

(a) Compete against all other players on an equal basis for nonhouse-banked games or against the house for house-banked games. All players must compete solely as a player in the card game, except as authorized in approved card game rules for variations of the game of Pai Gow poker where a player may bank the game every other hand; and

(b) Receive their own hand of cards and be responsible for decisions regarding such hand, such as whether to fold, discard, draw additional cards, or raise the wager; and

(c) Not place wagers on any other player's or the house's hand or make side wagers with other players, except for:

(i) An insurance wager placed in the game of Blackjack; or

(ii) "Envy" or "share the wealth" "bonus features"; or

(iii) A tip wager made on behalf of a dealer.

(4) Mini-Baccarat is authorized when operated as described in the commission approved game rules on our web site. However:

(a) Card game licensees may make immaterial modifications to the game; and

(b) Subsection (3) of this section does not apply; and

(c) The number of players is limited under WAC 230-15-055.

(5) A player's win or loss must be determined during the course of play of a single card game, except for:

(a) A carryover pot game. A carryover pot is an optional pot that accumulates as a dealer and participating players contribute to the pot. The winner of the pot is not necessarily determined after

**Amended Section**

one game and the pot can be carried over to more than one game. Carryover pots must not carryover more than ten games. Participants must include at least one player and the dealer competing for the highest qualifying winning hand. Game rules must state how the pot is distributed. If the carryover pot has not been won by the tenth game, the dealer will divide it equally between the remaining players still participating in the pot and the house or, if allowed by game rules, only the players still participating in the pot; and

(b) In the game of Mini-Baccarat, a player may make an optional wager on the player hand winning the next three consecutive games, or the banker hand winning the next three consecutive games.

(c) In Mega Match, a player may be allowed a no-additional-cost entry into a Mega Match Event, which is played with card facsimiles. The player may win an additional amount based on the outcome of the Mega Match Event.

**From:** [Josh Herschlip](#)  
**To:** [Newer, Susan \(GMB\)](#)  
**Cc:** [Dolores Chiechi](#)  
**Subject:** Proposed Rule Changes  
**Date:** Thursday, June 16, 2016 12:30:48 AM

---

My name is Josh Herschlip, I am the Regional Manager for the Buzz Inn Steakhouse Corporation, This includes representation of the Buzz Inn Steakhouse and Casino located in East Wenatchee. We also previously owned and operated Ace's Casino which was located in Arlington, WA. I'm contacting you regarding potential rule changes. The reason I mention the previous location is these rule changes could have been potential difference makers in our survival. Aces was located within 10 miles of three tribal casinos (Tulalip, Quil Ceda and Angel of the Winds)

\*We support the change in the hours of operation. The forcing of closure to our establishments when a potential of business exists and is accessible throughout the state with no limitations creates an unfair advantage as well as limits customer base with staggered schedules. Many occupations include swing shift/ grave yard shifts the forced closure drives that potential business elsewhere.

\*We support the changes in promotion allowances. These restrictions put a damper on our creativity and the possibilities of great promotions to entertain our guests. These promotions are how we create excitement about our businesses and generate new business! People like spinning wheels and the excitement of the possibility.

\*We support the increased poker wagers. Increasing this wager not only helps level the playing field that exists in our state but makes it less of a conversation to our guests as what the difference of playing poker at a tribal casino and our card rooms. It also allows greater flexibility to games being spread. I believe most people agree poker is a game of skill and proper wagering is an important part of the game and allows players to better protect their investment or wager by betting accordingly to pot size. The greater the spread the better the game. That being said all games approved to be spread or played should allow for the same wager to alleviate confusion to our staffs, agents and guests.

\*We support the change in rake structure. Allowing our operations to rake up to 10% of the pot allows for the rooms to absorb portions of the costs that have been added to our day to day operation.(Health Care, Minimum Wage Increase, Restrictive Scheduling, Sick Leave, Salary Structure as well as rising product cost) These are obviously much greater costs than increased rake can fix but it's a step in the right direction for those who offer poker. We are an industry in great need of finding a balance for gaming in our state we need new revenue to just survive, while the current rules allow the same industry to thrive with a few major adjustments to the rules.

Please support these changes and help the R.G.A. balance out gaming in our state!

Thank You For Your Time.  
Josh Herschlip

**From:** [Newer, Susan \(GMB\)](#)  
**To:** [Griffin, Tina \(GMB\)](#)  
**Subject:** FW: Call to action reply - Public Comment  
**Date:** Thursday, June 16, 2016 10:54:32 AM

---

FYI

---

**From:** B.J. Garbe [mailto:bj@lakebowl.com]  
**Sent:** Thursday, June 16, 2016 10:17 AM  
**To:** Newer, Susan (GMB) <susan.newer@wsgc.wa.gov>  
**Subject:** Call to action reply

Hello Susan,

As part of the Call To Action email, I would like to let you know that Lake Bowl/Papa's Sports Lounge and Casino is in favor of all rule changes.

Thanks,

B.J. Garbe, CEO  
Lake Bowl Inc.

**From:** [Newer, Susan \(GMB\)](#)  
**To:** [Griffin, Tina \(GMB\)](#); [Hunter, Amy \(GMB\)](#)  
**Subject:** FW: Rule Changes - Public Comment  
**Date:** Wednesday, June 15, 2016 4:50:43 PM

---

[Another to add](#)

---

**From:** Ian Riley [mailto:ianriley@blackpearlspokane.com]  
**Sent:** Wednesday, June 15, 2016 2:04 PM  
**To:** Newer, Susan (GMB) <susan.newer@wsgc.wa.gov>  
**Cc:** Dolores Chiechi <DChiechi@rga-wa.org>  
**Subject:** Rule Changes

Attention WSGC

To whom it may concern

Please find below a list of potential rule changes that I support. I believe all of the following to be a positive change to assist Poker to not only remain strong but to grow and help support the now smaller number of casinos in Washington State.

1. [Hours of Operation – would allow for 24-7 operations](#)
2. [Promotions – enhances opportunities for operating promotions](#)
3. [Poker wager limits – raises the poker limit to \\$100 on all games and \\$300 for poker games that also operate house banked games](#)
4. [Allows the rake at 10% removing the \\$5 limit and allows for \\$100 wager on all games, not just Texas Hold'em](#)

Thank you,  
Regards,  
Ian Riley

**From:** [Newer, Susan \(GMB\)](#)  
**To:** [Griffin, Tina \(GMB\)](#); [Hunter, Amy \(GMB\)](#)  
**Subject:** FW: Rule Changes - Public Comment  
**Date:** Wednesday, June 15, 2016 4:48:19 PM

---

FYI – From Susan’s email.

---

**From:** Accounting [mailto:accounting@blackpearlspokane.com]  
**Sent:** Wednesday, June 15, 2016 2:39 PM  
**To:** Newer, Susan (GMB) <susan.newer@wsgc.wa.gov>  
**Subject:** Rule Changes

Attention WSGC,

To whom it may concern

Please find below a list of potential rule changes that I support. I believe all of the following to be a positive change to assist Poker to not only remain strong but to grow and help support the now smaller number of casinos in Washington State.

1. Hours of Operation – would allow for 24-7 operations
2. Promotions – enhances opportunities for operating promotions
3. Poker wager limits – raises the poker limit to \$100 on all games and \$300 for poker games that also operate house banked games
4. Allows the rake at 10% removing the \$5 limit and allows for \$100 wager on all games, not just Texas Hold'em

Thank You,

Dan Baker  
Controller  
Black Pearl Spokane

**From:** [Newer, Susan \(GMB\)](#)  
**To:** [Griffin, Tina \(GMB\)](#); [Hunter, Amy \(GMB\)](#)  
**Subject:** FW: Rule Changes for Card rooms - Public Comment  
**Date:** Wednesday, June 15, 2016 4:47:30 PM

---

FYI – This came in today from Susan’s email.

---

**From:** Mark and Patricia Greene [mailto:maloa@hotmail.com]  
**Sent:** Wednesday, June 15, 2016 3:29 PM  
**To:** Newer, Susan (GMB) <susan.newer@wsgc.wa.gov>  
**Cc:** Lance Rinard <lancerin@aol.com>; Dolores (RGA) <DChiechi@rga-wa.org>  
**Subject:** Rule Changes for Card rooms

Dear Susan,

As owner of Lancer Lanes and Casino I would like to let you know that I'm in favor of all the rule changes to do with 24 hours open, Poker limits and rake, and enhanced opportunities for promotions. Please go ahead and adopt the new rules for these items.

Thank you,

Mark Greene

**From:** [Newer, Susan \(GMB\)](#)  
**To:** [Griffin, Tina \(GMB\)](#); [Hunter, Amy \(GMB\)](#)  
**Cc:** [Anderson, Julie \(GMB\)](#); [Arrona, Hollee \(GMB\)](#)  
**Subject:** FW: Proposed Rule changes - Public Comment  
**Date:** Wednesday, June 22, 2016 12:37:44 PM  
**Attachments:** [image001.jpg](#)

---

**From:** David Fretz [mailto:dfretz@gagaming.com]  
**Sent:** Wednesday, June 22, 2016 12:21 PM  
**To:** Newer, Susan (GMB) <susan.newer@wsgc.wa.gov>  
**Subject:** Proposed Rule changes

Susan,

Please accept this note in support of the recent rule changes proposed by the RGA. As an industry, House Banked Card Rooms are facing challenges that will result in expense increases that could devastate our industry. As such, enhancements, no matter how small, that could potentially help increase revenues or attract/retain our guests would be beneficial.

Regards,



David Fretz

President - Great American Gaming Corporation  
12715 4<sup>th</sup> Ave W.  
Everett, WA 98204  
253.480.3000 Ext. 100

---

#### Notice Regarding Confidentiality of Transmission

This message is intended only for the person to whom it is addressed and may contain information that is privileged and confidential. If you are not the intended recipient, you are hereby notified that any dissemination or copying of this is prohibited. Please notify us of the error in communication by telephone (604) 303-1000 or by return e-mail and destroy all copies of this communication. Thank you.

**From:** [Newer, Susan \(GMB\)](#)  
**To:** [Griffin, Tina \(GMB\)](#)  
**Subject:** FW: petitions  
**Date:** Monday, June 27, 2016 2:10:31 PM

---

**From:** George Teeny [mailto:gteeny@thephoenixcasino.com]  
**Sent:** Monday, June 27, 2016 1:47 PM  
**To:** Newer, Susan (GMB) <susan.newer@wsgc.wa.gov>  
**Cc:** dolores@rga-wa.org; Jo England <jengland@thephoenixcasino.com>  
**Subject:** petitions

Afternoon Commissioners

This email is to notify you that my club, The Phoenix Casino, supports the petitions that have been submitted to you by private parties and the RGA.

WAC rules to be modified and petitions to follow:

- 1) 230-15-025 ---- Hours of Operation
- 2) 230-06-030 ---- Restrictions and Conditions – Gambling Promotions
- 3) 230-06-031 ---- Promotional Contests of Chance
- 4) 230-15-080 ---- Authorized Fees and Authorized Methods of Collection
- 5) 230-15-135 ---- Wagering Limits for Nonhouse-Banked Card Games

These petitions, all or in part, will help the gaming industry as a whole.

However, with that being said, none of these petitions are the “golden ticket” for the commercial clubs to grow and prosper in the years ahead. The only thing that might have that affect will be some form of electronic (gaming) pull tab machines.

thank you for your time and consideration,  
sincerely,  
george teeny

**From:** [Newer, Susan \(GMB\)](#)  
**To:** [Griffin, Tina \(GMB\)](#)  
**Subject:** FW: petitions  
**Date:** Monday, June 27, 2016 2:10:17 PM

---

**From:** George Teeny [<mailto:gteeny@thephoenixcasino.com>]  
**Sent:** Monday, June 27, 2016 1:49 PM  
**To:** Newer, Susan (GMB) <[susan.newer@wsgc.wa.gov](mailto:susan.newer@wsgc.wa.gov)>  
**Cc:** [dolores@rga-wa.org](mailto:dolores@rga-wa.org); Jo England <[jengland@thephoenixcasino.com](mailto:jengland@thephoenixcasino.com)>  
**Subject:** FW: petitions

Afternoon Commissioners

This email is to notify you that my club, [THE LAST FRONTIER CASINO](#), supports the petitions that have been submitted to you by private parties and the RGA.

WAC rules to be modified and petitions to follow:

- 1) 230-15-025 ---- Hours of Operation
- 2) 230-06-030 ---- Restrictions and Conditions – Gambling Promotions
- 3) 230-06-031 ---- Promotional Contests of Chance
- 4) 230-15-080 ---- Authorized Fees and Authorized Methods of Collection
- 5) 230-15-135 ---- Wagering Limits for Nonhouse-Banked Card Games

These petitions, all or in part, will help the gaming industry as a whole.

However, with that being said, none of these petitions are the “golden ticket” for the commercial clubs to grow and prosper in the years ahead. The only thing that might have that affect will be some form of electronic (gaming) pull tab machines.

thank you for your time and consideration,  
sincerely,  
george teeny

**From:** [Griffin, Tina \(GMB\)](#)  
**To:** ["Jim Wisler"](#)  
**Subject:** FW: Washington State Gambling Commission - Notice of Rule Making  
**Date:** Monday, June 27, 2016 12:45:47 PM  
**Attachments:** [05 09 2016 Notice of Rule Making - with attachments.docx](#)

---

Mr. Wisler,

Thank you for your comments on the proposed rule changes requested by the Recreational Gaming Association. We will include your comments with this rules package when the rules are up for final action at the August or September meeting, but we will not be incorporating these changes into this petitioner's request because they go beyond the scope of what the petitioner has requested.

You are welcome to submit your own petition for rule change to propose these changes. To do so, you would need to complete the Petition for Rule change found at <http://www.ofm.wa.gov/reports/petition.pdf>. In addition, the forms asks that you include the rule language you would like to have changed. In looking over some of your suggested language, you refer to specific proprietary games. Our rules currently do not contain names of proprietary card games.

If you have questions about the rule change process, please let me know. I would be happy to walk you through the process.

Sincerely,

*Tina Griffin*  
*Assistant Director*  
*Licensing, Regulation, and Enforcement Division*  
*Washington State Gambling Commission*  
360-486-3546

---

**From:** Arrona, Hollee (GMB)  
**Sent:** Tuesday, May 17, 2016 9:50 AM  
**To:** Griffin, Tina (GMB) <[tina.griffin@wsgc.wa.gov](mailto:tina.griffin@wsgc.wa.gov)>  
**Subject:** FW: Washington State Gambling Commission - Notice of Rule Making

---

**From:** Jim Wisler [<mailto:jwisler@masque.com>]  
**Sent:** Tuesday, May 17, 2016 2:00 AM  
**To:** Arrona, Hollee (GMB) <[hollie.aronna@wsgc.wa.gov](mailto:hollie.aronna@wsgc.wa.gov)>  
**Cc:** LaMont, Jennifer (GMB) <[jennifer.lamont@wsgc.wa.gov](mailto:jennifer.lamont@wsgc.wa.gov)>  
**Subject:** RE: Washington State Gambling Commission - Notice of Rule Making

Hollie,

Thanks for your email from May 10<sup>th</sup>. Unfortunately, after or trip to Washington, I had to travel out of state again last week. I see from your letter that the proposed rule changes were up for discussion and possible filing at the May 12 Commission meeting. Hopefully, it is not too late to include Masque's comments, which are included in the attached redline.

We created the redline by saving the pdf to a docx format, pasting the existing proposed changes as redline text on one computer and then adding Masque's proposed additions/changes in redline text on my computer. The two redlines will show up as different redline colors to easily differentiate the two. For example: on my machine one redline shows up as red text, the other as blue text.

Please let me know if you have any comments and/or questions.

Kind regards,  
Jim

---

**From:** DONOTREPLY (GMB) [mailto:[donotreply@wsgc.wa.gov](mailto:donotreply@wsgc.wa.gov)]  
**Sent:** May 10, 2016 1:17 PM  
**To:** Griffin, Tina (GMB)  
**Subject:** Washington State Gambling Commission - Notice of Rule Making

A Notice of Rule Making is attached.

Hollee Arrona  
Administrative Assistant  
Washington State Gambling Commission  
P.O. Box 42400  
Olympia, WA 98504  
(360) 486-3555



**Amend:**

- WAC 230-13-075 Assigning and reporting group numbers of authorized amusement games.
- WAC 230-13-170 Recordkeeping for commercial amusement games.
- WAC 230-07-125 Recordkeeping requirements for lower volume charitable or nonprofit organizations.
- WAC 230-13-005 Amusement games authorized.

- August 2016 – Further Discussion**
- July 2016 – Further Discussion**
- June 2016 – No Meeting**
- May 2016 – Further Discussion**
- April 2016 – Further Discussion**

TAB 9: August 2016 Commission Meeting Agenda. Statutory Authority 9.46.070, 9.46.0201

Who proposed the rule changes?

Staff.

Proposed Changes

**Bold/Underline = Changes made after the July 2016 Commission Meeting**

In July 2015, the Commissioners authorized Group 12 amusement games to be played by persons 21 and over. Since this time, numerous questions and concerns have been raised.

These rules address two of the concerns:

- Recordkeeping; and
- The non-transferability of tokens.

Currently, amusement game operators are only required to notify us once a year of the amusement games they have. They are also only required to report their overall amusement game gross receipts. With this rule change, we will know where Group 12 amusement games are being operated so we can conduct compliance inspections and know the gross receipts these games are bringing in.

For group 12 amusement games, coupons, tickets, tokens or tokens on an electronic token cards are nontransferable, such as player tracking systems, customer rewards systems, etc. Prohibiting the tokens from being transferred will help ensure that cash is not, in the end, awarded.

Language was added to three rules for consideration at the July 2016 Commission meeting. Additional language is reflected as Version 2 for WAC 230-13-170 and WAC 230-13-005. The Commissioners voted to file these versions at the meeting.

The changes are as follows:

- WAC 230-13-170(1)(a) and -170(2)(a) – (c) no longer strike the word gambling from the rules. Gross gambling receipts is defined in WAC 230-06-150. Removing the word would require a new rule to define “gross receipts”; and
- WAC 230-13-170(1)(a)(i-ii) clarifies that licensees would need to track group 12 amusement game gross gambling receipts separately from the combined gross gambling receipts from groups 1 through 11; and
- WAC 230-13-005 (4)(b)(iii) Allows licensees to electronically store coupons, tickets, tokens or tokens on an electronic token card onto an amusement game accounting system that cannot be commingled with any tracking, reward, or other gambling related redemption system.

**The Commissioners also requested the word “gambling” be added to WAC 230-07-125.**

A Small Business Economic Impact Statement was prepared and is attached.

Attachments:

- Budget Proviso (the following language was included in the budget passed by the legislature):  
“The commission is directed to review and reconsider, including repeal, rules adopted to authorize the amusement games classified as group 12 under WAC 230-13-067, recognizing the impact such games may have on state lottery revenues used to support public education programs.”
- Email from Monty Harmon.
- Small Business Economic Impact Statement.

#### Licensee Impacts

- As of April 2016, there were approximately 385 Group 12 amusement games in Washington.
- As of February 8, 2016, there were approximately 430 Group 12 amusement games in Washington.
- Licensees would be required to notify us within 30 days of putting into play or removing from play Group 12 amusement games. Notification would be in the format we require, which could be done by submitting a paper form or through My Account.
- Licensees would be required to record and report gross receipts from Group 12 amusement games separately from the gross receipts of other amusement games.
- Licensees would be able to allow players to store prize points won on an electronic token card for redemption at a future date. Group 12 amusement games currently in operation do not accept electronic token cards, but other amusement games, Groups 1 through 11, do.
- Licensees would be able to electronically store coupons, tickets, tokens or tokens on an electronic token card onto an amusement game accounting system that cannot be commingled with any tracking, reward, or other gambling related redemption system.

#### Agency Impacts

- Staff will need to develop a form and possible My Account reporting for licensees to report when they put Group 12 amusement games into play and when they remove games from play.
- Staff will need to make a change to the annual amusement game activity report to collect gambling receipts information from Group 12 amusement games.

#### Statements Supporting or Opposing the Proposed Rule Change

We have received one written statement. See attached.

#### Staff Recommendation

Further Discussion.

When the rules are up for final action staff will recommend final action on Version 2 for WAC 230-13-005, and WAC 230-13-170.

#### Proposed Effective Date for Rule Change

31 days from filing.

AMENDATORY SECTION (Amending WSR 07-15-064, filed 7/16/07, effective 1/1/08)

**WAC 230-13-075 Assigning and reporting group numbers of authorized amusement games.** (1) Amusement game licensees must determine the authorized group number of each game and prepare a list of all games they plan to operate during each license year. They must ~~submit~~ ~~to us~~ with their activity report. The list must contain, at least, the name and group number of each game.

(2) Amusement game licensees must notify us within thirty days of putting into play and removing from play a group 12 amusement game. Reporting must be in the format we require.

[Statutory Authority: RCW 9.46.070. WSR 07-15-064 (Order 612), § 230-13-075, filed 7/16/07, effective 1/1/08.]

**Version 2 Up for Further Discussion at the August 2016 Commission meeting.**

**Changes are in Yellow**

**Amended Section**

**WAC 230-13-170 Recordkeeping for commercial amusement games.**

(1) Amusement game licensees must prepare a detailed record for each location where they operate games. They must retain the records for at least three years. The records must include details necessary to determine:

- (a) Gross **gambling** receipts received from players **from:**
  - (i) **each Group 1 through 11 of amusement games;** and
  - (ii) **Group 12 amusement games; and**

- (b) Value of prizes awarded to winners.

(2) Records must include, at least:

- (a) The gross **gambling** receipts collected from amusement games at each location, with receipting records; and

- (b) An entry for each withdrawal of receipts from the games. Coin or token activated amusement games only require an entry of the ending meter reading, the number of plays, and gross **gambling** receipts at the end of each month; and

- (c) A summary of the operation of the activity. This includes, at least, coin-in meter readings and gross **gambling** receipts. Operators must provide these coin-in meter readings and gross **gambling** receipts to charitable or nonprofit organizations each time they service a game or disburse money.

(3) Licensees must report at least monthly the number and actual cost of merchandise prizes awarded for each location.

(4) For amusement games that issue tickets for the redemption of prizes, licensees must at least log the beginning and ending nonresettable ticket out meters or ticket numbers during each collection of funds from each game.

(5) Licensees must provide the full details for all amusement game operating expenses.

[Statutory Authority: RCW [9.46.070](#). WSR 07-15-064 (Order 612), § 230-13-170, filed 7/16/07, effective 1/1/08.]

**Original Version filed at the March 2016 Meeting**

**Amended Section**

**WAC 230-13-170 Recordkeeping for commercial amusement games.**

(1) Amusement game licensees must prepare a detailed record for each location where they operate games. They must retain the records for at least three years. The records must include details necessary to determine:

- (a) Gross ~~gambling~~ receipts received from players from each group of amusement game; and
- (b) Value of prizes awarded to winners.

(2) Records must include, at least:

(a) The gross ~~gambling~~ receipts collected from amusement games at each location, with receipting records; and

(b) An entry for each withdrawal of receipts from the games. Coin or token activated amusement games only require an entry of the ending meter reading, the number of plays, and gross ~~gambling~~ receipts at the end of each month; and

(c) A summary of the operation of the activity. This includes, at least, coin-in meter readings and gross ~~gambling~~ receipts. Operators must provide these coin-in meter readings and gross ~~gambling~~ receipts to charitable or nonprofit organizations each time they service a game or disburse money.

(3) Licensees must report at least monthly the number and actual cost of merchandise prizes awarded for each location.

(4) For amusement games that issue tickets for the redemption of prizes, licensees must at least log the beginning and ending nonresettable ticket out meters or ticket numbers during each collection of funds from each game.

(5) Licensees must provide the full details for all amusement game operating expenses.

[Statutory Authority: RCW [9.46.070](#). WSR 07-15-064 (Order 612), § 230-13-170, filed 7/16/07, effective 1/1/08.]

**Up for Further Discussion at the August 2016 Commission Meeting.**

AMENDATORY SECTION (Amending WSR 07-10-032, filed 4/24/07,  
effective 1/1/08)

**WAC 230-07-125 Recordkeeping requirements for lower volume  
charitable or nonprofit organizations.**

(1) Organizations operating without a license under RCW 9.46.0315 or 9.46.0321 and lower volume charitable or nonprofit licensees must keep a set of permanent monthly records of the gambling activities. Lower volume licensees include:

- (a) Fund-raising events;
- (b) Bingo (Classes A, B, and C);
- (c) Raffles (Classes A, B, C, and D);
- (d) Amusement games (Classes A, B, C, and D); and
- (e) Card games (Classes A, B, and C).

(2) The monthly records must include, at least:

- (a) The gross **gambling** receipts from each activity;
- (b) The gross gambling receipts from group 12 amusement

games;

- (c) The total amount of cash prizes actually paid out;

~~((e))~~ (d) The total of the cost to the licensee of all merchandise prizes actually paid out for each activity;

~~((d))~~ (e) A summary of all expenses related to each of the activities; and

~~((e))~~ (f) The net income received from the activity, the purpose(s) for which the net income was raised, and the amount paid to each recipient.

(3) Licensees must keep these records for three years from the end of the license year for which the record was created.

(4) Organizations operating under RCW 9.46.0315 or 9.46.0321 must maintain their records for one year.

[Statutory Authority: RCW 9.46.070. WSR 07-10-032 (Order 609), § 230-07-125, filed 4/24/07, effective 1/1/08.]

## Amended Section

### WAC 230-07-125 Recordkeeping requirements for lower volume charitable or nonprofit organizations.

(1) Organizations operating without a license under RCW [9.46.0315](#) or [9.46.0321](#) and lower volume charitable or nonprofit licensees must keep a set of permanent monthly records of the gambling activities. Lower volume licensees include:

- (a) Fund-raising events;
- (b) Bingo (Classes A, B, and C);
- (c) Raffles (Classes A, B, C, and D);
- (d) Amusement games (Classes A, B, C, and D); and
- (e) Card games (Classes A, B, and C).

(2) The monthly records must include, at least:

(a) The gross receipts from each activity;

~~(b)~~ **The gross receipts from group 12 amusement games;**

~~(bc)~~ The total amount of cash prizes actually paid out;

~~(ed)~~ The total of the cost to the licensee of all merchandise prizes actually paid out for each activity;

~~(de)~~ A summary of all expenses related to each of the activities; and

~~(ef)~~ The net income received from the activity, the purpose(s) for which the net income was raised, and the amount paid to each recipient.

(3) Licensees must keep these records for three years from the end of the license year for which the record was created.

(4) Organizations operating under RCW [9.46.0315](#) or [9.46.0321](#) must maintain their records for one year.

[Statutory Authority: RCW [9.46.070](#). WSR 07-10-032 (Order 609), § 230-07-125, filed 4/24/07, effective 1/1/08.]

**Version 2 Up for Further Discussion at the August 2016 Commission Mtg.**

AMENDATORY SECTION (Amending WSR 16-09-045, filed 4/15/16,  
effective 7/15/16)

**WAC 230-13-005 Amusement games authorized.** (1) We authorize the approved groups of amusement games set forth in this chapter. Operators must only operate amusement games that meet the standards of at least one of the authorized groups.

(2) Commercial businesses or nonprofit or charitable organizations may apply for licenses for amusement games.

(3) Charitable or nonprofit organizations also may conduct group 1 through 11 amusement games without a license when authorized to do so under RCW 9.46.0321 and 9.46.0331.

(4) Operators must operate amusement games as either:

(a) An attended amusement game.

(i) An "attended amusement game" means an amusement game that requires the presence or assistance of a person (attendant) in the regular operation of the game; and

(ii) These games must award a merchandise prize to players if players achieve the objective with one cost of play; and

(iii) An attendant accepts cash, check, tickets or scrip to play the amusement game. The tickets and scrip are not redeemable for cash and must show the name of the operator or sponsor; or

(b) A coin or token activated amusement game.

(i) A "coin or token activated amusement game" means an amusement game that uses a mechanical, electronic, or electro-mechanical machine to allow the player to activate the game by inserting coins, cash, tokens, or tokens on an electronic token card; and

(ii) These games may dispense merchandise prizes, or coupons, tickets, tokens, or tokens onto an electronic token card redeemable for merchandise prizes; and

(iii) Coupons, tickets, tokens or tokens on an electronic token card can be electronically stored for redemption under this section as long as the coupons, tickets, tokens or tokens on an electronic token card are:

(A) Deposited into, and tracked on, a separate amusement game accounting system; and

(B) Not commingled with any tracking, reward, or other gambling related redemption systems; and

(C) Redeemed only for merchandise prizes.

(5) Amusement games must not:

(a) Award additional plays as prizes; or

(b) Allow coupons, tickets, tokens or tokens on electronic token cards that are awarded to be replayed; or

(c) Result in any cash payment being awarded.

(6) Amusement games must only award merchandise prizes.

(a) Merchandise prizes mean noncash prizes including toys, novelties, retail items such as electronic goods, clothing, accessories, as well as food, beverages and other items sold by the operator as a normal part of their business in compliance with all other state laws and regulations, except as provided in (b) of this subsection.

(b) Pull-tabs and other gambling activities, gift certificates or gift cards do not constitute merchandise prizes.

(7) Electronic token card means a card issued by the operator that stores purchased credits available to play the amusement game separate from the coupons, tickets, or tokens awarded or dispensed as prizes from the play of the amusement game. Coupons, tickets, or tokens awarded as prizes cannot be

used to play amusement games and must only be redeemed for merchandise prizes.

[Statutory Authority: RCW 9.46.070, 9.46.0201. WSR 16-09-045 (Order 719), § 230-13-005, filed 4/15/16, effective 7/15/16.

Statutory Authority: RCW 9.46.070 and 9.46.0331. WSR 15-15-063 (Order 713), § 230-13-005, filed 7/10/15, effective 8/10/15.

Statutory Authority: RCW 9.46.070. WSR 07-15-064 (Order 612), § 230-13-005, filed 7/16/07, effective 1/1/08.]

**Version 2 Up for Further Discussion at the July 2016 Commission meeting.**

**Changes are in Yellow**

*(Effective July 15, 2016.)*

**WAC 230-13-005 Amusement games authorized.**

(1) We authorize the approved groups of amusement games set forth in this chapter. Operators must only operate amusement games that meet the standards of at least one of the authorized groups.

(2) Commercial businesses or nonprofit or charitable organizations may apply for licenses for amusement games.

(3) Charitable or nonprofit organizations also may conduct group 1 through 11 amusement games without a license when authorized to do so under RCW 9.46.0321 and 9.46.0331.

(4) Operators must operate amusement games as either:

(a) An attended amusement game.

(i) An "attended amusement game" means an amusement game that requires the presence or assistance of a person (attendant) in the regular operation of the game; and

(ii) These games must award a merchandise prize to players if players achieve the objective with one cost of play; and

(iii) An attendant accepts cash, check, tickets or scrip to play the amusement game. The tickets and scrip are not redeemable for cash and must show the name of the operator or sponsor; or

(b) A coin or token activated amusement game.

(i) A "coin or token activated amusement game" means an amusement game that uses a mechanical, electronic, or electro-mechanical machine to allow the player to activate the game by inserting coins, cash, tokens, or tokens on an electronic token card; and

(ii) These games may dispense merchandise prizes, or coupons, tickets, tokens, or tokens onto an electronic token card redeemable for merchandise prizes.

**(iii) Coupons, tickets, tokens or tokens on an electronic token card can be electronically stored for redemption under this section as long as the coupons, tickets, tokens or tokens on an electronic token card are:**

**(A) Deposited into, and tracked on, a separate amusement game accounting system; and**

**(B) Not commingled with any tracking, reward, or other gambling related redemption systems; and**

**(C) Redeemed only for merchandise prizes.**

(5) Amusement games must not:

(a) Award additional plays as prizes; or

(b) Allow coupons, tickets, tokens or tokens on electronic token cards that are awarded to be replayed; or

(c) Result in any cash payment being awarded.

(6) Amusement games must only award merchandise prizes.

(a) Merchandise prizes mean noncash prizes including toys, novelties, retail items such as electronic goods, clothing, accessories, as well as food, beverages and other items sold by the operator as a normal part of their business in compliance with all other state laws and regulations, except as provided in (b) of this subsection.

(b) Pull-tabs and other gambling activities, gift certificates or gift cards do not constitute merchandise prizes.

(7) Electronic token card means a card issued by the operator that stores purchased credits available to play the amusement game separate from the coupons, tickets, or tokens awarded or dispensed as prizes from the play of the amusement game. Coupons, tickets, or tokens awarded as prizes cannot be used to play amusement games and must only be redeemed for merchandise prizes.

[Statutory Authority: RCW [9.46.070](#), [9.46.0201](#). WSR 16-09-045 (Order 719), § 230-13-005, filed 4/15/16, effective 7/15/16. Statutory Authority: RCW [9.46.070](#) and [9.46.0331](#). WSR 15-15-063 (Order 713), § 230-13-005, filed 7/10/15, effective 8/10/15. Statutory Authority: RCW [9.46.070](#). WSR 07-15-064 (Order 612), § 230-13-005, filed 7/16/07, effective 1/1/08.]

**Budget Proviso**

**SECOND ENGROSSED SUBSTITUTE HOUSE BILL 2376**

**FOR THE GAMBLING COMMISSION**

State Lottery Account: For transfer to gambling revolving account . . . . . \$1,000,000

The transfer in this section is subject to the following conditions and limitations:

- (1) (~~The commission shall maintain working capital reserves in the gambling revolving account of no more than five percent of projected expenses in the account~~) This funding is provided solely for the costs of enforcement of gambling activities, including but not limited to evaluation, analysis, and dissemination of information on individuals and groups who are suspected of being involved in illegal gambling and other associated crimes.
- (2) The commission shall not approve any electronic raffle systems to conduct fifty-fifty raffles until the legislature has reviewed all impacts to the state lottery.
- (3) The commission is directed to review and reconsider, including repeal, rules adopted to authorize the amusement games classified as group 12 under WAC 230-13-067, recognizing the impact such games may have on state lottery revenues used to support public education programs.

**From:** [Monty Harmon](#)  
**To:** [Griffin, Tina \(GMB\)](#)  
**Subject:** Amusement game rules  
**Date:** Tuesday, March 29, 2016 5:02:21 PM

---

Tina,

Thank you for requesting input on the Amusement Rules.

I would like the following changes to the proposed rules:

WAC 230-13-005 - Please eliminate section 4.b.iii

Staff does not need to restrict the token record systems. We developed a system separate from other player reward accounts that should be allowed under the rules and not prohibited.

WAC 230-13-005 (6) please amend the last sentence to read "Coupons, Tickets or Tokens awarded as prizes cannot be used to play amusement games once dispensed. Once dispensed from a machine they must only be redeemed for merchandise prizes.

Thank you

Monty Harmon

**CONFIDENTIALITY NOTICE:**

This electronic transmission (and/or the documents accompanying it) may contain confidential information belonging to the sender. The information is proprietary and is intended solely for the use of the individual or entity named above. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this information is strictly prohibited. If you have received this transmission in error, please notify this office immediately to arrange for the return of the documents. Thank you.

Please do not print this e-mail unless you really need to. Thanks!

**Small Business Economic Impact Statement – RCW 19.85.040  
Washington State Gambling Commission**

**May 20, 2016**

**Proposed Changes to Rules:**

WAC 230-13-075 Assigning and reporting group numbers of authorized amusement games.

WAC 230-13-170 Recordkeeping for commercial amusement games.

WAC 230-07-125 Recordkeeping requirements for lower volume charitable or nonprofit organizations.

WAC 230-13-005 Amusement games authorized.

This rules package would:

- Require licensees to notify us within 30 days of putting into play and removing from play a group 12 amusement game in the format we require.
- Require licensees record gross gambling receipts received from players for group 12 amusement games separately from the gross gambling receipts from groups 1 through 11.
- Allow coupons, tickets, tokens or tokens on an electronic token card dispensed from a group 12 amusement game to be stored for redemption under this rule on a system that does not commingle the coupons, tickets, tokens or tokens on an electronic token card with anything else.

**Involvement of Small Businesses:**

We filed the Code Revisor's 101 on March 2, 2016, under WSR# 16-06-130.

On July 2015, the Commissioners approved a new type of amusement game, group 12 amusement games with the passage of a new rule.

In October 2015, operators began putting group 12 amusement games into play and a number of questions arose regarding the operation, licensure, recordkeeping, and regulatory controls for this new type of amusement games. In an effort to address the questions and get information out to stakeholders timely, we started posting information on our website under Breaking News on group 12 amusement games.

On November 9, 2015, we sent an email to the Class B and above amusement game licensees that we had email addresses for informing them that we had drafted rules for discussion on a number of different issues concerning Group 12 amusement games. (These rules did not include this rule change.)

On November 12, 2015, we asked stakeholders that attended the Study Session, which is open to the general public, to submit any comments or rule change language, not limited to the rules staff

drafted, to address the issues surrounding group 12 amusement games to commission staff by November 30, 2015.

On December 24, 2015, we sent notice to all commercial and amusement game licensees of the updated rule proposals based the feedback we received during the comment period. We also posted the draft rules on our website.

In February 2016, while other group 12 amusement game rules were being considered, staff put this rules package together, which included this specific rule, to address some other regulatory concerns with group 12 amusement games.

At least one week prior to the March 11, 2016 Commission meeting, we posted this rules package on our website.

On March 25, 2016, we posted information on this rules package as filed by the Commissioners at their March 11, 2016, Commission meeting in the special “Breaking News” section of our website for group 12 amusement games. We also posted that we would be holding a stakeholder meeting to discuss all group 12 amusement game rules pending on April 9, 2016, to include this rules package, which included this specific rule.

On April 9, 2016, we held a stakeholder meeting to discuss all group 12 amusement game rules, which included all rules in this package, which included this specific rule.

At least one week prior to the April 14, 2016, Commission meeting, we posted this rules package on our website, which included this specific rule.

On April 15, 2016, we posted in the special section of our website for group 12 amusement games a summary of the rules discussed and action taken by the Commissioners at the April Commission meeting.

At least one week prior to the May 12, 2016, Commission meeting, we posted this rules package on our website, which included this specific rule.

At the May 12, 2016, Study Session, stakeholders were asked what costs they would incur if the rule proposal went into effect. Stakeholders provided feedback as indicated below.

A meeting was held on May 19, 2016, with the stakeholder that wanted to explore possible options to the rule language being proposed.

In summary, the proposed rule changes were discussed at Study Sessions on the following dates: March 11, 2016, April 14, 2016, and May 12, 2016. It will also be discussed at the Study Session on July 14/15, 2016. The rule proposal was discussed and public comment taken at the Commission meetings on March 11, 2016, April 14, 2016, and May 12, 2016. It will also be discussed and public comment will be taken at the July 14/15, 2016, Commission meeting. The

proposed changes were discussed at a stakeholder meeting on April 9, 2016 and with one stakeholder on May 19, 2016 to discuss possible changes to the proposed language.

This process provided small businesses opportunities in the development of the new rule.

---

**1. Description of the reporting, record keeping and other compliance requirements of the proposed rule.**

In July 2015, the Commissioners authorized Group 12 amusement games to be played by persons 21 and over with the passage of one rule. Since this time, numerous questions and concerns have been raised surrounding the operation and regulation of group 12 amusement games. We have discovered that more rules were needed with the new activity.

**Reporting Requirement** – This rules package requires amusement game licensees to notify us within 30 days of placing a group 12 amusement game into play or removing it from play.

Currently, amusement game licensees are only required to report to us the amusement games they have in play once a year. Without this rule change, we have no way of knowing where these games, which have been of great interest and have been controversial, are placed. This will allow us to know, within a 30 day window, where and how many group 12 amusement games are in the state.

**Recordkeeping Requirement** – This rules package requires licensees that operate group 12 amusement games to record gross gambling receipts of group 12 games separate from the gross gambling receipts of group 1 through 11 amusement games.

Currently, amusement game licensees must record the combined gross gambling receipts of amusement games regardless of the group or type of amusement game they operate.

**Nontransferability of tokens awarded on group 12 amusement games** – This rule package allows coupons, tickets, tokens or tokens on an electronic token card dispensed from a group 12 amusement game to be stored for redemption on a system that does not commingle the coupons, tickets, tokens or tokens on an electronic token card with anything else.

This will prevent group 12 amusement game licensees from circumventing the prohibition against gift cards/cash by allowing cash/gift cards to be awarded through a player tracking or customer reward system. By not allowing operators to transfer tokens awarded from a group 12 amusement game, licensees will be required to

follow the redemption and operation requirements set out in RCW 9.46.0201 and WAC 230-13-005.

**2. Kinds of professional services that a small business is likely to need in order to comply.**

Small businesses should not need any additional professional services other than those accounting services that may be currently used to assist with current reporting and record keeping requirements.

Reporting requirement – Professional services will not be needed for small businesses to comply with this portion of the rule change. Licensees can provide the required information through the Commission’s My Account, which licensees are required to use to renew their license. My Account is an on-line account, customized for each licensee. For those licensees that do not have a computer, they will have to submit a form. The information required to be submitted to the Commission to comply with this rule will likely be the name of licensee, name and address of the licensed location where the game is physically located, the approved group 12 amusement game(s) placed or removed, the date the game(s) was placed or removed, and the number of approved group 12 amusement games placed or removed.

Recordkeeping requirement – Rules already require commercial and nonprofit amusement game licensees to record and report amusement game gross receipts. Licensees record and report the combined gross receipts from all group 1 through 11 amusement games they operate. Licensees may be using professional services to comply with the current rule. The proposed rule would require licensees to add to their records a separate line item for group 12 gross receipts and report that to us separate from their total group 1 through 11 amusement game gross receipts.

Nontransferability of tokens awarded from group 12 amusement games – Professional services will not be required for group 12 amusement game operators to comply with this rule proposal. This portion of the rules package allow coupons, tickets, tokens or tokens on an electronic token card dispensed from a group 12 amusement game to be stored for redemption under this rule on a system that does not commingle the coupons, tickets, tokens or tokens on an electronic token card with anything else. Conversely, it will not allow group 12 amusement game operators to transfer coupons, tickets, tokens or tokens on an electronic storage card awarded from a group 12 amusement game to another system, such as a player tracking or customer rewards system. Group 12 amusement game operators will have to redeem the actual coupons, tickets, tokens or tokens on an electronic storage card dispensed from the game.

The rule already requires group 12 amusement games to dispense coupons, tickets, tokens or tokens on an electronic token card to be redeemed for merchandise prizes.

No modifications to the amusement games would be required to comply with this rule.

**3. The actual costs to small businesses of compliance, including costs of equipment, supplies, labor and increased administrative costs.**

Cost should be minimal, if any, to small businesses.

Reporting – The cost for complying with this portion of the rule change will be labor costs to do the reporting and any mailing costs if the licensee does not have a computer. The information most likely required to be reported will be the name of licensee, name and address of the licensed location where the game is physically located, the approved group 12 amusement game(s) placed or removed, the date the game(s) was placed or removed, and the number of approved group 12 amusement games placed or removed.

Small business licensees should be familiar with their obligations to report certain business information to us within 30 days from the event. All reporting will be done through My Account, a free online program that all licensees must use for other reporting and to renew their licenses. Those licensees that do not have a computer or that find it easier to fill out a form can do so and mail it in to us. .

Recordkeeping – There should be minimal increased administrative costs to develop a new line item and record the gross receipts for group 12 amusement games separately from the group 1 through 11 amusement games they operate. Small business licensees already must track and record the gross receipts from group 12 activity with the other amusement game gross receipts for other state agencies. There should also be minimal increased administrative costs to report the total group 12 amusement game gross receipts. Small business licensees already must track and report all amusement game gross receipts to us. This rule change solely requires them to separate group 12 gross receipts from receipts from groups 1-11.

Nontransferability of coupons, tickets, tokens or tokens on an electronic token card dispensed by a group 12 amusement game – There should be no additional costs for compliance with the rule proposal. Currently our rules require all group 12 amusement games to dispense coupons, tickets, tokens or tokens on an electronic token card. This rule proposal would allow coupons, tickets, tokens or tokens on an electronic token card dispensed from a group 12 amusement game to be stored for redemption under this rule on a system that does not commingle the coupons, tickets, tokens or tokens on an electronic token card with anything else.

**4. Whether compliance with the rule, based on feedback received from licensees, will cause businesses to lose sales or revenue.**

This rule should not cause a small business to lose sales or revenue. One small business licensee with 49 group 12 amusement games in operation at 10 licensed locations in Washington indicated that he spent at least \$7,500 on a software program allowing him to store group 12 amusement game tokens on his player tracking system. This licensee indicated he will close down all of his group 12 amusement games in the state if this rule is passed. However, he did not share how sales or revenue would be affected by this rule change.

No other small business stakeholders indicated any possible loss of sales or revenue at the April 9, 2016, stakeholder meeting; the April 14, 2016 Study Session or Commission meeting; or at the May 12, 2016 Study Session or Commission meeting.

**5. A determination of whether the proposed rule will have a disproportionate impact on small businesses.**

This rule should not have a disproportionate impact on small businesses. All licensees with group 12 amusement games in play will have to comply with this rule regardless of the size of their business.

**6. Steps taken by the agency to reduce the costs of the rule on small businesses or reasonable justification for not doing so. Agencies “must consider, without limitation, each of the following methods of reducing the impact of the proposed rule on small businesses:”**

**a. Reducing, modifying, or eliminating substantive regulatory requirements;**

Group 12 amusement games were approved by the Commissioners in July 2015 with the passage of one rule to allow the games. Since that time, we have determined that more rules are necessary to regulate the activity.

The Commission kept the reporting timeline, 30 days from placing into or removing from play, the same as it has for all other reportable information. We also will make the form available on our My Account to make reporting as easy as possible for licensees.

Licensees could allow coupons, tickets, tokens or tokens on an electronic token card dispensed from a group 12 amusement game to be stored for redemption under this rule on a system that does not commingle the coupons, tickets, tokens or tokens on an electronic token card with anything else.

**b. Simplifying, reducing, or eliminating recordkeeping and reporting requirements;**

The Commission is only requiring licensees to separately report group 12 amusement game gross receipts. The reporting requirement is simplified by allowing group 12 gross receipts to be reported online through My Account, which is available to licensees when they report their amusement game gross receipts now. Licensees are still allowed to report their combined group 1 through 11 gross receipts. .

Additionally, reporting the placement or removal of group 12 amusement games can simply be done online through My Account. The Commission is only requiring limited information, such as the name of licensee, name and address of the licensed location where the game is physically located, the approved group 12 amusement game(s) placed or removed, the date the game(s) was placed or removed, and the number of approved group 12 amusement games placed or removed.

**c. Reducing the frequency of inspections;**

This rule will not require additional inspections. Verification of compliance with these rules can be done during routine inspections to verify licensure, identification stamp, and other operational requirements.

**d. Delaying compliance timetables;**

Delaying compliance is unnecessary because the cost for compliance is minimal and these rules are necessary for monitoring and regulating these new electronic amusement games.

**e. Reducing or modifying fine schedules for noncompliance; or**

There is no fine schedule related to this rule. Any finding of noncompliance with this rule would likely be handled like all other amusement game violations, which is a progressive enforcement model that includes verbal warnings, written warnings, fines, suspension, and revocation. Our goal is to seek voluntary compliance with our licensees through education and training.

**f. Any other mitigation techniques including those suggested by small businesses or small business advocates.**

Only one small business licensee has requested or suggested any mitigation techniques for the implementation of this rule change. This licensee's suggestion was to withdraw the rule change regarding nontransferability of tokens dispensed

from a group 12 amusement game. The licensee did not suggest an alternative rule that would mitigate any cost the rule would have to his small business.

The Commission considered changes to the original proposed rule language and has changed the language to allow coupons, tickets, tokens or tokens on an electronic token card dispensed from a group 12 amusement game to be stored for redemption under this rule on a system that does not commingle the coupons, tickets, tokens or tokens on an electronic token card with anything else.

The Commission has a responsibility to prevent amusement game licensees from circumventing the prohibition against gift cards/cash by allowing cash/gift cards to be awarded through a player tracking or customer reward system. By not allowing operators to transfer tokens awarded from a group 12 amusement game, licensees will be required to follow the redemption and operation requirements set out in RCW 9.46.0201 and WAC 230-13-005.

**7. A description of how the Gambling Commission will involve small businesses in the development of the rule.**

On November 9, 2015, we sent an email to the Class B and above amusement game licensees that we had email addresses for informing them that we had drafted rules for discussion on a number of different issues concerning Group 12 amusement games. (These rules did not include this rule change.)

On November 12, 2015, we asked stakeholders that attended the Study Session, which is open to the general public, to submit any comments or rule change language, not limited to the rules staff drafted, to address the issues surrounding group 12 amusement games to commission staff by November 30, 2015.

On December 24, 2015, we sent notice to all commercial and amusement game licensees of the updated rule proposals based the feedback we received during the comment period. We also posted the draft rules on our website.

In February 2016, while other group 12 amusement game rules were being considered, staff put this rules package together to address some other regulatory concerns with group 12 amusement games.

At least one week prior to the March 11, 2016 Commission meeting, we posted this rules package on our website.

On March 25, 2016, we posted information on this rules package as filed by the Commissioners at their March 11, 2016, Commission meeting in the special section of our website for group 12 amusement games. We also posted that we

would be holding a stakeholder meeting to discuss all group 12 amusement game rules pending on April 9, 2016, to include this rules package.

On April 9, 2016, we held a stakeholder meeting to discuss all group 12 amusement game rules, which included all rules in this package and this specific rule.

At least one week prior to the April 14, 2016, Commission meeting, we posted this rules package on our website, which included this specific rule.

On April 15, 2016, we posted in the special section of our website for group 12 amusement games a summary of the rules discussed and action taken by the Commissioners at the April Commission meeting.

At least one week prior to the May 12, 2016, Commission meeting, we posted this rules package on our website, which included this specific rule.

At the May 12, 2016, Study Session, stakeholders were asked what costs they would incur if the rule proposal went into effect.

A meeting was held on May 19, 2016, with the stakeholder that provided an email in opposition to one of the rule changes.

**8. A list of industries that will be required to comply with the rule.**

7132. *(Leave this number here)*

**9. An estimate of the number of jobs that will be created or lost as the result of compliance with the proposed rule.**

There is only evidence that one full-time and one part-time job will be lost as a result of the proposed rule changes. One small business licensee that has 49 group 12 amusement games in operation at 10 licensed locations in Washington and spent at least \$7,500 on a software program to store tokens dispensed on the player tracking system indicated that they will stop operating all of their group 12 amusement games in the state. This action will result in the loss of one full-time bookkeeper, a part-time technician, and it will terminate the use of an on-call technician that flies in from California when his service is needed.

No other small business licensees have indicated that any jobs would be created or lost as a result of compliance with this proposed rule change.



## HOUSE-BANKED PUBLIC CARD ROOM REPORT

| Current House- Banked Locations Operating |                   |                          |                         | 50     |          |           |
|-------------------------------------------|-------------------|--------------------------|-------------------------|--------|----------|-----------|
| Licensee                                  | City              | Commission Approval Date | License Expiration Date | Tables | Org #    | License # |
| ACES CASINO ENTERTAINMENT                 | SPOKANE           | Mar 13, 2014             | Dec 31, 2016            | 7      | 00-23112 | 67-00325  |
| ALL STAR CASINO                           | SILVERDALE        | Jan 14, 1999             | Jun 30, 2017            | 15     | 00-18357 | 67-00058  |
| BLACK PEARL RESTAURANT & CARD ROOM        | SPOKANE VALLEY    | Jan 10, 2013             | Sep 30, 2016            | 15     | 00-22440 | 67-00321  |
| BUZZ INN STEAKHOUSE/EAST WENATCHEE        | EAST WENATCHEE    | Oct 10, 2002             | Dec 31, 2016            | 10     | 00-11170 | 67-00183  |
| CARIBBEAN CARDROOM                        | KIRKLAND          | Aug 13, 2009             | Mar 31, 2017            | 7      | 00-21882 | 67-00285  |
| CASINO CARIBBEAN                          | YAKIMA            | Mar 14, 2002             | Dec 31, 2016            | 15     | 00-17603 | 67-00093  |
| CASINO CARIBBEAN                          | KIRKLAND          | Nov 15, 2005             | Sep 30, 2016            | 15     | 00-20427 | 67-00238  |
| CHIPS CASINO/LAKEWOOD                     | LAKEWOOD          | Apr 8, 1999              | Dec 31, 2016            | 12     | 00-17414 | 67-00020  |
| CLEARWATER SALOON & CASINO                | EAST WENATCHEE    | Apr 9, 2015              | Dec 31, 2016            | 11     | 00-23386 | 67-00328  |
| CLUB HOLLYWOOD CASINO                     | SHORELINE         | Sep 9, 2010              | Jun 30, 2017            | 15     | 00-22132 | 67-00303  |
| COYOTE BOB'S CASINO                       | KENNEWICK         | Jul 10, 2009             | Mar 31, 2017            | 12     | 00-21848 | 67-00282  |
| CRAZY MOOSE CASINO II/MOUNTLAKE TERRACE   | MOUNTLAKE TERRACE | Jul 10, 2009             | Mar 31, 2017            | 15     | 00-21849 | 67-00283  |
| CRAZY MOOSE CASINO/PASCO                  | PASCO             | Jul 10, 2009             | Mar 31, 2017            | 15     | 00-21847 | 67-00281  |
| FORTUNE CASINO                            | TUKWILA           | Oct 8, 2015              | Aug 31, 2016            | 12     | 00-23465 | 67-00329  |
| FREDDIE'S CLUB                            | RENTON            | Jan 8, 2015              | Sep 30, 2016            | 15     | 00-23339 | 67-00327  |
| GOLDIE'S SHORELINE CASINO                 | SHORELINE         | May 13, 1999             | Dec 31, 2016            | 15     | 00-17610 | 67-00016  |
| GREAT AMERICAN CASINO/EVERETT             | EVERETT           | Nov 12, 1998             | Dec 31, 2016            | 15     | 00-19513 | 67-00194  |
| GREAT AMERICAN CASINO/LAKEWOOD            | LAKEWOOD          | Aug 14, 2003             | Jun 30, 2017            | 15     | 00-19258 | 67-00184  |
| GREAT AMERICAN CASINO/TUKWILA             | TUKWILA           | Jan 15, 1998             | Sep 30, 2016            | 15     | 00-12554 | 67-00012  |
| HAWKS PRAIRIE CASINO                      | LACEY             | Jul 12, 2001             | Jun 30, 2017            | 15     | 00-17579 | 67-00091  |
| IRON HORSE CASINO                         | AUBURN            | Jan 9, 2003              | Dec 31, 2016            | 15     | 00-19477 | 67-00192  |
| JOKER'S CASINO SPORTS BAR & FIESTA CD RM  | RICHLAND          | Nov 12, 1998             | Dec 31, 2016            | 11     | 00-15224 | 67-00006  |

JL

**Current House- Banked Locations Operating**

**50**

| Licensee                         | City              | Commission Approval Date | License Expiration Date | Tables | Org #    | License # |
|----------------------------------|-------------------|--------------------------|-------------------------|--------|----------|-----------|
| LANCER LANES/REST AND CASINO     | CLARKSTON         | Nov 13, 2008             | Sep 30, 2016            | 9      | 00-21681 | 67-00276  |
| LAST FRONTIER                    | LA CENTER         | Feb 11, 1999             | Sep 30, 2016            | 15     | 00-11339 | 67-00055  |
| LILAC LANES & CASINO             | SPOKANE           | Jul 12, 2007             | Jun 30, 2017            | 12     | 00-21305 | 67-00267  |
| LUCKY 21 CASINO                  | WOODLAND          | Oct 8, 2013              | Jun 30, 2017            | 15     | 00-22918 | 67-00322  |
| LUCKY BRIDGE CASINO              | KENNEWICK         | Feb 13, 2014             | Dec 31, 2016            | 15     | 00-23082 | 67-00324  |
| MACAU CASINO                     | TUKWILA           | Jan 12, 2012             | Sep 30, 2016            | 15     | 00-22573 | 67-00319  |
| MACAU CASINO                     | LAKEWOOD          | Jul 12, 2007             | Mar 31, 2017            | 15     | 00-20428 | 67-00239  |
| NEW PHOENIX                      | LA CENTER         | Mar 12, 1998             | Mar 31, 2017            | 14     | 00-12650 | 67-00005  |
| NOB HILL CASINO                  | YAKIMA            | Sep 12, 2001             | Dec 31, 2016            | 7      | 00-13069 | 67-00173  |
| PALACE CASINO LAKEWOOD           | LAKEWOOD          | Jan 14, 1999             | Dec 31, 2016            | 15     | 00-16542 | 67-00028  |
| PALACE TUKWILA                   | TUKWILA           | Jul 14, 2016             | Sep 30, 2016            | 7      | 00-23304 | 67-00333  |
| PAPAS CASINO RESTAURANT & LOUNGE | MOSES LAKE        | Aug 13, 1998             | Jun 30, 2017            | 12     | 00-02788 | 67-00004  |
| RC'S                             | SUNNYSIDE         | Nov 18, 2004             | Sep 30, 2016            | 9      | 00-20298 | 67-00232  |
| RED DRAGON CASINO                | MOUNTLAKE TERRACE | Aug 11, 2011             | Jun 30, 2017            | 10     | 00-22459 | 67-00315  |
| RIVERSIDE CASINO                 | TUKWILA           | Aug 14, 2003             | Jun 30, 2017            | 15     | 00-19369 | 67-00187  |
| ROMAN CASINO                     | SEATTLE           | Feb 10, 2000             | Mar 31, 2017            | 15     | 00-17613 | 67-00057  |
| ROXY'S BAR & GRILL               | SEATTLE           | Nov 18, 2004             | Jun 30, 2017            | 12     | 00-20113 | 67-00231  |
| ROYAL CASINO                     | EVERETT           | Sep 9, 2010              | Jun 30, 2017            | 15     | 00-22130 | 67-00301  |
| SILVER DOLLAR CASINO/MILL CREEK  | BOTHELL           | Sep 9, 2010              | Jun 30, 2017            | 15     | 00-22131 | 67-00302  |
| SILVER DOLLAR CASINO/RENTON      | RENTON            | Sep 9, 2010              | Jun 30, 2017            | 15     | 00-22134 | 67-00305  |
| SILVER DOLLAR CASINO/SEATAC      | SEATAC            | Sep 9, 2010              | Jun 30, 2017            | 15     | 00-22128 | 67-00299  |
| SLO PITCH PUB & EATERY           | BELLINGHAM        | Aug 12, 1999             | Jun 30, 2017            | 9      | 00-16759 | 67-00038  |
| THE GETAWAY CASINO               | WALLA WALLA       | Mar 11, 2016             | Jun 30, 2017            | 8      | 00-23485 | 67-00332  |
| THE PALACE                       | LA CENTER         | Apr 9, 1998              | Jun 30, 2017            | 15     | 00-16903 | 67-00010  |
| UBET CASINO                      | LONGVIEW          | Oct 8, 1998              | Jun 30, 2017            | 11     | 00-17449 | 67-00039  |
| WILD GOOSE CASINO                | ELLENSBURG        | Apr 8, 2004              | Dec 31, 2016            | 7      | 00-20009 | 67-00212  |

*Handwritten mark*

**Current House- Banked Locations Operating****50**

| Licensee                | City    | Commission Approval Date | License Expiration Date | Tables | Org #    | License # |
|-------------------------|---------|--------------------------|-------------------------|--------|----------|-----------|
| WIZARDS CASINO          | BURIEN  | Feb 11, 2010             | Dec 31, 2016            | 15     | 00-21998 | 67-00287  |
| Z'S RESTAURANT AT ZEPOZ | PULLMAN | Nov 13, 2008             | Mar 31, 2017            | 6      | 00-18777 | 67-00209  |



# Washington State Gambling Commission Pre-Licensing Report Manufacturer

## Part I Licensing/Organization Information

|                                                                                            |                                                                                                                        |
|--------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|
| <b>Type of Approval</b><br>Manufacturer License Class "B"<br>Distributor License Class "B" | <b>Premises/Trade Name/Address</b><br>TCS John Huxley America, Inc.<br>6171 McLeod Drive Ste. M<br>Las Vegas, NV 89120 |
| <b>Date of Application</b><br>December 9, 2015                                             |                                                                                                                        |

### APPLICANT INFORMATION

|                                                                   |                                                      |                                           |
|-------------------------------------------------------------------|------------------------------------------------------|-------------------------------------------|
| <b>Name</b><br>TCS John Huxley America, Inc.                      | <b>License Application #</b><br>20-00239<br>21-00297 | <b>Business Phone #</b><br>(702) 798-0500 |
| <b>Address</b><br>6171 McLeod Drive Ste. M<br>Las Vegas, NV 89120 |                                                      |                                           |

### ACTIVE LICENSES ISSUED BY GAMBLING COMMISSION

| Description/Class              | Exp. Date  | License Number(s) |
|--------------------------------|------------|-------------------|
| Manufacturer License Class "B" | 06/30/2017 | 20-00239          |
| Distributor License Class "B"  | 06/30/2017 | 21-00297          |

### COMMISSION STAFF

|                                                      |                                                                                            |
|------------------------------------------------------|--------------------------------------------------------------------------------------------|
| <b>Customer Service Specialist</b><br>Michelle Davis | <b>Special Agents</b><br>Jennifer LaMont, Agent in Charge<br>Donna Khanhasa, Special Agent |
|------------------------------------------------------|--------------------------------------------------------------------------------------------|



## Background/Structure

### General Information:

TCS John Huxley America, Inc. (America) is a manufacturer and supplier of end-to-end live gaming solutions and services. They manufacture table games and layouts. They also applied as a distributor for the purposes of distributing roulette wheels and displays manufactured by TCS John Huxley Europe, Ltd. They also intend to provide servicing of roulette wheels for Washington customers.

**Organizational/Ownership Structure:****Ownership/corporate structure of TCS John Huxley America, Inc.:**

| Title                                | Name                           | % Ownership |
|--------------------------------------|--------------------------------|-------------|
| COB, Director,<br>President          | Tristan Sjöberg                | 0           |
| Director,<br>Treasurer,<br>Secretary | Eric Poulton                   | 0           |
| CEO                                  | Todd Cravens                   | 0           |
| CFO                                  | Justin Findlay                 | 0           |
| Shareholder                          | TCS John Huxley Europe,<br>Ltd | 100%        |

**Affiliated Company:**

The applicant's parent company, TCS John Huxley Europe, Ltd., also applied for a manufacturer license.

**Other Jurisdictions:**

America is currently licensed in about 43 jurisdictions; to include Nevada, Ohio, Pennsylvania, and Indiana.

## Part II Licensing Investigations Summary

Special Agents from the Commission's Licensing Unit conducted a criminal history and financial investigation focusing on funding sources and beneficiaries for suitability in accordance with RCW 9.46 and WAC 230. Staff went on-site to Las Vegas, Stoke-on-Trent in the United Kingdom, and Macau to conduct their investigation, which included verifying the ownership structure, reviewing financial and business records, conducting interviews and observing the manufacturing process. The investigation found:

- No unreported people or businesses involved (i.e. substantial interest holders);
- No undisclosed ownership or undisclosed involvement in other activities/businesses;
- No disqualifying administrative history;
- All funding sources were disclosed; and
- All substantial interest holders qualify to hold a license.

**Source of Funds:**

The company's source of funds was cash on hand from operations to expand into Washington.

## Part III Staff Recommendations

Based upon the criminal history and financial background investigations, staff recommends licensing TCS John Huxley America, Inc., as a class "B" manufacturer and class "B" distributor.

**Prepared By**

Tina Griffin, Assistant Director  
Licensing, Regulation, & Enforcement  
Division

**Signature****Date**



# Washington State Gambling Commission Pre-Licensing Report Manufacturer

## Part I Licensing/Organization Information

|                                                           |                                                                                                                                            |
|-----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Type of Approval</b><br>Manufacturer License Class "B" | <b>Premises/Trade Name/Address</b><br>TCS John Huxley Europe, Ltd<br>Festival Trade Park Unit 6 Crown Rd<br>Stoke-On-Trent, United Kingdom |
| <b>Date of Application</b><br>December 9, 2015            |                                                                                                                                            |

### APPLICANT INFORMATION

|                                                                                         |                                          |                                           |
|-----------------------------------------------------------------------------------------|------------------------------------------|-------------------------------------------|
| <b>Name</b><br>TCS John Huxley Europe, Ltd.                                             | <b>License Application #</b><br>20-00237 | <b>Business Phone #</b><br>(702) 798-0500 |
| <b>Address</b><br>Festival Trade Park Unit 6 Crown Rd<br>Stoke-On-Trent, United Kingdom |                                          |                                           |

### ACTIVE LICENSES ISSUED BY GAMBLING COMMISSION

|                                                            |                                |                                      |
|------------------------------------------------------------|--------------------------------|--------------------------------------|
| <b>Description/Class</b><br>Manufacturer License Class "B" | <b>Exp. Date</b><br>06/30/2017 | <b>License Number(s)</b><br>20-00237 |
|------------------------------------------------------------|--------------------------------|--------------------------------------|

### COMMISSION STAFF

|                                             |                                                                                            |
|---------------------------------------------|--------------------------------------------------------------------------------------------|
| <b>License Specialist</b><br>Michelle Davis | <b>Special Agents</b><br>Jennifer LaMont, Agent in Charge<br>Donna Khanhasa, Special Agent |
|---------------------------------------------|--------------------------------------------------------------------------------------------|



## Background/Structure

### General Information:

TCS John Huxley Europe, Ltd. (Europe) is a manufacturer and supplier of table games and layouts for European customers. They also manufacture and service roulette wheels and electronic game displays. They will be supplying the roulette wheels and displays to TCS John Huxley America, Inc. for resale in Washington. Europe will not be making any sales directly into Washington but their primary customer will be their American subsidiary company, TCS John Huxley America, Inc.

**Organizational/Ownership Structure:****Ownership/corporate structure of TCS John Huxley Europe, Ltd. (Licensee):**

| Title         | Name                   | % Ownership |
|---------------|------------------------|-------------|
| COB, Director | Tristan Sjöberg        | 0           |
| CFO, Director | Eric Poulton           | 0           |
| Director      | Michael B. Knutsson    | 0           |
| Shareholder   | Victoria Holdings Ltd. | 100%        |

**Ownership/corporate structure of Victoria Holdings Ltd.:**

| Title         | Name                      | % Ownership |
|---------------|---------------------------|-------------|
| COB, Director | Tristan Sjöberg           | 0           |
| Director      | Michael B. Knutsson       | 0           |
| Shareholder   | Pata-Pata Aktiebolag (AB) | 100%        |

**Ownership/corporate structure of Pata-Pata Aktiebolag (AB):**

| Title         | Name                | % Ownership |
|---------------|---------------------|-------------|
| COB, Director | Tristan Sjöberg     | 50%         |
| Director      | Michael B. Knutsson | 50%         |

**Affiliated Company:**

The applicant's wholly-owned subsidiary, TCS John Huxley America, Inc., also applied for a manufacturer and distributor license.

**Other Jurisdictions:**

Europe is currently licensed in about 21 jurisdictions; to include Nevada, Ohio, Pennsylvania, and Indiana.

**Part II****Licensing Investigation Summary**

Special Agents from the Commission's Licensing Unit conducted a criminal history and financial investigation focusing on funding sources and beneficiaries for suitability in accordance with RCW 9.46 and WAC 230. Staff went on-site to Las Vegas, Stoke-on-Trent in the United Kingdom, and Macau to conduct their investigation, which included verifying the ownership structure, reviewing financial and business records, conducting interviews and observing the manufacturing process. The investigation found:

- No unreported people or businesses involved (i.e. substantial interest holders);
- No undisclosed ownership or undisclosed involvement in other activities/businesses;
- No disqualifying administrative history;
- All funding sources were disclosed; and
- All substantial interest holders qualify to hold a license.

**Source of Funds:**

The company's source of funds was cash on hand from operations to expand into Washington.

**Part III****Staff Recommendations**

Based upon the criminal history and financial background investigations, staff recommends licensing TCS John Huxley Europe, Ltd., as a class "B" manufacturer.

**Prepared By**

Tina Griffin, Assistant Director  
Licensing, Regulation, & Enforcement  
Division

**Signature****Date**





COMMISSION APPROVAL LIST  
(New Licenses & Class III Gaming Employees)

August 2016

Index

|                                                      | <u>PAGE</u> |
|------------------------------------------------------|-------------|
| NONPROFIT ORGANIZATIONS & COMMERCIAL BUSINESSES..... | 1-2         |
| DISTRIBUTOR REPRESENTATIVE.....                      | 3           |
| MANUFACTURER REPRESENTATIVE .....                    | 3           |
| NON-PROFIT GAMBLING MANAGER.....                     | 3-4         |
| SERVICES SUPPLIER REPRESENTATIVE.....                | 4           |
| PUBLIC CARD ROOM EMPLOYEE .....                      | 4-8         |
| CLASS III GAMING EMPLOYEE .....                      | 9-15        |

PAGES: 15

Based upon the licensing investigations, staff recommends approving all new Licenses and Class III employees listed on pages 1 to 15.

*TR*



ORGANIZATION NAME

FILE NUMBER

PREMISES LOCATION

**NEW APPLICATIONS****BINGO**

|                                               |   |                                      |
|-----------------------------------------------|---|--------------------------------------|
| FILIPINO AMERICAN LEAGUE<br>00-19927 01-02725 | A | 4851 S TACOMA WAY<br>TACOMA WA 98409 |
| FOE 02141<br>00-00183 01-02726                | A | 5216 20TH AVE NW<br>SEATTLE WA 98107 |
| VFW 02455<br>00-00070 01-00066                | A | 315 S MAIN ST<br>MONTESANO WA 98563  |

**RAFFLE**

|                                                 |   |                                            |
|-------------------------------------------------|---|--------------------------------------------|
| ASHLEY HOUSE<br>00-23745 02-09702               | B | 33811 9TH AVE S<br>FEDERAL WAY WA 98003    |
| BPOE 00186<br>00-00167 02-00437                 | A | 1818 4TH AVE E<br>OLYMPIA WA 98506         |
| CHAMBER OF COMMERCE/SELAH<br>00-08705 02-09686  | A | 216 S 1ST ST<br>SELAH WA 98942             |
| FILIPINO AMERICAN LEAGUE<br>00-19927 02-08499   | A | 4851 S TACOMA WAY<br>TACOMA WA 98409       |
| FOE 00204<br>00-00026 02-00414                  | C | 1208 N WENATCHEE AVE<br>WENATCHEE WA 98801 |
| SHOREWOOD HIGH ASB<br>00-05418 02-09685         | B | 17300 FREMONT AVE N<br>SHORELINE WA 98133  |
| SUNNYSIDE ROTARY SWIM TEAM<br>00-23710 02-09681 | C | 1101 WOODWARD ST<br>SUNNYSIDE WA 98944     |
| VFW 01135<br>00-00128 02-09698                  | A | 407 7TH ST<br>HOQUIAM WA 98550             |
| VFW 02455<br>00-00070 02-00032                  | A | 315 S MAIN ST<br>MONTESANO WA 98563        |

**PUNCHBOARD/PULL-TAB COMMERCIAL STIMULANT**

|                                                                |   |                                          |
|----------------------------------------------------------------|---|------------------------------------------|
| CLUB CROW<br>00-23658 05-21411                                 | C | 108 1/2 COTTAGE AVE<br>CASHMERE WA 98815 |
| LADY LUCKS COWGIRL UP STEAKHOUSE & SALOON<br>00-23743 05-21430 | D | 14114 PACIFIC AVE S<br>TACOMA WA 98444   |

ORGANIZATION NAME

FILE NUMBER

PREMISES LOCATION

**NEW APPLICATIONS****MANUFACTURER**

TCS JOHN HUXLEY AMERICA INC

20-00239 20-00239

B

6171 MCLEOD DR STE M

LAS VEGAS NV 89120

TCS JOHN HUXLEY EUROPE LIMITED

20-00237 20-00237

B

4TH FL 83 VICTORIA ST

LONDON NA SW1HOHW

**DISTRIBUTOR**

TCS JOHN HUXLEY AMERICA INC

21-00297 21-00297

B

6171 MCLEOD DR STE H-M

LAS VEGAS NV 89120

**SERVICE SUPPLIER LICENSE**

GVIII, LLC

00-23676 26-00335

1808 GLENVIEW DR

LAS VEGAS NV 89134

**COMMERCIAL AMUSEMENT GAMES**

AMC THEATRES GATEWAY 8

00-23729 53-21468

A

2501 S GATEWAY CENTER

FEDERAL WAY WA 98003

FRED MEYER 00140/VANCOUVER

00-13985 53-00780

A1

7700 NE HWY 99

VANCOUVER WA 98665

UNION SQUARE

00-23677 53-21455

A1

1132 WASHINGTON WAY

LONGVIEW WA 98632

**PUBLIC CARD ROOM (65)**

CLUB CROW

00-23658 65-07458

D

108 1/2 COTTAGE AVE

CASHMERE WA 98815

MARY'S BAR &amp; GRILL

00-23567 65-07462

D

4503 OCEAN BEACH HWY SUITE 107

LONGVIEW WA 98632

UNION SQUARE

00-23677 65-07464

D

1132 WASHINGTON WAY

LONGVIEW WA 98632

PERSON'S NAME  
LICENSE ISSUE NUMBER

EMPLOYER'S NAME  
PREMISES LOCATION

**NEW APPLICATIONS**

**DISTRIBUTOR REPRESENTATIVE**

PAYNE, MALCOLM C  
22-01164

SHARAKOO GROUP LIMITED  
HONG KONG NA

WILSON, DEAN A  
22-01163

SHARAKOO GROUP LIMITED  
HONG KONG NA

**MANUFACTURER REPRESENTATIVE**

BUSTAMANTE, MICHAEL D  
23-02265

IGT  
LAS VEGAS NV 89113

CANO, SANDRO  
23-02271

TCS JOHN HUXLEY AMERICA INC  
LAS VEGAS NV 89120

CORSO, MARK D  
23-02270

TCS JOHN HUXLEY AMERICA INC  
LAS VEGAS NV 89120

GARCIA, JOHN M  
23-02272

TCS JOHN HUXLEY AMERICA INC  
LAS VEGAS NV 89120

GRASSO, RYAN M  
23-02268

IGT  
LAS VEGAS NV 89113

HA, TRAM N  
23-02273

BALLY TECHNOLOGIES  
LAS VEGAS NV 89118

HARTLEY, MARK L JR  
23-02267

IGT  
LAS VEGAS NV 89113

MILLER-WEARNE, TARYN A  
23-02275

BALLY TECHNOLOGIES  
LAS VEGAS NV 89118

SMITH, DAVID P  
23-02269

TCS JOHN HUXLEY AMERICA INC  
LAS VEGAS NV 89120

SMITH, ZACHARY A  
23-02264

BALLY TECHNOLOGIES  
LAS VEGAS NV 89118

**NON-PROFIT GAMBLING MANAGER**

GUSTAFSON, MICHELLE L  
61-04604

FOE 03563  
SPANAWAY WA 98387

MILLER, KATHERINE J  
61-04606

SENIOR CENTER/EAST COUNTY  
MONROE WA 98272

PERSON'S NAME

EMPLOYER'S NAME

LICENSE ISSUE NUMBER

PREMISES LOCATION

**NEW APPLICATIONS****NON-PROFIT GAMBLING MANAGER**

SCHANBECK, DENISE A  
61-04605

VFW 03067  
DEER PARK WA 99006-0000

TIFFANY, SUSAN M  
61-04238

AMERICAN LEGION 00010  
WENATCHEE WA 98801

**SERVICES SUPPLIER REPRESENTATIVE**

UPKES, CHRISTOPHER E  
63-00627

SOUTHWEST SURVEILLANCE SYSTEM  
LAS VEGAS NV 89118

**PUBLIC CARD ROOM EMPLOYEE**

BAKER, CARRIE L  
68-19095

B

ROYAL CASINO  
EVERETT WA 98204

BALAYANTS, MIKHAIL G  
68-06055

B

MACAU CASINO  
TUKWILA WA 98188-2437

BEAUVAIS, ERIK P  
68-05112

B

GREAT AMERICAN CASINO/EVERETT  
EVERETT WA 98204

BILLMAN, JENNIFER L  
68-33358

B

THE GETAWAY CASINO  
WALLA WALLA WA 99362

BROWNING, CHRISTOPHER S  
68-29231

B

CLEARWATER SALOON & CASINO  
EAST WENATCHEE WA 98802

CALHOUN, CHELSEA N  
68-32009

B

LUCKY 21 CASINO  
WOODLAND WA 98674

CHOI, RYAN  
68-33605

B

FORTUNE POKER  
RENTON WA 98057

COLE, CHANDRA D  
68-21691

B

LUCKY BRIDGE CASINO  
KENNEWICK WA 99336

COMBS, NATASHA C  
68-33597

B

IRON HORSE CASINO  
AUBURN WA 98002

COOK, TREVOR M  
68-33573

B

ALL STAR CASINO  
SILVERDALE WA 98383

CRUTCHFIELD, KASEY E  
68-26144

B

CASINO CARIBBEAN  
KIRKLAND WA 98034

PERSON'S NAME  
LICENSE ISSUE NUMBER

EMPLOYER'S NAME  
PREMISES LOCATION

**NEW APPLICATIONS**

**PUBLIC CARD ROOM EMPLOYEE**

|                                  |   |                                                             |
|----------------------------------|---|-------------------------------------------------------------|
| CUMMINGS, QUINTON L<br>68-33602  | B | SILVER DOLLAR CASINO/MILL CREEK<br>BOTHELL WA 98012         |
| EHRET, ALBERT L<br>68-29623      | B | CLEARWATER SALOON & CASINO<br>EAST WENATCHEE WA 98802       |
| ELKINS, LACY N<br>68-33598       | B | CRAZY MOOSE CASINO II/MOUNTLAK<br>MOUNTLAKE TERRACE WA 9804 |
| ELLIOTT, SHAMELL D<br>68-33622   | B | ALL STAR CASINO<br>SILVERDALE WA 98383                      |
| ENGQUIST, MIKAYLA A<br>68-31732  | B | CASINO CARIBBEAN<br>YAKIMA WA 98901                         |
| FLINT, TYLER R<br>68-33607       | B | ALL STAR CASINO<br>SILVERDALE WA 98383                      |
| GALLEGOS, ORLANDO M<br>68-26434  | B | NOB HILL CASINO<br>YAKIMA WA 98902                          |
| GUALAJARA, CYNTHIA V<br>68-33580 | B | CRAZY MOOSE CASINO/PASCO<br>PASCO WA 99301                  |
| GUMM, DANIEL A<br>68-33609       | B | ALL STAR CASINO<br>SILVERDALE WA 98383                      |
| HALLQUIST, AMY Y<br>68-33579     | B | CRAZY MOOSE CASINO/PASCO<br>PASCO WA 99301                  |
| HARRIS, JENNIFER S<br>68-30668   | B | CASINO CARIBBEAN<br>YAKIMA WA 98901                         |
| HAYNES, ANTHONY T<br>68-33613    | B | MACAU CASINO<br>TUKWILA WA 98188-2437                       |
| HOANG, THINH T<br>68-30325       | B | ROYAL CASINO<br>EVERETT WA 98204                            |
| HOFFNAGLE, GARRETT G<br>68-32618 | B | LILAC LANES & CASINO<br>SPOKANE WA 99208-7393               |
| HOLMES, RICHARD B<br>68-25276    | B | FORTUNE POKER<br>RENTON WA 98057                            |
| HUANG, KEFENG<br>68-33595        | B | RIVERSIDE CASINO<br>TUKWILA WA 98168                        |

PERSON'S NAME  
LICENSE ISSUE NUMBER

EMPLOYER'S NAME  
PREMISES LOCATION

**NEW APPLICATIONS**

**PUBLIC CARD ROOM EMPLOYEE**

|                                      |   |                                                             |
|--------------------------------------|---|-------------------------------------------------------------|
| HUEY, BRANDEE L<br>68-33574          | B | CLEARWATER SALOON & CASINO<br>EAST WENATCHEE WA 98802       |
| HULSE, KAYLIN N<br>68-32951          | B | SILVER DOLLAR CASINO/RENTON<br>RENTON WA 98057              |
| JOHNSON, WILLIAM D<br>68-33586       | B | SILVER DOLLAR CASINO/SEATAC<br>SEATAC WA 98188              |
| KELLEY, NOAH J<br>68-33596           | B | ALL STAR CASINO<br>SILVERDALE WA 98383                      |
| KENNEDY, JAMEL O<br>68-33594         | B | FORTUNE CASINO<br>TUKWILA WA 98168                          |
| KOCHEN, KEVIN J<br>68-33619          | B | CRAZY MOOSE CASINO II/MOUNTLAK<br>MOUNTLAKE TERRACE WA 9804 |
| LARKIN, JORDAN K<br>68-33587         | B | Z'S RESTAURANT AT ZEPPOZ<br>PULLMAN WA 99163                |
| LE, TASHA N<br>68-26497              | B | SILVER DOLLAR CASINO/RENTON<br>RENTON WA 98057              |
| LEEMAN, CADENCE A<br>68-33584        | B | CASINO CARIBBEAN<br>KIRKLAND WA 98034                       |
| LEI, WENYAN<br>68-33606              | B | RIVERSIDE CASINO<br>TUKWILA WA 98168                        |
| LOPEZ CORREA, TANIA<br>68-33599      | B | ROYAL CASINO<br>EVERETT WA 98204                            |
| MADISON, MARIA TERESA C<br>68-10380  | B | PALACE CASINO LAKEWOOD<br>LAKEWOOD WA 98499-8434            |
| MANALASTAS, CHRISTIANO R<br>68-33589 | B | CRAZY MOOSE CASINO/PASCO<br>PASCO WA 99301                  |
| MAYS, MELISSA K<br>68-19408          | B | CASINO CARIBBEAN<br>YAKIMA WA 98901                         |
| MCCOURT, JACOB L<br>68-33572         | B | BUZZ INN STEAKHOUSE/EAST WENAT<br>EAST WENATCHEE WA 98802   |
| MCGEHEE, ISAAC G<br>68-33620         | B | JOKER'S CASINO SPORTS BAR & FIEST<br>RICHLAND WA 99352-4122 |

PERSON'S NAME  
LICENSE ISSUE NUMBER

EMPLOYER'S NAME  
PREMISES LOCATION

**NEW APPLICATIONS**

**PUBLIC CARD ROOM EMPLOYEE**

|                                      |   |                                                              |
|--------------------------------------|---|--------------------------------------------------------------|
| MILLER, TREVOR J<br>68-33571         | B | BLACK PEARL RESTAURANT & CARD<br>SPOKANE VALLEY WA 99206-471 |
| MOORE, DENIELLE A<br>68-33615        | B | LAST FRONTIER<br>LA CENTER WA 98629-0000                     |
| MORENO, DAVID S<br>68-33578          | B | CRAZY MOOSE CASINO/PASCO<br>PASCO WA 99301                   |
| NGUYEN, CHI HIEN T<br>68-33582       | B | RIVERSIDE CASINO<br>TUKWILA WA 98168                         |
| NGUYEN, HOA V<br>68-22106            | B | RED DRAGON CASINO<br>MOUNTLAKE TERRACE WA 9804               |
| NGUYEN, THUAN T<br>68-07024          | B | GREAT AMERICAN CASINO/TUKWILA<br>TUKWILA WA 98168            |
| PEARSON, MICHAEL P<br>68-33601       | B | UBET CASINO<br>LONGVIEW WA 98632-3024                        |
| PETERS, JOSEPH M<br>68-33603         | B | MACAU CASINO<br>TUKWILA WA 98188-2437                        |
| RAND, JOSEPH C<br>68-33590           | B | FORTUNE CASINO<br>TUKWILA WA 98168                           |
| ROMERO, TIFFANY M<br>68-33621        | B | CLEARWATER SALOON & CASINO<br>EAST WENATCHEE WA 98802        |
| RUTHERFORD, REBECCA D<br>68-33577    | B | CRAZY MOOSE CASINO/PASCO<br>PASCO WA 99301                   |
| SMITH-HARDIN, SOMMER M<br>68-33591   | B | COYOTE BOB'S CASINO<br>KENNEWICK WA 99336                    |
| SOR, SEANCHOU<br>68-04657            | B | CHIPS CASINO/LAKEWOOD<br>LAKEWOOD WA 98499                   |
| TAPASA, JOSHUA A<br>68-33593         | B | CHIPS CASINO/LAKEWOOD<br>LAKEWOOD WA 98499                   |
| TUN, SREYPOV<br>68-33581             | B | RIVERSIDE CASINO<br>TUKWILA WA 98168                         |
| VONWITTKAMP, ZACHARIAH R<br>68-33600 | B | GOLDIE'S SHORELINE CASINO<br>SHORELINE WA 98133              |

PERSON'S NAME  
LICENSE ISSUE NUMBER

EMPLOYER'S NAME  
PREMISES LOCATION

**NEW APPLICATIONS**

**PUBLIC CARD ROOM EMPLOYEE**

|                                 |   |                                                           |
|---------------------------------|---|-----------------------------------------------------------|
| WALL, DALLAS L<br>68-16186      | B | BUZZ INN STEAKHOUSE/EAST WENAT<br>EAST WENATCHEE WA 98802 |
| WILLIAMS, JESSICA L<br>68-33608 | B | ALL STAR CASINO<br>SILVERDALE WA 98383                    |
| WILLIAMS, TROY O JR<br>68-33616 | B | MACAU CASINO<br>LAKEWOOD WA 98499                         |
| WOODALL, CHASE C<br>68-33575    | B | CRAZY MOOSE CASINO/PASCO<br>PASCO WA 99301                |
| YAW, WILLIAM L JR<br>68-33585   | B | THE GETAWAY CASINO<br>WALLA WALLA WA 99362                |
| YOON, THOMAS H<br>68-33604      | B | FORTUNE POKER<br>RENTON WA 98057                          |

PERSON'S NAME  
LICENSE ISSUE NUMBER

**NEW APPLICATIONS**

**CLASS III GAMING EMPLOYEE**

**CHEHALIS CONFEDERATED TRIBES**

COULTER, ANGELA M  
69-40040

GOODENOUGH, AMY L  
69-25500

JOURNIGAN, CECIL C JR  
69-40043

MCWHORTER, CLARENCE E  
69-03531

MILLER, JOSHUA M  
69-40064

MINOR, TIFFANY D  
69-40102

PEEL, LISA M  
69-21862

PRICE, JERMAINE L  
69-40042

SCHWALL, NICOLE E  
69-36616

TURNER, TAMI L  
69-40041

WILDER, REGINA E  
69-20944

YOUCKTON, STACY A  
69-24999

**COLVILLE CONFEDERATED TRIBES**

BAKER, RICHARD C  
69-40028

BENT, JOSEFINA A  
69-23204

CLARK, ARIEL L  
69-31738

GONZALEZ, MONIQUE S  
69-40070

HEPPNER, MATTHEW J  
69-40071

ROGERS, GUY L  
69-40026

SANCHEZ, MICHAEL R  
69-40027

SOMDAY, WHITNEY A  
69-40072

STENSGAR, GARRETT A  
69-40007

WILLIAMS, RONA L  
69-40006

PERSON'S NAME

LICENSE ISSUE NUMBER

**NEW APPLICATIONS**

**CLASS III GAMING EMPLOYEE**

**JAMESTOWN S'KLALLAM TRIBE**

CULPEPPER, JONATHAN E  
69-13094

HERNANDEZ, KEZZY  
69-40062

HOLCOMBE, WILLARD R  
69-15935

IVERSON-SCROL, CAROL J  
69-40044

MESSER, SAMANTHA J  
69-40065

NAVE, TABATHA R  
69-40103

**KALISPEL TRIBE**

CAMPBELL, LINDA L  
69-31953

MONTGOMERY, DAVID H  
69-40057

MONTI, THOMAS E  
69-32847

MURPHY, DANNY J JR  
69-40089

SWANSON, COTEY T  
69-40090

WEBER, RICHARD L  
69-40029

WILBUR, HEATH D  
69-40059

**LUMMI NATION**

BADILLO, ROBERT H  
69-40034

GUEVARA, NOE I  
69-40031

HOWARD, DANIEL A  
69-34328

ROYAL, TYLER L  
69-40004

WALKER, HEATHER K  
69-17724

**MUCKLESHOOT INDIAN TRIBE**

REAM, RICKY L  
69-40074

RICHARDSON, CHRISTOPHER  
69-40095

PERSON'S NAME

LICENSE ISSUE NUMBER

**NEW APPLICATIONS**

**CLASS III GAMING EMPLOYEE**

**MUCKLESHOOT INDIAN TRIBE**

SNEATLUM, LOGAN J  
69-38238

TESFAGIORGIS, SELAMAWIT M  
69-40101

TUI TELE, TUIPUAPUA L  
69-21037

WILLIAMS, LORETTA A  
69-01806

**NISQUALLY INDIAN TRIBE**

BOUSMAN, AMANDA M  
69-40046

JONES, RIK N  
69-39982

SMITH, SHAWNA M  
69-40045

**PORT GAMBLE S'KLALLAM TRIBE**

DAVIS, CINDY A  
69-40056

HANSON, SUSAN F  
69-40060

HOWELL, SHANNON M  
69-40055

MONSON, ERIC J  
69-28249

PRALL, DALLAS P  
69-40054

WILLIS, CARISSA M  
69-40052

**PUYALLUP TRIBE OF INDIANS**

BREDESON, TERESA M  
69-40104

CARRILLO, ERNEST JR  
69-40061

HERNANDEZ, JORGE A  
69-40108

HICKS, LAWANDA J  
69-39996

JACKSON, BRITTANY N  
69-40008

MCMAHON, EVAN J  
69-40063

SANTIAGO, DOMINGO JUNIOR E  
69-39997

SMITH, JAMES T  
69-26183

PERSON'S NAME

LICENSE ISSUE NUMBER

**NEW APPLICATIONS**

**CLASS III GAMING EMPLOYEE**

**PUYALLUP TRIBE OF INDIANS**

YOHO, PAUL F  
69-40009

**QUINAULT NATION**

ARAMBULA, CARLOS A  
69-40100

BLACK, JACOB J  
69-40032

BRISLEY, NAOMI L  
69-40075

FLYNN, RUSSELL D  
69-40005

JONES, MELISSA J  
69-14718

TODD, ERIC A  
69-14662

**SHOALWATER BAY TRIBE**

MARTIN, ALICIA M  
69-40039

MILES, LAWRENCE W  
69-40096

NACK, TIMOTHY A  
69-40098

NACK, TREVOR J  
69-40038

SIMPSON, JEREMY A  
69-40097

**SKOKOMISH TRIBE**

DEL BOSQUE, LYDA D  
69-39995

REID, ROBERT D  
69-40107

**SPOKANE TRIBE**

KACZMAREK, PAMELLA K  
69-39986

WILLIAMS, KALUS D  
69-40019

**SQUAXIN ISLAND TRIBE**

BERRY, ANTHONY K  
69-39990

INMAN, LANCE M  
69-39991

PERSON'S NAME

LICENSE ISSUE NUMBER

**NEW APPLICATIONS**

**CLASS III GAMING EMPLOYEE**

**SQUAXIN ISLAND TRIBE**

MAIAVA, ELISAPETA C  
69-36391

MORTAZAVI, VICTOR F  
69-40087

PARKER, WILLIAM H  
69-40088

POOR, RHEA D  
69-40023

ROTHROCK, MORGAN R  
69-39992

SEDGWICK, CHRISTOPHER J  
69-20586

THORNTON, ROBERT W  
69-33087

**STILLAGUAMISH TRIBE**

DETHMONGKHONH, MIRANDA  
69-40066

GARCIA, STEVE H  
69-40084

LUDINGTON, SPENCER A  
69-40112

MCGHIE, JUSTIN A  
69-39999

NEWCOMBE, SAGAN H  
69-39998

WILSON, MICHELLE L  
69-40085

**SUQUAMISH TRIBE**

CARNELL, GENEVIEVE E  
69-40077

**SWINOMISH INDIAN TRIBAL COMMUNITY**

ELLENBERGER, EVERETT B  
69-40020

GOTZ, GARY A  
69-40086

PATRICK BARNES, KA LUN A  
69-40030

PERSON'S NAME

LICENSE ISSUE NUMBER

**NEW APPLICATIONS**

**CLASS III GAMING EMPLOYEE**

**THE TULALIP TRIBES**

CONWAY, RAIZA JANE  
69-40011

DANAN, ANNA L  
69-40050

JOHNSON, BRADLEY D  
69-39987

NAPEAHI, NAHALE Z  
69-40012

PHILLIPS, JERRY J  
69-40051

ROBBINS, SAGE J  
69-40049

ROSE, ELIO P  
69-40048

SHELDON, JUSTINE L  
69-39979

STALEY, JEANINE V  
69-40024

**UPPER SKAGIT INDIAN TRIBE**

MONTAGUE, DYLAN S  
69-40033

REINER, JOSHUA M  
69-40022

SCHAEFER, JEFFREY D  
69-40025

SCHWIND, MELANEE J  
69-40021

**YAKAMA NATION**

ANDERSON, BRENT C  
69-40037

BATIN, CONNIE L  
69-40000

BUENO, MONICA A  
69-40068

CHENEY, AMANDA L  
69-40073

JOHNSON, THOMAS S  
69-30703

OWENS, BOBBY C JR  
69-40069

PRICE, CHELSEY D  
69-40036

SAMPSON, ANTONIA M  
69-13539

PERSON'S NAME

LICENSE ISSUE NUMBER

**NEW APPLICATIONS**

**CLASS III GAMING EMPLOYEE**

**YAKAMA NATION**

SOOKSOIT, ALEXIS J  
69-40035

THOMPSON, NIKKI V  
69-40002

VILLEGAS, KATELYN M  
69-40001

WAHPAT, IZAI AH J  
69-40067

WALTERS, CHLOE M  
69-17701

YALLUP, BETHANN P  
69-16317





COMMISSION APPROVAL LIST  
(Class III Gaming Employees)

August 2016

Index

|                                            | <u>PAGE</u> |
|--------------------------------------------|-------------|
| SNOQUALMIE CLASS III GAMING EMPLOYEE ..... | 1-2         |

PAGES: 2

Based upon the licensing investigations, staff recommends approving all new Class III employees listed on pages 1 & 2.



PERSON'S NAME

LICENSE ISSUE NUMBER

**NEW APPLICATIONS**

**CLASS III GAMING EMPLOYEE**

**SNOQUALMIE TRIBE**

AHMAD, SHARIF  
69-40078

ALONSO, JESSI  
69-40124

BEAUCHAMP, KEITH G  
69-40080

CARRANZA ROSALES, JOVANNA Y  
69-40126

FISHER, SCOTT L  
69-40118

FROMER, ROBERT B  
69-40014

HAMLIN, JOHN L  
69-40017

HJELMGREN, NICHOLAS M  
69-40116

HU, YAN J  
69-40127

HUYNH, HOA N  
69-40016

HYMAN, POJANA S  
69-40117

KLATT, AARON A  
69-40121

LE, JOHN  
69-40115

MENG, FANXIANG  
69-40082

NGUYEN, TRANG T  
69-40083

RODRIQUEZ, ALEXANDER A  
69-29986

SILLS, JASON P  
69-40079

SMITH, LAWRENCE C  
69-40013

SREY, CHANVICHETH  
69-40123

STRODEL, RALPH G  
69-40081

SWIER, RICHARD L JR  
69-16210

TEOH, LEONG B  
69-40018

THEODORSON, RUSSELL D  
69-40119

TRAN, MAI Q  
69-40122

~

DATE: 07/20/2016

Page 2 of 2

PERSON'S NAME

LICENSE ISSUE NUMBER

**NEW APPLICATIONS**

**CLASS III GAMING EMPLOYEE**

**SNOQUALMIE TRIBE**

WALKER, DAMIAN R.  
69-40125

WASNER, SCOTT A  
69-40120

YORK, TYLER J  
69-40015



**STATE OF WASHINGTON**  
**GAMBLING COMMISSION**

**“Protect the Public by Ensuring that Gambling is Legal and Honest”**

July 29, 2016

**TO:** COMMISSIONERS:  
Bud Sizemore, Chair  
Julia Patterson, Vice Chair  
Kelsey Gray, Ph.D.  
Christopher Stearns  
Ed Troyer

**FROM:** Brian J. Considine, Managing Attorney / Legislative Liaison  
Legal and Records Division

**SUBJECT: Minh V. Nguyen, CR 2015- 01688**  
**Final Order – August 11, 2016 Commission Meeting**

Mr. Nguyen holds a Public Card Room Employee license authorizing him to work at the Caribbean Cardroom in Kirkland, Washington. Mr. Minh Nguyen’s license, which expired on March 2, 2016, was issued subject to the licensee's compliance with state gambling laws and Commission rules.

While dealing poker at the Caribbean Cardroom, surveillance showed that between period September 29, 2015 and October 3, 2015 Mr. Nguyen stole approximately \$231 in chips. Mr. Nguyen admitted to stealing for a period of three months. Mr. Nguyen stole money while working as a dealer through varying means such as placing chips that belonged elsewhere, for example in the Player Supported Jackpot, into his tip column in the chip tray; placing tips, either in cash or chips, directly into his pockets rather than a locked tip box as required and by (2) Failing to spread the chips on the table for players and surveillance to view before depositing them in the appropriate location.

Director Trujillo issued administrative charges to Mr. Nguyen on January 14, 2016 by regular and certified mail. The return receipt was signed and returned. The administrative charges notified Mr. Nguyen that his failure to respond would result in the entry of a default order revoking her certification.

The Commission received a timely response from Mr. Minh Nguyen on January 25, 2016. Mr. Minh Nguyen indicated in his response that he did not want a hearing and that he understood his response may result in a default. Thus, Mr. Nguyen waived his right to a hearing, and you may enter a final order revoking Mr. Nguyen’s public card room employee license pursuant to RCW

Default Hearing – Minh V. Nguyen

July 29, 2016

Page 2

9.46.075(1), (8), and (10); RCW 9.46.153(1); RCW 34.05.440; RCW 34.05.461; WAC 230-03-085(1) and (8); WAC 230-17-010.

Based on her actions and conviction, Mr. Nguyen cannot show by clear and convincing evidence that he is qualified to keep his gambling license. Therefore, staff recommends the Commission sign the proposed final order and revoke Minh V. Nguyen's Public Card Room Employee, License Number 68-19213.



## July Commission Meeting Minutes

**DRAFT**

### **Location of Meeting:**

Red Lion Hotel  
18220 International Blvd.  
Seattle, WA 98188

### **Meeting Date:**

July 13 & 14, 2016

### **Commissioners Present:**

Bud Sizemore, Chair  
Julia Patterson, Vice-Chair  
Chris Stearns  
Ed Troyer  
Kelsey Gray, PhD.

### **Ex Officios Present:**

Senator Steve Conway  
Representative Christopher Hurst

### **Staff Present:**

Amy Hunter, Deputy Director  
Tina Griffin, Assistant Director – Licensing Regulation and Enforcement  
Brian Considine, Staff Attorney  
Julie Lies, Tribal Liaison – Tribal & Technical Gambling  
John Meader, Assistant Attorney General  
Julie Anderson, Executive Assistant

### **July 13, 2016**

Educational Training – Poker & Wagering demonstration was held at the Silver Dollar Casino in SeaTac. Poker wagering demonstration was presented by Special Agent, Bill McGregor. Special agents at the table were Josh Stueckle (dealer), Dan Frey, Rick Schulte and Jess Lohse. Commissioners present: Chair, Bud Sizemore, Vice-Chair, Julia Patterson, Chris Stearns, Ed Troyer, and Kelsey Gray.

The education and training demonstration started and 1:00 and adjourned at 4:15. There was no public comment and no action was taken.

**Commissioners Gray and Stearns thanked the Silver Dollar and Victor Mena for hosting the event.**

-PUBLIC MEETING-

**July 14, 2016**

Welcome

*Bud Sizemore, Commission Chair*

Chairman Bud Sizemore called the Gambling Commission meeting to order at 11:00 a.m. at the Red Lion, SeaTac and introduced the members present.

Chair Sizemore announced the Commission meeting would immediately go into Executive Session to **Discuss Pending Investigations, Tribal Negotiations and Litigations** and adjourned at 11:05 AM.

The Commission meeting reconvened at 1:05 pm and Chair Sizemore welcomed everyone back to the public portion of the meeting.

There were about 50 audience members.

The audience was receptive of the “Going Green” concept, which means that we will have less and less paper at future Commission meetings.

The agenda was adjusted to accommodate Vice-Chair Patterson’s schedule. She had to leave the meeting at 2:30.

**Assistant Director Tina Griffin** presented and gave Commissioners’ an update on Group 12 amusement games. This portion of the agenda started with Tab 2.

**Tab 2**

**Group 12 Amusement Games- Electronic Puzzle and Pattern Solving Game**

- WAC 230-13-067 Group 12 Electronic Puzzle and Pattern Solving Game Standards.

This rule was up for discussion only. There was no action needed at this meeting. The rule will be up for Final Action in August.

**Tab 3**

**Group 12 Amusement Games- Reporting, Recordkeeping and Non-transferability of Tokens**

- WAC 230-13-075 Assigning and reporting group numbers of authorized amusement games.
- WAC 230-13-170 Recordkeeping for commercial amusement games. Staff recommended filing Version 2.
- WAC 230-07-125 Recordkeeping requirements for lower volume charitable or nonprofit organizations. Chair noted the term “gambling” seemed to be missing between “gross receipts.” He suggested this be changed.
- WAC 230-13-005 Amusement games authorized. Staff recommended filing Version 2.

*Vice-Chair Patterson moved to file the respective version 2’s and to file 230-07-125 with “gambling” added.*

*Commissioner Stearns seconded the motion.*

*The motion passed unanimously.*

*Up for Final Action in September.*

#### **Tab 4**

##### **Group 12 Amusement Games-Licensing**

- WAC 230-03-185 Applying for a manufacturer license.
- WAC 230-03-190 Applying for a distributor license.
- WAC 230-06-110 Buying, selling, or transferring gambling equipment.
- WAC 230-06-112 Buying, selling, renting and leasing amusement games.

**Chair Sizemore** called for public comment. There were no comments regarding these rules. The rules will be up for Final Action in August.

**Chair Sizemore** called for public comment for the four group 12 rules up for discussion and Pat Tompkins, Sound Amusements and Joan Mell, Attorney for ADOW spoke in opposition of the rule changes for the Group 12 amusement games.

#### **Tab 7**

##### **Petition from Pat Tompkins**

##### **Repeal Certain Group 12 Amusement Game Requirements**

- WAC 230-13-135 (2) Maximum wagers and prize limitations.
- WAC 230-13-010 Approval of new amusement games (Repeal certain portions).
- WAC 230-06-110 (6) Buying selling, or transferring gambling equipment.
- WAC 230-05-030 (10) Fees for other businesses.
- WAC 230-05-030 (11) Fees for other businesses.
- WAC 230-03-190 (1) Applying for a distributor license.
- WAC 230-03-185 (1) (c) Applying for a manufacturer license.
- WAC 230-13-080 (4) Operating coin or token activated amusement games.

Pat Tompkins spoke in support of his petition. He said Group 12 amusement games should not be discriminated against. They should be treated like the other 11 groups.

*Vice-Chair Patterson moved to deny the petition request presented.*

*Commissioner Kelsey Gray seconded the motion.*

*A few reasons given were that these rules were put into place because the amusement games were not operated as anticipated. These petitions would undo six months of work and consideration that went into their passage.*

*The motion passed unanimously.*

#### **Tab 8**

##### **Petition from Jesse Stiltner-Change Definitions Related to Amusement Games**

- WAC 230-13-170 Recordkeeping for commercial amusement games.
- WAC 230-13-175 Recordkeeping for unlicensed charitable and nonprofit amusement games.
- WAC 230-06-200 Defining “gambling equipment.”

**Chair Sizemore** called for public comment. Jesse Stiltner spoke in support of his petition and asked the Commission to remove the word “gambling” from gross gambling receipts related to amusement games to make it clear that amusement games are not gambling.

*Vice-Chair Patterson moved to deny the petition request presented.*

*Comissioner Petterson explained that removing “gambling” would create an undefined term. However, it is worth looking at in the future. To change it now would confuse things. Commissioner Kelsey Gray seconded the motion. The motion passed unanimously.*

**Tab 5**

**Petition from Theresa Malphrus – Poker Wagering:** Theresa Malphrus explained the rake and player supported jackpot. She thanked the Commissioners for taking the time to go the Silver Dollar to get a better understanding of wagering. She spoke about her cardroom. She said she was requesting no limits on the rake because she offers a game that is fairly rare, but highly sought after. She felt players would pay a higher rake for this game, but ultimately the market will dictate the rake amount. One of the reasons for the request for rule changes is in anticipation of the minimum wage labor increases in November. This petition will be up for final action in August.

**Tab 6**

**Petition from George Teeny – Poker Wagering:** George Teeny explained his reasons for the rule change. He wants to raise the wager limit from \$40 to \$100 for Class “F” card rooms and to \$300 for house-banked card rooms. Senator Conway asked Mr. Teeny about the poker limits in Oregon. This petition will up for final action in August.

**Tab 1a**

Director’s Report: Deputy Director Amy Hunter gave the Director’s report because Director Trujillo is on annual leave until July 18. It was the first meeting Dave has missed in over 10 years.

**Tab 1b**

**Eliminate Charitable and Nonprofit Organizations’ 15 voting member requirement.**

Legislative Liaison Brian Considine presented two ideas for Agency Request Legislation. The first request is to remove the 15-voting member requirement needed by charitable or nonprofit organizations to engage in gambling activities. These organizations would still need to meet all other requirements in statute and rule, including the requirement they be in existence for at least 12 months before they could be licensed for gambling.

**Civil Immunity for Special Agents.**

The second proposal for Agency Request Legislation is to provide immunity for special agents if they take action to prevent physical harm to a person or substantial property damage. Park Rangers received this immunity in a bill which passed last session. Park Rangers are limited authority law enforcement officers, similar to Commission agents.

Brian Considine will work on stakeholder outreach over the next few months.

**Tab 1c**

Assistant Deputy Director Tina Griffin presented the Western Washington Enhanced Raffle Results. Special Olympics had a net loss of approximately \$3300 on a raffle that was only

opened to past participants of their house raffles. Special Olympics Communications Director Dan Wartelle was available for questions. Commissioner Troyer asked if the numbers were correct (they were). Commissioner Stearns asked if the Special Olympics would do another raffle of this type and the answer was no. Mr. Wartelle said they would continue to do the house/enhanced raffles.

### **Tab 9 New Licenses and Class III Employees**

Assistant Director Tina Griffin presented the materials for the New Licenses and Class III Employees.

*Commissioner Stearns moved to approve the New Licenses and Class III Certifications as presented in the packet.*

*Commissioner Kelsey Gray seconded the motion.*

*The motion passed 4-0.*

*Commissioner Julia Patterson was not present for the vote.*

### **Class III gaming approval.**

Assistant Director Tina Griffin presented the materials for the Class III Gaming list. Staff recommend approval of the Snoqualmie Class III Gaming Employees listed in the packet.

*Commissioner Kelsey Gray moved to approve the Class III Gaming Employee Licenses.*

*Commissioner Troyer seconded the motion.*

*The motion passed 4-0.*

*Commissioner Patterson was not present for the vote.*

### **Tab 10 Defaults**

Brian Considine presented the Defaults and the Commissioners.

Chea-

*Commissioner Gray moved to revoke the Class III Certification for Chamroeun Chea.*

*Commissioner Stearns seconded the motion.*

*Motion passed 4-0.*

*Commissioner Patterson was not present for the vote.*

Dragon Pearl-

*Commissioner Stearns moved to deny Dragon Pearl's licensure application.*

*Commissioner Gray second the motion.*

*Motion passed 4-0.*

*Commissioner Patterson was not present for the vote.*

### **Tab 11 Minutes**

*Commissioner Gray moved to adopt March, April and May Commission meeting minutes as presented.*

*Commissioner Stearns seconded the motion.*

*The motion passed.*

*Commissioner Patterson was not present for the vote.*

There was public comment from Joan Mell. Senator Conway and Ms. Mell had some discussion about “expansion of gambling” and then agreed to discuss the topic later.

Meeting adjourned at 3:46 p.m.