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.

May 2016 – Up for Discussion and Possible Filing
April 2016 – Study Session

ITEM 11: May 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.

On April 25, 2016, the RGA asked to hold over their rule change request to allow patrons to make wagers on the line (line-betting) on all games of baccarat, WAC 230-15-055, to July 2016.

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.
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
Stakeholder notification, statements supporting and opposing
None.
Staff Recommendation
File for further discussion.
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.]

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.

RECREATIONAL GAMING ASSOCIATION

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

Griffin, Tina (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
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