

**Washington State Gambling Commission  
October 2016 Study Session**



**Date:** October 13, 2016

**Time:** 11:00 a.m. -Noon

**Location:** Doubletree by Hilton Spokane  
322 North Spokane Falls Court  
Spokane, WA 99201

**Study Session Agenda**

**I. Up for Final Action at the October 2016 Commission Meeting**

**Group 12 Amusement Games – Reporting, Recordkeeping and Storage of Tokens**

- 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.

**II. Up for Discussion at the October 2016 Commission Meeting**

**Petition for Rule Change from Teresa Malphrus – Poker Wagering & Rake Increase**

- 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 the Recreational Gaming Association: Promotions**

- 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)

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

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

**III. Up for Discussion and Possible Filing at the October 2016 Commission Meeting**

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

- WAC 230-15-453 Using match play or similar coupons in gambling promotions.

**IV. Stakeholder Feedback on Fee Restructure**

**V. Open Discussion**



STATE OF WASHINGTON  
GAMBLING COMMISSION

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

Doubletree by Hilton Spokane  
322 North Spokane Falls Court  
Spokane, WA 99201  
October 13, 2016

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

<b>Public Meeting Day 1</b>	
<b>Informal Study Group Session 11:00-Noon</b>	
<b>October 13, 2016</b>	
<b>Noon</b>	<b>Welcome</b> <span style="float: right;"><i>Bud Sizemore, Chair</i></span> Executive Session – Working Lunch Discuss Pending Investigations, Tribal Negotiations and Litigation
<b>The Public Meeting will Reconvene at 2:00 pm</b>	
Tab 1	<b>Director's Report</b> <span style="float: right;"><i>David Trujillo, Director</i></span> <ul style="list-style-type: none"><li>• September 8, 2016 Minutes</li><li>• Centennial Accord Update</li><li>• New Licenses and Class III Employees</li></ul> <b>Legislation Update (tentative)</b> <span style="float: right;"><i>Brian Considine, Legislative Liaison</i></span> <ul style="list-style-type: none"><li>• <b>RCW 9.46.0209</b></li><li>• <b>RCW 9.46.210</b></li></ul> <b>Defaults</b> <span style="float: right;"><i>Brian Considine, Legislative Liaison</i></span> <ul style="list-style-type: none"><li>• Larry Upthegrove, Case No. 2016-01253, Class III Certification Revocation (Default)</li></ul>
Tab 2	<b>Fee Restructure Update (Power Point)</b> <span style="float: right;"><i>Amy Hunter, Deputy Director</i></span> <ul style="list-style-type: none"><li>• Comments from the Public</li></ul>
Tab 3	<b>House-Banked Cardroom Financial Statements</b> <span style="float: right;"><i>Tina Griffin, Assistant Director</i></span>
10 min	<b>BREAK</b>
Tab 4	<b>Criminal Case Update</b> <span style="float: right;"><i>Gary Drumheller, Agent-in-Charge</i> <i>Bryce Mack, Acting Special Agent Supervisor</i></span>
	<b>Adjourn</b>

*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) 486-3447.*



**STATE OF WASHINGTON  
GAMBLING COMMISSION**

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

**Public Meeting**

Doubletree by Hilton Spokane  
322 North Spokane Falls Court  
Spokane, WA 99201

**Day 2 Friday, October 14, 2016**

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

<b>9:00 AM</b>	<b>Welcome</b>	<i>Bud Sizemore, Chair</i>
<b>- ADMINISTRATIVE PROCEDURE ACT PROCEEDINGS -</b>		
<b>Rules up for Final Action</b>		
<b>Tab 5</b>	<b>Group 12 Amusement Games Reporting, Recordkeeping and Storage of Tokens</b> <ul style="list-style-type: none"> <li>WAC 230-13-075 Assigning and reporting group numbers of authorized amusement games.</li> <li>WAC 230-13-170 Recordkeeping for commercial amusement games.</li> <li>WAC 230-07-125 Recordkeeping requirements for lower volume charitable or nonprofit organizations.</li> <li>WAC 230-13-005 Amusement games authorized.</li> </ul>	<i>Tina Griffin, Assistant Director</i>
<b>Rules Up for Discussion</b>		
<b>Tab 6</b>	<b>Petition from Teresa Malphrus Poker Wagering and Rake Increase</b> <ul style="list-style-type: none"> <li>WAC 230-15-080 Authorized fees and authorized methods of collection.</li> <li>WAC 230-15-135 Wagering Limits for nonhouse-banked card games.</li> </ul>	<i>Tina Griffin, Assistant Director</i>
<b>Tab 7</b>	<b>Petition from Recreational Gaming Association Promotions</b> <ul style="list-style-type: none"> <li>WAC 230-06-030 Restrictions and conditions for gambling promotions.</li> <li>WAC 230-06-031 Using wheels in promotional contests of chance, fund-raising events, or gambling activities – Promotional Contests of Chance (PCOC)</li> </ul>	<i>Tina Griffin, Assistant Director</i>
<b>Tab 8</b>	<b>Petition from Recreational Gaming Association Wagering Limits for House-Banked Card Games</b> <ul style="list-style-type: none"> <li>WAC 230-15-140 Wagering Limits for House-Banked Card Games.</li> </ul>	<i>David Trujillo, Director</i>
<b>Rule Up for Discussion and Possible Filing</b>		
<b>Tab 9</b>	<b>Card Tournament/Promotion Demonstration</b>  <b>Petition from Warren Montney Restrictions and Conditions for Gambling Promotions</b> <ul style="list-style-type: none"> <li>WAC 230-15-453 Using match play or similar coupons in gambling promotions.</li> </ul>	<i>Bill McGregor, Special Agent</i>  <i>Tina Griffin, Assistant Director</i>
<b>Public Meeting</b>		
<b>Other Business/General Discussion/Comments from the Public</b>		
<b>Adjourn</b>		

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## September Commission Meeting Minutes

### **Location of Meeting:**

Heathman Lodge  
4220 6<sup>th</sup> Avenue SE  
Lacey, WA 98503.

### **Meeting Date:**

September 8, 2016

### **Commissioners Present:**

Julia Patterson, Vice-Chair  
Chris Stearns  
Ed Troyer  
Kelsey Gray, PhD.

### **Ex Officios Present:**

Senator Mike Hewitt  
Representative Christopher Hurst

### **Staff Present:**

David Trujillo, Director  
Amy Hunter, Deputy Director  
Josh Stueckle, Agent-in-Charge  
Brian Considine, Staff Attorney  
Julie Lies, Tribal Liaison  
John Meader, Assistant Attorney General  
Julie Anderson, Executive Assistant

### **-Public Meeting-**

Welcome

Bud Sizemore, Chair

Chair Sizemore called the Washington State Commission (Commission) meeting to order at 11:35 a.m. and went immediately into Executive Session to **Discuss Pending Investigations, Tribal Negotiations and Litigations** and adjourned at 11:40 AM.

The meeting reconvened at 1:30 p.m. and Chair Sizemore welcomed everyone back to the public portion of the meeting and introductions were made.

There were about 50 audience members.

### **Agenda**

#### **Director's Report:**

Director Trujillo welcomed everyone to Vancouver. He mentioned that staff are trying to streamline the agenda. Whereas, the Minutes will now be located under the Director's tab as part of a consent agenda. We are looking into other items that can be moved into this type of agenda.

The Director gave special recognition to Danny Lisa for his outstanding work. Special Agent Lisa has taught the gambling section at the Academy for several years now, probably teaching 200 classes to over 3,000 recruits.

Director Trujillo mentioned the Commissioner approved 2017-19 Biennium Budget has been sent to the Office of Financial Management.

Chair Sizemore and Commissioner Troyer will be attending G2E, the Global Gaming Expo, along with several of the Gambling Commission staff. Director Trujillo asked the Commissioners that attend G2E to report back at the next Commission meeting on new and interesting ideas they see.

#### **Tab 1a**

##### **August Minutes**

*Commissioner Stearns moved to adopt August Commission meeting minutes as presented.*

*Commissioner Gray seconded the motion.*

*The motion passed 5:0.*

#### **Tab 1b**

##### **2017 Meeting Schedule**

The 2017 Commission Meeting schedule was presented to the Commissioners. Commissioner Stearns suggested having a Commission Meeting at Suquamish Clearwater Casino Resort in 2017. Chair Sizemore suggested the meetings stay closer to Olympia during the 2017 Legislative Session. Julie Anderson will work on the changes and present the schedule back to the Chair.

#### **Tab 1c**

##### **Fee Restructure Outreach and Stakeholders Update**

**Deputy Director Amy Hunter** presented the materials for Fee Restructure Outreach and Stakeholders Update. Chair Sizemore asked Deputy Director Hunter to explain what the fees are required to cover. She explained they are to cover three types of work: 1. Regulation and licensing; 2. Unlicensed activities; and 3. Criminal work. Deputy Director Hunter has met with 90% of the people in the audience. Also, Deputy Director Hunter has met with three charitable/non-profit organizations. There were several licensees in the audience as well and some of them gave public comment.

##### **The Commissioners heard public comment.**

##### **Ric Newgard, Executive Director, Seattle Jr. Hockey Association**

Mr. Newgard thanked Amy and the Commissioners for taking to time to listen to what the public had to say. Mr. Newgard said his fees will increase by 400%. He specifically asked to have a work group, which includes Commissioners, to solve the problem or at the very least get closer. He suggested having a Commission meeting next year in Chelan. Chair Sizemore asked Mr. Newgard what it would look like to him if he were to build a Fee Restructure. Mr. Newgard agreed that it would be tough to build a fee structure that would be fair for everyone.

Commissioner Patterson asked Mr. Newgard to explain if they had a round table discussion, who should be at the table for that discussion. Mr. Newgard suggestion for the sit down would be staff and individuals from the industry that actually do this for a living.

**John Clapp, General Manager, of 40 et 8 Bingo**

Mr. Clapp mentioned meeting with Deputy Director Hunter. His comment was simple, “You’ll close our doors.” He explained he was a nonprofit organization and their money goes back into the community. He also reminded the Commissioners that he is going to be competing with an Indian Casino soon. He agrees with Mr. Newgard’s recommendations for a fee restructure.

**Jim Routos, Owner, Skyway Park**

Mr. Routos explained his opinion of the new fee restructure looks to him like a super excise tax on card room businesses. He explained that he thinks the card room industry is dying on the vine. He said his costs are leaping up every year. Mr. Routos had questions regarding if it was appropriate for the Gambling Commission to increase the fees when their primary job is to regulate the industry.

**Victor Mena, President, Recreational Gaming Association and Chief Operating Officer, Washington Gold Casino.**

Mr. Mena does agree that in order for a stakeholder like himself and the industry to be able to give an educated response to the question of should the Gambling Commission do a fee restructure, they would need more information than what has been presented to them. He is just not sure there isn’t a better solution. Mr. Mena agrees with Ric’s recommendation to have a sit down discussion with staff. Once that level of discussion has happened then he would be willing to take it to the Commissioners and Ex-Officios. He also cautioned Commissioners to take a hard look at this fee restructure, taking into consideration what the impacts will be to small businesses after the minimum wage increase happens in November.

**Representative Hurst** appreciated the public comment. He also said he would like to see the Gambling Commission funded through the general fund, then we wouldn’t be looking at fees as a budgetary issue so much. Representative Hurst is hopeful that in the next few years we won’t have a Gambling Commission that is not properly staffed and properly funded. He continued by saying he is hoping to have a proposal by December that would be heard at the Committee Assembly Days that offers a few news ideas so that we wouldn’t be having this discussion.

**Tab 2**

**Update on the National Indian Gaming Association Presentation**

Representative Hurst introduced Councilman David Bean from the Puyallup Tribe of Indians. Councilman Bean introduced himself in his native language and thanked the Commissioners for the invitation to update the Gambling Commission. Councilman Bean presented a Power Point Presentation. He went over Tribal Gaming and explained that the National Indian Gaming Association (NIGA) includes 184 Indian tribes and nations from 35 different states. He spoke

about NIGA's mission of protecting and preserving tribal sovereignty and the ability of Tribes to attain economic self-sufficiency through gaming and other forms of economic development.

Commissioner Stearns thanked Councilman Bean and said he appreciated everything NIGA's is doing and he respects what is being done for the tribes. Commissioner Stearns also asked Councilman Bean if he would work with the Commission on problem gambling. Councilman Bean replied, absolutely. Commissioner Patterson told Councilman Bean she was very inspired by listening to the presentation.

### **Tab 3**

#### **Agency Request for Legislation**

Brian Considine presented the materials for this tab.

**RCW 9.46.0209** – Remove 15 voting member requirement for charitable nonprofit organizations

**RCW 9.46.210** – Providing immunity to agents in limited circumstances (similar to HB 2765)

*Commissioner Patterson moved to submit both the requests to the Governor's Office as agency request legislation.*

*Commissioner Stearns seconded the motion. The motion passed 5:0.*

### **Tab 4**

#### **Petition from Teresa Malphrus**

#### **Poker Wagering and Rake Increase**

**WAC 230-15-080** Authorized fees and authorized methods of collection

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

Deputy Director Hunter presented the materials for this tab. This is the fourth month this has been before the Commission. The request has changed since the August Commission meeting. This petition would impact three card rooms, of which Ms. Malphrus owns one of them. Ms. Malphrus is asking that the wagering limits go to \$300 for Class F card rooms. Commissioner Stearns asked when the rule the Commissioners passed at the August meeting (Mr. Teeney's petition) would take effect. Deputy Director Hunter answered September 26.

### **Tab 5**

#### **Petition from the Recreational Gaming Association**

#### **Promotions**

**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)

Agent-in-Charge Josh Stueckle presented the materials for this tab. This change will allow entry to those eligible to participate, based upon the rules and regulations that are displayed. It would also allow lottery tickets to be given out as prizes. The operators would be able to add additional cash and merchandise to licensed gambling activities. It would allow licensed manufacturers, distributors and service suppliers to give cash to licensees to give away as promotional prizes. It would allow card rooms the ability to use physical drawings, a selection from concealed items,

and to use a spinning wheel as part of the gambling promotion. And then it would further clarify that gambling promotions do not need the approval from the Gambling Commission agents.

Commissioners Troyer and Gray along with RGA, met with Gambling Commission staff on August 23<sup>rd</sup>, 2016 to draft language. Director Trujillo explained they had another meeting with RGA on September 7<sup>th</sup> to discuss the details on how the promotional prizes or merchandise are to be given away and what the prizes are. If the prizes are over \$25,000 pre-approval is required by the director or his designee. Also, the Commission agreed to a report back to the Commission once a year on what promotions have happened throughout the year.

Chair Sizemore asked if the Commission would see final language at the October meeting. Director Trujillo reiterated that it would depend on the language getting to the Code Reviser's office before the cutoff date.

Ms. Dolores Chiechi thanked the Commissioners and staff but wanted to express her disappointment. She does recognize the administrative process through the Code Reviser's office. Commissioner Troyer asked if there was a specific promotion they wanted to have in place before the holiday season. There was some discussion whether the language could be changed and action taken at the meeting.

#### **Tab 6**

##### **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

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

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

Agent-in-Charge Josh Stueckle presented the materials for this tab. This rule requires notification to the Gambling Commission within 30 days of putting in a new Group 12 amusement game into play, or removing a Group 12 game from play. It also makes changes to the recordkeeping requirements for the commercial amusement games. It records gross gambling receipts from the Group 12 amusement games separate from the gross gambling receipts of Groups 1 through 11. It also allows tokens in an amusement game accounting system that cannot be comingled with any other tracking, reward, or gambling related redemption system. Mr. Jay Gerow from ZDI Gaming representing ADOW group asked for clarity on whether Group 12 being gambling or not amusement? Deputy Director Hunter clarified "gross gambling receipts" for Mr. Gerow. Chair Sizemore asked if we could come up with another term in the future so it isn't so confusing.

#### **Tab 7**

##### **Recreational Gaming Association Petition**

##### **Wagering Limits for House-Banked Card Games**

**WAC 230-15-140** Wagering limits for house-banked card games

Director Trujillo presented the materials for this tab. This is a requested amendment to WAC 230-15-140, wagering limits for house-banked card games. This up for discussion and possible filing. We talked a little bit about it at study session last month.

It is only a one word change. It would change “300” to “500”. At this point currently, the wager limit is \$300. This would increase the wagering limit to \$500. Commissioner Stearns asked about the amount of money one would make.

*Commissioner Gray moved to file the petition for further discussion.*

*Commissioner Troyer seconded the motion. The motion passed 5:0.*

## **Tab 8**

### **New Licenses and Class III Employees**

**Agent-in-Charge Stueckle** presented the materials in this tab. Staff recommends approval of the new licenses and Class III gaming employees listed on pages 1 through 17.

*Vice Chair Patterson moved to approve the new licenses as presented on pages 1 through 17.*

*Commissioner Gray seconded the motion.*

*The motion passed 5:0.*

**Agent in Charge Stueckle** also presented the materials for Class III Gaming Employees.

*Commissioner Patterson moved to approve the Class III certifications for the Snoqualmie Tribe. Commissioner Gray seconded the motion.*

*The motion passed 4:0.*

*Commissioner Stearns abstained.*

**The Commissioners had further discussion regarding Tab 5.**

### **Petition from the Recreational Gaming Association**

AAG Meader’s recommendation would be to not make the change at this time. We will hear more discussion at the October meeting.

### **Other Business/General Discussion/Comments from the Public**

Director Trujillo acknowledged Senator Hewitt for his continued hard work on behalf of the Gambling Commission.

Chair Sizemore wanted to recognize the upcoming weekend as an anniversary that everyone should remember, September 11. The Gambling Commission is a Law Enforcement agency and we have folks that put themselves at risk every day. Please give consideration to our officers.

Director Trujillo mentioned Sheriff John Snaza is recovering from serious injuries.

Meeting adjourned at 3:46 p.m.

JAY INSLEE  
Governor



STATE OF WASHINGTON  
OFFICE OF THE GOVERNOR

P.O. Box 40002 • Olympia, Washington 98504-0002 • (360) 902-4111 • [www.governor.wa.gov](http://www.governor.wa.gov)



**Sept. 22, 2016**

**Contacts:**

Governor Inslee's Communications Office | 360.902.4136

Debra Lekanof, Association of Washington Tribes | 360.391.5296

**Centennial Accord brings together Inslee, Washington tribes**

**OLYMPIA** – Gov. Jay Inslee and chairs and councilmembers from Washington tribes met today for the 27<sup>th</sup> Annual Centennial Accord, a government-to-government meeting held every year that brings together leaders from the state and tribal governments. The accord this year was hosted by the Confederated Tribes of the Chehalis Reservation.

State and tribal leaders discussed issues related to education, housing, health care, jobs, climate change and natural resources.

“Gov. Inslee is committed to making sound decisions that reflect the economic diversity and environmental integrity of all those who call this great state home,” said the Honorable Brian Cladoosby, Chairman of Swinomish Indian Tribal Community and President of the Association of Washington Tribes. “There is strong history of success with Washington state and we are all fortunate to have this foundation to build a stable economy, restore and protect natural resources, and continue to build healthy communities.”

“The Centennial Accord is a foundational building block of our evolving government-to-government relationship,” Inslee said. “It is always an honor to meet with tribal leaders. A vibrant and thriving tribal culture is important for all Washingtonians. It is part of who we are as a state.”

Photos from the event can be found [here](#).

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STATE OF WASHINGTON  
GAMBLING COMMISSION

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

September 22, 2016

**TO:** COMMISSIONERS  
Bud Sizemore, Chair  
Julia Patterson, Vice-Chair  
Chris Stearns  
Kelsey Gray, PhD.  
Ed Troyer

**FROM:** Julie Lies, Tribal Liaison

**SUBJECT:** 27<sup>th</sup> Annual Centennial Accord Meeting

Director David Trujillo and I attended the 27<sup>th</sup> Annual Centennial Accord (Accord) at the Lucky Eagle Event Center on September 22, 2016. As we have shared in the past, gambling was again not a topic on the Accord agenda. However the meeting remains beneficial because we hear about the areas of concern and success for tribes. The Accord meeting is a good opportunity to connect with many Tribal leaders and policy makers in one location. Attached you will find a copy of the Accord meeting agenda and a copy of our agency's highlight report.

I also wanted to inform you that we recently completed a project to post Tribal-State Compacts and Compact Amendments on our website. The document summary lists each Tribe alphabetically and includes hyperlinks to each individual document. The summary can be found on our website under "Tribal Activities", "Compacts & Amendments".

If you have any questions, please let me know.

27<sup>th</sup> Annual Centennial Accord – Tribal Leaders



**27<sup>TH</sup> ANNUAL CENTENNIAL ACCORD**  
**LUCKY EAGLE EVENT CENTER**  
**SEPTEMBER 22<sup>ND</sup>, 2016**

**OPENING PROTOCOL**

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- 9:00 AM**      **Call to Order** – *Craig A. Bill, Executive Director, Governor’s Office of Indian Affairs*  
**Honor Guard** – *Confederated Tribes of the Chehalis Reservation*  
**Invocation** – *Confederated Tribes of the Chehalis Reservation*  
**Welcome Remarks** – *Confederated Tribes of the Chehalis Reservation*  
**Meeting Overview & Goals** – *David Postman, Chief of Staff, Governor’s Office*
- 9:20 AM**      **Introductions** – *Leadership Table & Executive Cabinet*
- 9:30 AM**      **Brief Remarks by Statewide Elected Officials**
- 9:40 AM**      **Remarks by Honorable Brian Cladoosby, Chairman, Swinomish Indian Tribal Community**
- 9:50 AM**      **Remarks by Honorable Jay Inslee, Governor, State of Washington**

**LEADERSHIP ROUNDTABLE**

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- 10:00 AM**      **Tribal Leadership Remarks: Tribal Priorities**  
*Facilitated by Honorable Brian Cladoosby, Chairman, Swinomish Indian Tribal Community*

**AGENCY UPDATES & ISSUE ACTION ITEMS**

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- 10:30AM**      **Natural Resources**
- State/Tribal Permitting - Section 106 & Energy Facility Site Evaluation Council (EFSEC)**  
*Honorable Taylor Aalvik, Councilmember, Cowlitz Indian Tribe*  
*Allyson Brooks, State Historic Preservation Officer, Dept. of Archeology & Historic Preservation*  
*Steve King, Executive Director, Utilities & Transportation Commission*
- Forest Health & Wildfire**  
*Honorable Mel Tonasket, Vice-Chair, Confederated Tribes of the Colville Reservation*  
*Honorable Peter Goldmark, Commissioner of Public Lands, Department of Natural Resources*
- Habitat**  
*Honorable Jim Peters, Councilmember, Squaxin Island Tribe*  
*Maia Bellon, Director, Department of Ecology*  
*Jeff Davis, Assistant Director of Habitat Program, WA State Dept. of Fish & Wildlife*

**Co-Management – Wildlife & Fisheries**

*Honorable Shawn Yanity, Chairman, Stillaguamish Tribe of Indians*

*Honorable Willie Frank III, Councilmember, Nisqually Indian Tribe*

*Jim Unsworth, Director, WA State Department of Fish and Wildlife*

**12:00 PM LUNCH BUFFET (75 Minutes)**

*\*Group Photo – Governor & Tribal Leadership at 1:05pm*

**1:15 PM Washington State Traffic Safety Commission – Tribal Traffic Safety Update & Video**

*Honorable Celine Cloquet, Councilmember, Cowlitz Indian Tribe*

*Darrin T. Grondel, Director, Washington Traffic Safety Commission*

**1:30 PM Veterans Affairs Update**

*Lavada Anderson, Tribal Veterans Representative, Suquamish Tribe*

*Alfie Alvarado-Ramos, Director, Department of Veterans Affairs*

*Steven Gill, Veteran Services Administrator, Department of Veterans Affairs*

**1:45 PM Social Services**

*Honorable Liz Mueller, Vice Chair, Jamestown S’Klallam Tribe*

*Patricia Lashway, Acting Secretary, Department of Social and Health Services*

**2:15 PM Early Learning & Education**

*Honorable Leonard Forsman, Chairman, Suquamish Tribe*

*Frank Ordway, Assistant Director Government & Communications, Department of Early Learning*

*Gil Mendoza, Deputy Superintendent, Office of Superintendent of Public Instruction*

**2:45 PM Health**

*Honorable Steve Kutz, Councilmember, Cowlitz Indian Tribe*

*Janna Bardi, Assistant Secretary for Prevention & Community Health, Department of Health*

*Dorothy Teeter, Director, Health Care Authority*

**3:15 PM Other Issues – Open Leadership Roundtable**

*Facilitated by Craig A. Bill, Executive Director, Governor’s Office of Indian Affairs*

**CLOSING PROTOCOL**

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**3:25 PM Next Steps and Closing Remarks**

*David Postman, Chief of Staff, Governor’s Office*

**Closing Prayer**

**END**

# WASHINGTON STATE GAMBLING COMMISSION

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## SUMMARY

Mission:

Protect the public by ensuring that gambling is legal and honest.

Foster full cooperation between the Tribe and the State based upon equality and a shared concern for the welfare of all the citizens of the State and the Tribe as a result of gaming.

Of the 29 federally recognized Tribes in Washington State, 29 have Compacts for Class III gaming and 22 of the Tribes operate 28 casinos until December 2015. The Nooksack Tribe closed their Class III Nooksack River Casino on December 17<sup>th</sup>.

This report highlights some of the activities and changes that the Gambling Commission has implemented to better enhance the co-regulatory relationship between the State and the Tribal Gaming Agencies and to support our agency's mission to protect the public by ensuring gambling is legal and honest.

## HIGHLIGHTS

Since September 2015, we have mutually agreed to a Class III Gaming Compact amendment with the Skokomish Tribe which is consistent with several other tribes' gaming compacts.

During the year, our commissioners met with Tribes to learn more about the Tribe and the Tribe's gaming operation. They plan to continue these visits into the future.

We jointly agreed to 26 clarifications to Compact Appendices through Appendix A and Appendix X2 revisions, and concurred with 108 internal control and games rule submissions.

In September, we conducted a week-long New Agent Training class for 46 students in partnership with the Suquamish Tribal Gaming Agency. Our agency and the National Indian Gambling Commission provided instructors for the classes relating to the history and regulation of Class III gaming in Washington State.

During the year, we made more processes available electronically through deployment of My Account. My Account allows for an online account unique to each Tribe. The data base used to store the tribal gaming agency regulatory information was updated and moved to My Account. This move improved efficiency by providing one place for the Tribal Gaming Agencies to access the Tribal Gaming Regulatory information along with Licensing and Certification information. Overall, the My Account online features make it easier for the Tribes and us to conduct business with one another.

In 2015, our agency offered an alternative method of electronic payment of fees that allow larger entities, such as Tribes, to have more control of the information released with the payment. The security afforded with this method of payment makes this option more attractive when conducting business online. We also implemented the capability for Tribal licensing staff to be able to print out employee certifications at any time. This saves staff

time and effort to get the certifications they need when they need them. Several of our Tribal partners use My Account, and we have received very positive feedback from them.

In consultation with our Tribal regulatory partners we organized, led, and provided updates and training for one inter-agency Licensing meeting for 34 attendees representing 13 Tribes. We also had a National Indian Gaming Commission representative attend the meeting and contribute information when it was applicable.

#### STAFF CONTACT

Julie Lies, Tribal Liaison, 360-486-3586, [julie.lies@wsgc.wa.gov](mailto:julie.lies@wsgc.wa.gov)



COMMISSION APPROVAL LIST  
(New Licenses & Class III Gaming Employees)

October 2016

Index

	<u>PAGE</u>
NONPROFIT ORGANIZATIONS & COMMERCIAL BUSINESSES.....	1-3
DISTRIBUTOR REPRESENTATIVE.....	4
MANUFACTURER REPRESENTATIVE .....	4-5
NON-PROFIT GAMBLING MANAGER.....	5
PUBLIC CARD ROOM EMPLOYEE .....	5-11
CLASS III GAMING EMPLOYEE .....	12-19

PAGES: **19**

Based upon the licensing investigations, staff recommends approving all new Licenses and Class III employees listed on pages 1 to 19.

ORGANIZATION NAME

FILE NUMBER

PREMISES LOCATION

**NEW APPLICATIONS****BINGO**

BPOE 01604 00-00145 01-00795	A	2120 MARKET ST MOUNT VERNON WA 98273
CHELAN SENIOR CENTER 00-23765 01-02728	A	534 E TROW CHELAN WA 98816
KNIGHTS OF COLUMBUS ST EDWARD COUNCIL 15538 00-23775 01-02729	A	4212 S MEAD ST SEATTLE WA 98118
ROTARY CLUB OF SEATTLE NE FNDN 00-23787 01-02730	A	12531 28TH AVE NE SEATTLE WA 98125

**RAFFLE**

BPOE 00287 00-00219 02-02812	A	351 E ROSE ST WALLA WALLA WA 99362
CENTRAL CASCADE POP WARNER 00-23769 02-09712	B	2359 SILO DR EAST WENATCHEE WA 98802
COUNCIL FOR THE HOMELESS 00-23786 02-20666	B	2500 MAIN STREET VANCOUVER WA 98660
DUCKS UMLIMITED/POTHOLES 00-23365 02-09518	B	6965 EL CAMINO ST OTHELLO WA 99344
FOE 04226 00-14041 02-09713	C	80 NE ALDER CK LN BELFAIR WA 98528
GROUP HEALTH FOUNDATION 00-20665 02-08671	C	320 WESTLAKE AVE N STE 100 SEATTLE WA 98109
KITSAP STAMPEDE TOP HANDS 00-23760 02-09709	A	1200 NW FAIRGROUNDS RD BREMERTON WA 98310
LA CENTER BOOSTER CLUB 00-23757 02-09707	A	3101 NE 389TH ST LA CENTER WA 98629
MOHAI 00-23777 02-09716	B	1118 YAKIMA AVE S SEATTLE WA 98144
PORT TOWNSEND SUNRISE 00-23720 02-09689	C	531 MONTGOMERY LN PORT LUDLOW WA 98365
PUGET SOUNDKEEPER ALLIANCE 00-23771 02-09714	B	130 NICKERSON ST STE 107 SEATTLE WA 98109

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ORGANIZATION NAME

FILE NUMBER

PREMISES LOCATION

**NEW APPLICATIONS****RAFFLE**

ROTARY CLUB/MARYSVILLE 00-14259 02-02468	C	7028 100TH ST NE A MARYSVILLE WA 98270
VFW 09106 00-00397 02-09717	A	166 FUHRMAN RD FORKS WA 98331
YMCA OF SOUTHWEST WASHINGTON 00-23772 02-09715	B	2301 TRILLIUM HEIGHTS LONGVIEW WA 98632

**PUNCHBOARD/PULL-TAB COMMERCIAL STIMULANT**

FIRST DOWN BAR AND GRILL 00-23750 05-21434	A	226 1ST AVE S KENT WA 98032
JUST LEFT PUB & GRILL 00-23761 05-21438	A	4308 198TH ST SW LYNNWOOD WA 98036
KNOTTY PINE RESTAURANT & LOUNGE 00-23770 05-21441	A	645 S CLARK REPUBLIC WA 99166
NEW WAY VAPOR LOUNGE 00-23759 05-21437	A	1551 PIPERBERRY WAY STE 101 A-B PORT ORCHARD WA 98366
SCOTTY'S DOGHOUSE 00-23739 05-21428	A	1305 N HAMILTON ST SPOKANE WA 99202
TABS BAR AND GRILL 00-23764 05-21440	F	7211 NE 181ST ST KENMORE WA 98028
THE HIDEAWAY 00-23751 05-21435	C	23277 MOUNTAIN HWY E SPANAWAY WA 98387
THE LBT 00-23744 05-21431	F	302 PACIFIC AVE LONG BEACH WA 98631

**COMBINATION LICENSE**

LAURELHURST PTA 00-23788 08-00289	B	7700 SANDPOINT WAY NE SEATTLE WA 98115
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ORGANIZATION NAME

FILE NUMBER

PREMISES LOCATION

**NEW APPLICATIONS**

**COMMERCIAL AMUSEMENT GAMES**

SAARS SUPER SAVER FOODS/BREMERTON  
00-23773    53-21477                    A1

2900 WHEATON WY  
BREMERTON WA 98310

PERSON'S NAME  
LICENSE ISSUE NUMBER

EMPLOYER'S NAME  
PREMISES LOCATION

**NEW APPLICATIONS**

**DISTRIBUTOR REPRESENTATIVE**

BOYD-CUMMINS, PETER S  
22-01233

JCM GLOBAL  
LAS VEGAS NV 89119-3728

MEISTER, BRIAN A  
22-01234

NRT TECHNOLOGIES INC  
LAS VEGAS NV 89118

**MANUFACTURER REPRESENTATIVE**

AGUILERA, NICOLAS O  
23-02303

BALLY TECHNOLOGIES  
LAS VEGAS NV 89118

AQUINO, JULIUS MELLE C  
23-02290

GAMING ARTS  
LAS VEGAS NV 89119-3504

ARUMUGAM, PRABU  
23-02295

BALLY TECHNOLOGIES  
LAS VEGAS NV 89118

BELTRAN, EDWIN S  
23-01835

GALAXY GAMING  
LAS VEGAS NV 89119

CHAMBERS, ERIC J  
23-02296

BALLY TECHNOLOGIES  
LAS VEGAS NV 89118

CHATMAN, TERENCE  
23-02289

BALLY TECHNOLOGIES  
LAS VEGAS NV 89118

CORONA, ARTHUR M  
23-02299

IGT  
LAS VEGAS NV 89113

FELL, JOEL-ED  
23-02300

EVERI GAMES INC.  
AUSTIN TX 78746

HAWKINS, JOSHUA T  
23-01134

DITRONICS FINANCIAL SERVICES  
LAS VEGAS NV 89113

LERETSI, JAMES T  
23-02302

BALLY TECHNOLOGIES  
LAS VEGAS NV 89118

LUIS, CARLOS JR  
23-02293

AGS LLC  
LAS VEGAS NV 89118

LUTTRELL, GREGORY S  
23-02294

ROCKET GAMING SYSTEMS LLC  
GROVE OK 74344-6251

PALABRICA, RYAN D  
23-02291

GAMING ARTS  
LAS VEGAS NV 89119-3504

PERSON'S NAME  
LICENSE ISSUE NUMBER

EMPLOYER'S NAME  
PREMISES LOCATION

### NEW APPLICATIONS

#### MANUFACTURER REPRESENTATIVE

PIERCE, KRISTINA R  
23-02305

BALLY TECHNOLOGIES  
LAS VEGAS NV 89118

SAMUEL, BARON L  
23-02301

EVERI PAYMENTS INC  
LAS VEGAS NV 89113-2175

SCOTT, PAMELYN G  
23-01120

DITRONICS FINANCIAL SERVICES  
LAS VEGAS NV 89113

SMITH, BRIAN C  
23-02297

IGT  
LAS VEGAS NV 89113

SOUNDAIAH, NANDHINI  
23-02288

BALLY TECHNOLOGIES  
LAS VEGAS NV 89118

VELMURUGAN, AKILAN  
23-02292

BALLY TECHNOLOGIES  
LAS VEGAS NV 89118

WILLIS, MICHAEL A  
23-02298

IGT  
LAS VEGAS NV 89113

WILSON, JAMAL D  
23-02306

BALLY TECHNOLOGIES  
LAS VEGAS NV 89118

#### NON-PROFIT GAMBLING MANAGER

FOUSTE, LORI A  
61-02886

FOE 03936  
CLARKSTON WA 99403

NELSON, DARIN J  
61-04612

FOE 00001  
SEATTLE WA 98115

RASMUSSEN, RONALD W  
61-04441

AMERICAN LEGION 00086  
BLAINE WA 98230

#### PUBLIC CARD ROOM EMPLOYEE

BAGLEY, MEGAN A  
68-33710

B

GOLDIE'S SHORELINE CASINO  
SHORELINE WA 98133

BEDDO, CHRISTINA M  
68-21213

B

CRAZY MOOSE CASINO/PASCO  
PASCO WA 99301

BEYER, MAGGIE M  
68-19194

B

GREAT AMERICAN CASINO/EVERETT  
EVERETT WA 98204

PERSON'S NAME  
LICENSE ISSUE NUMBER

EMPLOYER'S NAME  
PREMISES LOCATION

**NEW APPLICATIONS**

**PUBLIC CARD ROOM EMPLOYEE**

CEARLEY, LINDA D 68-33704	B	LUCKY BRIDGE CASINO KENNEWICK WA 99336
CHAO, KATHERINE K 68-33723	B	RIVERSIDE CASINO TUKWILA WA 98168
CHAO, SARONG 68-11378	B	PALACE CASINO LAKEWOOD LAKEWOOD WA 98499-8434
CHAU, MANDY 68-33701	B	MACAU CASINO TUKWILA WA 98188-2437
CHAU, SOK 68-33747	B	MACAU CASINO LAKEWOOD WA 98499
CHEN, CONG Z 68-33703	B	MACAU CASINO TUKWILA WA 98188-2437
CHEN, JESSICA 68-31996	B	LUCKY 21 CASINO WOODLAND WA 98674
COLVIN, HEATHER E 68-33729	B	LUCKY BRIDGE CASINO KENNEWICK WA 99336
CORING, CADE B 68-33743	B	LAST FRONTIER LA CENTER WA 98629-0000
DEAN, EBONIE N 68-33726	B	CHIPS CASINO/LAKEWOOD LAKEWOOD WA 98499
DEE, CLOVIA A 68-33722	B	CRAZY MOOSE CASINO II/MOUNTLAK MOUNTLAKE TERRACE WA 9804
EMERICK, TYLER J 68-33727	B	LUCKY BRIDGE CASINO KENNEWICK WA 99336
ESCALANTE, ELLIS C 68-33738	B	CLUB HOLLYWOOD CASINO SHORELINE WA 98133
FERRERA, GERSON M JR 68-33728	B	LUCKY BRIDGE CASINO KENNEWICK WA 99336
FIGUEROA, IMMANUEL W 68-33748	B	CASINO CARIBBEAN YAKIMA WA 98901
GIPSON, PETER G 68-14930	B	GREAT AMERICAN CASINO/EVERETT EVERETT WA 98204

PERSON'S NAME

EMPLOYER'S NAME

LICENSE ISSUE NUMBER

PREMISES LOCATION

**NEW APPLICATIONS****PUBLIC CARD ROOM EMPLOYEE**

GOTTSCH, MATTHEW L 68-33690	B	LUCKY BRIDGE CASINO KENNEWICK WA 99336
GULLIFORD, TYLER J 68-33737	B	ACES CASINO ENTERTAINMENT SPOKANE WA 99208
HEMAN, JARED C 68-33750	B	Z'S RESTAURANT AT ZEPPOZ PULLMAN WA 99163
HESTKIND, JAROD P 68-33708	B	GOLDIE'S SHORELINE CASINO SHORELINE WA 98133
HEYRMAN, JEWELL Y 68-33752	B	LUCKY BRIDGE CASINO KENNEWICK WA 99336
HIM, NHOEUN 68-05223	B	GREAT AMERICAN CASINO/LAKEWOOD LAKEWOOD WA 98499
HO, KAREN T 68-33717	B	THE PALACE LA CENTER WA 98629
HUYNH, HOA V 68-26855	B	ROMAN CASINO SEATTLE WA 98178
JUNG, VANESSA M 68-33693	B	CHIPS CASINO/LAKEWOOD LAKEWOOD WA 98499
KERNIN, HEATHER P 68-12369	B	LANCER LANES/REST AND CASINO CLARKSTON WA 99403-2219
KEYS, MEGAN R 68-33711	B	LAST FRONTIER LA CENTER WA 98629-0000
KOUNNAVONG, ANDREW K 68-33720	B	Z'S RESTAURANT AT ZEPPOZ PULLMAN WA 99163
LE, HUYEN T 68-33753	B	MACAU CASINO TUKWILA WA 98188-2437
LEGESSE, SENAIT B 68-32949	B	RIVERSIDE CASINO TUKWILA WA 98168
LIU, FUMENG 68-33734	B	FORTUNE CASINO TUKWILA WA 98168
LIU, YILIN 68-33127	B	ROMAN CASINO SEATTLE WA 98178

PERSON'S NAME  
LICENSE ISSUE NUMBER

EMPLOYER'S NAME  
PREMISES LOCATION

**NEW APPLICATIONS**

**PUBLIC CARD ROOM EMPLOYEE**

LOUCKS, CAMERON B 68-33691	B	LUCKY 21 CASINO WOODLAND WA 98674
LUO, JUN W 68-33702	B	MACAU CASINO TUKWILA WA 98188-2437
MACPHEE, ALYSHA R 68-33746	B	CLEARWATER SALOON & CASINO EAST WENATCHEE WA 98802
MASHBURN, CECELIA J 68-33721	B	Z'S RESTAURANT AT ZEPPOZ PULLMAN WA 99163
MCADAMS, TOYON M 68-33732	B	GREAT AMERICAN CASINO/LAKEWOOD LAKEWOOD WA 98499
MCDONALD, MILWIN A 68-33749	B	CRAZY MOOSE CASINO/PASCO PASCO WA 99301
MEUNSAVENG, KHAMPHOU J 68-17357	B	GREAT AMERICAN CASINO/LAKEWOOD LAKEWOOD WA 98499
MOLLAS, NATH 68-33714	B	MACAU CASINO LAKEWOOD WA 98499
NGUYEN, HIEP P 68-33755	B	GREAT AMERICAN CASINO/TUKWILA TUKWILA WA 98168
NGUYEN, LIEN T 68-33725	B	RIVERSIDE CASINO TUKWILA WA 98168
NGUYEN, QUYNH NHU T 68-33716	B	FORTUNE CASINO TUKWILA WA 98168
NIWATSAKUN, AMPHORN 68-33733	B	FORTUNE CASINO TUKWILA WA 98168
OROZCO, MANUEL 68-11372	B	FORTUNE POKER RENTON WA 98057
OTTON, ANDREW J 68-33689	B	LUCKY 21 CASINO WOODLAND WA 98674
PALMER, JONATHAN A 68-16477	B	CLEARWATER SALOON & CASINO EAST WENATCHEE WA 98802
PARMETER, BRIANNA L 68-33741	B	THE PALACE LA CENTER WA 98629

PERSON'S NAME  
 LICENSE ISSUE NUMBER

EMPLOYER'S NAME  
 PREMISES LOCATION

**NEW APPLICATIONS**

**PUBLIC CARD ROOM EMPLOYEE**

PEDROZA, JOSEPH A 68-33700	B	SILVER DOLLAR CASINO/RENTON RENTON WA 98057
PENNINGTON, ALICIA M 68-33712	B	LAST FRONTIER LA CENTER WA 98629-0000
PHAM, AMY N 68-33736	B	MACAU CASINO TUKWILA WA 98188-2437
PHAM, KAYLA H 68-33684	B	THE PALACE LA CENTER WA 98629
PHAM, LAN T 68-20308	B	ROYAL CASINO EVERETT WA 98204
PHAN, THUY T 68-33706	B	MACAU CASINO TUKWILA WA 98188-2437
PHILLIPS, BRITTANY J 68-28698	B	LUCKY BRIDGE CASINO KENNEWICK WA 99336
PRYHOROCKI, SAGE R 68-33677	B	CRAZY MOOSE CASINO/PASCO PASCO WA 99301
QUINTERO, JESUS R 68-33692	B	GOLDIE'S SHORELINE CASINO SHORELINE WA 98133
RAMSEY, CAELYN J 68-33751	B	CLEARWATER SALOON & CASINO EAST WENATCHEE WA 98802
REAL, NOUVIRIS 68-33694	B	GREAT AMERICAN CASINO/LAKEWOOD LAKEWOOD WA 98499
RHYNE, JAMES E 68-33754	B	LUCKY BRIDGE CASINO KENNEWICK WA 99336
RIDER, KENDRA D 68-33695	B	CARIBBEAN CARDROOM KIRKLAND WA 98034
RUTAN, MICHELLE E 68-33761	B	THE PALACE LA CENTER WA 98629
SEABROOK, DERRICK T 68-23997	B	BLACK PEARL RESTAURANT & CARD SPOKANE VALLEY WA 99206-471
SENG, UKEAR 68-24286	B	RIVERSIDE CASINO TUKWILA WA 98168

PERSON'S NAME  
LICENSE ISSUE NUMBER

EMPLOYER'S NAME  
PREMISES LOCATION

**NEW APPLICATIONS**

**PUBLIC CARD ROOM EMPLOYEE**

SHELTON, GAIL P 68-33742	B	THE GETAWAY CASINO WALLA WALLA WA 99362
SHERRILL, CODY M 68-33713	B	LUCKY 21 CASINO WOODLAND WA 98674
SON, CHANH THA T 68-33731	B	MACAU CASINO LAKEWOOD WA 98499
STRACHE, TODD J 68-33709	B	BLACK PEARL RESTAURANT & CARD SPOKANE VALLEY WA 99206-471
STUCKEY, SARAH B 68-33757	B	GREAT AMERICAN CASINO/TUKWILA TUKWILA WA 98168
THAN, COLAB 68-33697	B	MACAU CASINO TUKWILA WA 98188-2437
THOMPSON, KEVIN S 68-07694	B	CHIPS CASINO/LAKEWOOD LAKEWOOD WA 98499
TOUCH, SOPHOEUN 68-33707	B	MACAU CASINO TUKWILA WA 98188-2437
TRAN, PHU T 68-33686	B	THE PALACE LA CENTER WA 98629
TRUFANT, ISAIAH J 68-33735	B	IRON HORSE CASINO AUBURN WA 98002
TRUONG, BUU THI M 68-33718	B	THE PALACE LA CENTER WA 98629
VANDERSLOOT, CASSANDRA N 68-33696	B	THE PALACE LA CENTER WA 98629
WEISENBACH, TERRIKA M 68-29962	B	MACAU CASINO LAKEWOOD WA 98499
WILLIAMS, BENJAMIN M 68-33724	B	CASINO CARIBBEAN YAKIMA WA 98901
WONG, VANNA T 68-33715	B	THE PALACE LA CENTER WA 98629
YAN, VANNDA 68-33740	B	ROXY'S BAR & GRILL SEATTLE WA 98126

PERSON'S NAME

EMPLOYER'S NAME

LICENSE ISSUE NUMBER

PREMISES LOCATION

**NEW APPLICATIONS**

**PUBLIC CARD ROOM EMPLOYEE**

ZOBRIST, JAMES A  
68-17232

B

THE GETAWAY CASINO  
WALLA WALLA WA 99362

PERSON'S NAME

LICENSE ISSUE NUMBER

**NEW APPLICATIONS**

**CLASS III GAMING EMPLOYEE**

**CHEHALIS CONFEDERATED TRIBES**

BENEZE, CHRISTOPHER J  
69-40385

BOLEY, HEATHER K  
69-40413

COLLINS, STEVEN O  
69-40307

COSTANTINI, DAVID K  
69-40306

ENGLUND, JACK L  
69-40300

FRANCIS, ALANYA K  
69-29992

GRANDORFF, JOHN D  
69-03347

GREENFIELD, BRANDI D  
69-40305

OWENS, MICHAELA R  
69-40299

PICKERNELL, KENNETH III  
69-40367

WEGER, MITCHELL W  
69-40335

**COLVILLE CONFEDERATED TRIBES**

BIGWOLF, ABIGAIL V  
69-40291

CABRALES RODRIGUEZ, JOSE M  
69-40378

CONWAY, CRAIG J  
69-40297

COOPER-MCCLELLAN, MAGGIE K  
69-40316

DESAUTEL, BYRON J  
69-32192

GARCIA, ISADORE J  
69-40266

GONZALEZ, KELLY D  
69-23217

HAWK, STEPHANIE A  
69-40421

HERBERG, HANS K  
69-40293

HERNANDEZ-HERNANDEZ, ANGEL M  
69-40422

KELLEY, GEORGE M JR  
69-40377

OLVERA VELAZQUEZ, CRISTIAN M  
69-40317

PERSON'S NAME

LICENSE ISSUE NUMBER

**NEW APPLICATIONS**

**CLASS III GAMING EMPLOYEE**

**COLVILLE CONFEDERATED TRIBES**

RIEHART, FREDA V  
69-40218

TONASKET, ROBERT W  
69-40267

**JAMESTOWN S'KLALLAM TRIBE**

CAMP, KENNETH W  
69-40325

JOHNSON, KRISTERPHER M  
69-40351

SCHMIERER, CHRISTY T  
69-40352

SNYDER, JANA L  
69-40371

**KALISPEL TRIBE**

BRACHE, ZABLEONE K  
69-40327

CHRISTIANSSEN, JANICE D  
69-40383

CISNEROS, JOANA M  
69-40328

DRIVER, BENJAMIN P  
69-40360

FULTON, BREE A  
69-40402

LEWIS, KENDALL M  
69-40382

SCHNEIDER, ALFRED D  
69-40273

WALKER, TAWNYA L  
69-40358

**LUMMI NATION**

AQUINO, RONALDO A  
69-40417

BRANSON, SADIE R  
69-40257

EDWARDS, LESLIE B  
69-03409

FIDLER, MARIA E  
69-40418

FISHER, TRICIA J  
69-40258

HALL, JORI N  
69-26860

PERSON'S NAME

LICENSE ISSUE NUMBER

**NEW APPLICATIONS**

**CLASS III GAMING EMPLOYEE**

**MUCKLESHOOT INDIAN TRIBE**

KHUT, JENNIFER L  
69-34402

MIDDLEBROOKS, WILFRED R III  
69-40369

MOSES, JASON C  
69-13088

SOPHORN, SOUNITA T  
69-40368

SUMER, VETAIA R  
69-40370

TREVINO, KAREN A  
69-07157

VANDERWEL, SAMANTHA A  
69-36156

WALDEN, KATHERINE M  
69-40329

**NISQUALLY INDIAN TRIBE**

ALBONE, GARY O  
69-40304

ALVIAR, CARRIEANN  
69-40256

BIGMEDICINE, DYLAN W  
69-40387

BOWERS, ERYN R  
69-40265

BURKHART, ZACKARY C  
69-40388

CHUM, NOU  
69-14329

FOLAND, JUSTIN A  
69-40261

HAZZARD, SAMANTHA A  
69-40386

JONES, CHARLES L  
69-40262

KING, LAWRENCE A  
69-40263

KONRAD, MAXWELL A  
69-40264

PIERCE, JIMMY P  
69-40260

SEM, SOVANNY S  
69-36805

SOTO, ERIKA  
69-40390

WILLIAMS, MANUELA N  
69-40389

PERSON'S NAME

LICENSE ISSUE NUMBER

**NEW APPLICATIONS**

**CLASS III GAMING EMPLOYEE**

**PORT GAMBLE S'KLALLAM TRIBE**

GRAY, CORY JO A  
69-40336

SALVA, JERICK OWEN D  
69-40337

**PUYALLUP TRIBE OF INDIANS**

ALLEN, BROOKS M  
69-40349

ANDERSON, MABEL E  
69-40319

BERGEN, ALLICYN N  
69-40274

BICKLEY, CHRISTOPHER A  
69-40252

CHRISTIAN, PEGGY A  
69-40340

GAMBREL, KAREN G  
69-40330

GOUVEIA, ANNIE H  
69-40320

HANDY-JACKSON, WILLIAM F  
69-40366

HEPLER, JONAS L  
69-40379

JUANILLO, MAGNOLIA S  
69-40341

KERR, SHINNEL V  
69-40397

LEE, MATTHEW A  
69-40298

MAGAT, JAYPEE E  
69-40391

MA'ILEOI, IAKOPO  
69-40321

MORKEN, OLIVIA A  
69-19218

MOSE, FULUULA S  
69-40342

NAIROUZ, EBRAHIM F  
69-40331

PATTERSON, CHRISTINE B  
69-40393

WHEELER, NATHAN H  
69-15279

PERSON'S NAME

LICENSE ISSUE NUMBER

**NEW APPLICATIONS**

**CLASS III GAMING EMPLOYEE**

QUINAULT NATION

MOHRMANN, MARK R  
69-40272

SKOKOMISH TRIBE

BREWER, KATHRYN E  
69-40288

HERITAGE, ALISHIA L  
69-25813

SPOKANE TRIBE

KIEFFER, ASIA L  
69-40312

MATHERLY, JORDYN A  
69-40313

SQUAXIN ISLAND TRIBE

BELMES, KATHLEEN B  
69-35976

BLOOMFIELD, ANDREA T  
69-40285

CRAIG, JEANNIE D  
69-26858

LUTOLF, KASEY J  
69-40354

NUNEZ, RAMON A  
69-40355

PROVO, CHRISTOPHER S  
69-22599

ZHANG, JONATHAN J  
69-40270

STILLAGUAMISH TRIBE

ANDERSON, ALAN G  
69-40401

ARNOLD, KRISTINA M  
69-40399

BARAJAS, MARIA DEL CARMEN  
69-40350

BOOZE, SANDRAH K  
69-40398

BOYD, ALANA M  
69-40408

CAVEN, ALEXA M  
69-40334

PERSON'S NAME

LICENSE ISSUE NUMBER

**NEW APPLICATIONS**

**CLASS III GAMING EMPLOYEE**

**STILLAGUAMISH TRIBE**

GAINES, ROBERT J  
69-40323

HALL, MATHEW M  
69-40324

HERNANDEZ HERNANDEZ, ADELINA D  
69-40373

KOESTER, TORIN M  
69-40407

MANSKER, ELAINE M  
69-40400

MCGILVARY, RICHARD T  
69-40348

NESBITT, CHRISTOPHER G  
69-40303

PHILLIPS, MALERIE C  
69-40409

THARP, KRISTIAN A  
69-40301

YOUNG, LAURIE M  
69-40333

**SUQUAMISH TRIBE**

GRANT, TIMOTHY D  
69-40318

HAMRICK, CLINTON C  
69-40357

JOHNSON, KAYLA B  
69-40374

PETERSON, KENNA D II  
69-35300

SALTER, SUSAN L  
69-40361

**SWINOMISH INDIAN TRIBAL COMMUNITY**

BARTON, MEGAN G  
69-40338

BOYD, DAVID M  
69-40363

CERRILLO, GISSELA R  
69-40362

CHRISTENSEN, CHRISTINA R  
69-40281

FRANCHAK, CHRISTOPHER M  
69-40339

JONES, BRANDON M  
69-21489

PERSON'S NAME

LICENSE ISSUE NUMBER

**NEW APPLICATIONS**

**CLASS III GAMING EMPLOYEE**

SWINOMISH INDIAN TRIBAL COMMUNITY

KNIEST, REBECCA R  
69-40364

THE TULALIP TRIBES

BAKER, ROBIN M  
69-40227

BROWN, BLAIR E  
69-18428

BROWN, BRETT A  
69-40284

CROW, LAUREN M  
69-40268

DEGRANT, DEMAURAY A  
69-40315

HEISS, DAVID M  
69-40269

LAFFERTY, JORDAN D  
69-40322

LEODEGARIO, DELIA V  
69-40375

LOTT, CAMERON R  
69-40287

MCKENZIE, RHONDA R  
69-40286

MORTON, CHRISTOPHER S  
69-40395

NEWMAN, CLARENCE W  
69-40311

PAQUETTE, SARAH L  
69-38170

PERRY, KALEY L  
69-40290

RANNEY, LAURA M  
69-40356

SHUMAKER, LUKE D  
69-40310

SMITH, KEVIN M  
69-40376

TOBIAS, KYLER R  
69-40309

UBANDO, DEXTER M  
69-40308

WICKSTROM, ANGELA L  
69-40332

WILLIAMS, MARYANN L  
69-31536

PERSON'S NAME

LICENSE ISSUE NUMBER

**NEW APPLICATIONS**

**CLASS III GAMING EMPLOYEE**

**UPPER SKAGIT INDIAN TRIBE**

COLEMAN, TANYA N  
69-40278

DEMARS, JESSICA F  
69-40277

MONDAR, ISAIAS  
69-40326

NGUYEN, WILLIAM  
69-40396

STRONG, JOSHUA L  
69-40283

**YAKAMA NATION**

BROWN, ALICE M  
69-14213

MAYOKOK, DEREK R  
69-11620

THOMPSON, APRIL M  
69-40282



## 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, 2017	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	

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**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

12

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 ZEPPOZ	PULLMAN	Nov 13, 2008	Mar 31, 2017	6	00-18777	67-00209

Applications Pending				1		
Licensee	City	Commission Approval Date	License Expiration Date	Tables	Org #	License #
GREAT AMERICAN CASINO/DES MOINES	DES MOINES			15	00-23795	67-00334

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COMMISSION APPROVAL LIST  
(Class III Gaming Employees)

October 2016

Index

	<u>PAGE</u>
SNOQUALMIE CLASS III GAMING EMPLOYEE .....	1

PAGES: 1

Based upon the licensing investigations, staff recommends approving all new Class III employees listed on pages 1.



PERSON'S NAME

LICENSE ISSUE NUMBER

**NEW APPLICATIONS**

**CLASS III GAMING EMPLOYEE**

**SNOQUALMIE TRIBE**

BELAY, NINA M  
69-40345

GATES, LORINNA L  
69-40347

HIEFTJE, ROBERT S  
69-40346

LACKMANH, PHAYVANH  
69-40314

OPSAL, IAN A  
69-39849

SOLOMCHENKO, JASMIN F  
69-40295

SOLOMCHENKO, SERGEY V  
69-40294

TENGGREN, INGRID J  
69-40381

WESLEY, CLIFFORD R JR  
69-33935





STATE OF WASHINGTON  
GAMBLING COMMISSION

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

September 30, 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: Larry Upthegrove, CR 2016-001253**  
**Final Order – October 13-14, 2016 Commission Meeting**

Mr. Larry Upthegrove has a gambling license authorizing public card room employee activity at Club Hollywood Casino in Shoreline, Washington. His license expires on April 7, 2017.

On June 24, 2016, Mr. Upthegrove was charged in Whatcom County Superior Court, Case Number 16-1-00793-0, with Rape in the Second Degree or in the alternative Attempted Rape in the Second Degree. The charges are based on allegations that Mr. Upthegrove entered a woman's tent while she was sleeping and had nonconsensual sexual intercourse with her on or about August 14, 2015.

Mr. Upthegrove has denied having any sexual contact with the female victim. However, DNA evidence shows the probability of selecting an unrelated individual at random from the U.S. population with a matching DNA profile to Mr. Upthegrove is 1 in 710 quintillion.

A Summary Suspension Order and Notice of Administrative Charges was served on Mr. Upthegrove on September 2, 2016. The administrative charges notified him that his failure to respond would result in the entry of a default order revoking his gambling license. Mr. Upthegrove had until September 17, 2016 to request a stay hearing and September 22, 2016 to request an administrative hearing.

The Commission never received a hearing request from Mr. Upthegrove. Mr. Upthegrove has waived his right to a hearing in Case No. CR 2016-001253, and you may enter a final order revoking his gambling license. Based on his criminal charges, Mr. Upthegrove cannot show by clear and convincing evidence that he is qualified to keep his gambling license. Therefore, staff recommends that the Commission sign the proposed final order and revoke Larry Upthegrove's Public Card Room Employee license, License Number 68-13664.

Fee Restructure  
Update  
presentation  
will be at the  
meeting



STATE OF WASHINGTON  
GAMBLING COMMISSION

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

September 21, 2016

**TO:** Dave Trujillo, Director

**FROM:** Jennifer LaMont, Agent in Charge  
Licensing Unit

**SUBJECT: HOUSE-BANKED CARD ROOM SUMMARY OF ACTIVITY**

**Fiscal Year 2015 Information**

During the year ended December 31, 2015, we had 50 licensed house-banked card rooms. 39 licensees reported a net income between \$11,482 and \$6,234,410; 11 licensees reported net losses between (\$28,998) and (\$870,908).

Financial statements are prepared on the assumption that the business is a *going concern*, meaning that it will continue in operation for the foreseeable future. An auditor or reviewer who concludes that substantial doubt exists with regard to the going concern assumption is required to issue an opinion reflecting this concern. Of the 50 licensees that reported for year ended in 2015, 5 (representing 10%) had a going concern issue reflected in their financial statement report. In 2014, out of the 49 licensees that reported, 8 licensees (representing 16%) had a going concern issue. In 2013, out of 51 licensees that reported, 16 licensees (representing 31%) had a going concern issue. The number of licensees with a going concern issue has decreased the last three years in row.

The following is a comparison between 2015 and 2014.

	2015		2014	
	#	%	#	%
Licensees with positive Net Income	39	78%	35	71%
Licensees with Net Losses	11	22%	14	29%
Total	50	100%	49	100%
Range of Net Income	\$11,482 --- \$6,234,410		\$11,974 --- \$4,279,854	
Range of Net Loss	(\$28,998) --- (\$870,908)		(\$29,092) --- (\$921,107)	
# of Case Reports Written	4		2	

The Licensing Unit has reviewed all of the financial statements that were submitted. This year the Unit has initiated four case reports. These case reports were for administrative violations relating to late submittal, failure to report financial contributions, not separating revenues for each licensed activity, and failure to report a change of business class and LLC ownership in a timely manner.

Of the 50 house-banked card rooms licensed in 2015, 39 reported information about the ownership of their premise and the associated cost in their financial statements. 19 licensees reported leasing their premise from a party with like ownership. 13 reported leasing their premise from an entity without any like ownership. Seven house-banked card room licensees own their premise.

Premise Ownership Status	Number	Annual Lease		
		Low	High	Average
Related Party Premise Ownership	19	\$72,000	\$1,191,000	\$407,832
No related Part Premise Ownership	13	\$52,000	\$510,000	\$200,752
Own Their Premise	7	NA	NA	NA

For 2015, we had 50 house-banked card rooms submit financial statements compared to 49 reporting for 2014. To date in 2016, the following changes have occurred with the house-banked card room licensees that reported in 2015:

- Two Class F card rooms upgraded to house-banked card rooms in 2016;
- No house-banked card rooms have gone out of business thus far in 2016;
- There is currently one application pending for a house-banked card room, in Des Moines, WA.

As a point of reference, the number of house-banked cards rooms peaked at 97 in 2005 and 2006.

### **Background**

According to WAC 230-15-740, all house-banked card game licensees must submit financial statements within 120 days following the end of their business year.<sup>1</sup> Licensees are allowed a one-time, 60-day extension if needed, and the majority of the financial statements are received on or about June 30<sup>th</sup> of each year.

The type of financial statement licensees must submit is dependent upon the gross receipts from the card room:

---

<sup>1</sup> Some licensees do not have a business year-end date of December 31.

<u>Card Room Gross Receipts for the Fiscal Year End 2015</u>	<u>Type of Financial Statement Required</u>
Over \$6 million	Audit
Less than \$6 million but more than \$1 million	Review
Less than \$1 million	Compilation

Licenses are required to have the financial statements prepared by an independent, certified public accountant licensed by the Washington State Board of Accountancy and they must be prepared in accordance with generally accepted accounting principles, including all required footnotes or disclosures. The licensee is also required to report gross revenues for each licensed activity separately and present comparative statements.

In 2002, we began summarizing and posting on our website the financial statement information we collected from the house-banked card rooms. The financial statement summary provides users with the gross card room revenue as well as the overall net income or loss of the business.

The type of legal entity a licensee is, for example a sole proprietor, corporation, or LLC, will impact how some costs are recorded to determine the overall businesses net income or loss. This means that you cannot necessarily compare the licensees in terms of their net income or loss reported based on similar gross receipt levels. For example, some licensees record an owner's salary as expenses while some owners take owner draws, which does not impact the net income or loss.

Attachment (1)

Summary of House-Banked Card Room Financial Statements  
For the Fiscal Years Ending in 2015  
(Sorted by Licensee Net Income or (Loss))

Licensee	City	----- 2015 REVENUES -----		Total Revenue	Total Expenses	Net Income or (Loss)
		Card Room Revenue	Other Revenue			
		(1)	(2)		(3)	[4]
FREDDIE'S CLUB/RENTON	Renton	\$6,754,628	\$1,880,166	\$8,634,794	\$2,400,384	\$6,234,410
GREAT AMERICAN CASINO/EVERETT	Everett	\$9,021,113	\$2,260,632	\$11,281,745	\$8,420,640	\$2,861,105
CASINO CARIBBEAN/KIRKLAND	Kirkland	\$7,412,902	\$1,709,514	\$9,122,416	\$6,283,657	\$2,838,759
ROMAN CASINO	Seattle	\$16,867,443	\$537,189	\$17,404,632	\$14,582,606	\$2,822,026
MACAU CASINO/TUKWILA	Tukwila	\$7,752,299	\$1,624,944	\$9,377,243	\$6,946,858	\$2,430,385
CRAZY MOOSE CASINO/PASCO	Pasco	\$7,246,133	\$1,455,759	\$8,701,892	\$6,569,222	\$2,132,670
SILVER DOLLAR CASINO/SEATAC	SeaTac	\$6,564,357	\$1,164,644	\$7,729,001	\$5,711,500	\$2,017,501
CHIPS CASINO/LAKEWOOD	Lakewood	\$7,680,793	\$1,826,007	\$9,506,800	\$7,777,915	\$1,728,885
GREAT AMERICAN CASINO/TUKWILA	Tukwila	\$9,422,189	\$1,890,097	\$11,312,286	\$9,690,428	\$1,621,858
COYOTE BOB'S	Kennewick	\$4,653,169	\$531,205	\$5,184,374	\$3,701,086	\$1,483,288
GOLDIE'S SHORELINE CASINO	Shoreline	\$8,023,756	\$2,046,819	\$10,070,575	\$8,641,564	\$1,429,011
CASINO CARIBBEAN/YAKIMA	Yakima	\$4,960,841	\$1,818,731	\$6,779,572	\$5,369,326	\$1,410,246
RIVERSIDE CASINO	Tukwila	\$8,223,560	\$2,369,806	\$10,593,366	\$9,421,189	\$1,172,177
BUZZ INN STEAKHOUSE/EAST WENATCHI	East Wenatchee	\$2,644,141	\$2,283,233	\$4,927,374	\$3,822,936	\$1,104,438
SILVER DOLLAR CASINO/RENTON	Renton	\$6,273,365	\$810,417	\$7,083,782	\$6,093,628	\$990,154
THE PALACE/LACENTER	LaCenter	\$10,049,140	\$2,139,483	\$12,188,623	\$11,325,914	\$862,709
SILVER DOLLAR CASINO/MILL CREEK	Mill Creek	\$4,272,684	\$579,432	\$4,852,116	\$4,024,508	\$827,608
SLO PITCH PUB & EATERY	Bellingham	\$2,388,074	\$2,090,227	\$4,478,301	\$3,726,988	\$751,313
HAWKS PRAIRIE CASINO	Lacey	\$4,630,278	\$901,031	\$5,531,309	\$4,809,265	\$722,044
PALACE CASINO/LAKEWOOD	Lakewood	\$6,023,608	\$1,449,412	\$7,473,020	\$6,860,090	\$612,930
BLACK PEARL RESTAURANT & CARD RC	Spokane	\$4,249,179	\$767,636	\$5,016,815	\$4,543,691	\$473,124
IRON HORSE CASINO/AUBURN	Auburn	\$5,825,785	\$1,997,804	\$7,823,589	\$7,374,636	\$448,953
ROYAL CASINO	Everett	\$4,586,119	\$529,632	\$5,115,751	\$4,738,788	\$376,963
CARIBBEAN CARDROOM	Kirkland	\$1,628,729	\$582,562	\$2,211,291	\$1,874,462	\$336,829
CRAZY MOOSE CASINO/MOUNTLAKE TE	Mountlake Terrace	\$4,349,187	\$530,147	\$4,879,334	\$4,598,340	\$280,994
NEW PHOENIX	LaCenter	\$7,540,716	\$1,135,780	\$8,676,496	\$8,429,462	\$247,034
LUCKY 21	Woodland	\$7,028,052	\$4,199,155	\$11,227,207	\$10,994,329	\$232,878
RC'S	Sunnyside	\$1,041,881	\$595,376	\$1,637,257	\$1,423,510	\$213,747
CLUB HOLLYWOOD CASINO	Shoreline	\$5,386,990	\$752,746	\$6,139,736	\$5,938,499	\$201,237
MACAU CASINO/LAKEWOOD	Lakewood	\$4,800,250	\$1,577,110	\$6,377,360	\$6,178,237	\$199,123
ALL STAR CASINO	Silverdale	\$3,109,715	\$4,343,459	\$7,453,174	\$7,263,540	\$189,634
ROXY'S BAR & GRILL	Seattle	\$2,678,382	\$2,317,060	\$4,995,442	\$4,837,839	\$157,603
JOKER'S CASINO SPORTS BAR & FIESTA	Richland	\$1,556,487	\$2,667,404	\$4,223,891	\$4,083,603	\$140,288
NOB HILL CASINO	Yakima	\$2,841,273	\$1,145,540	\$3,986,813	\$3,851,345	\$135,468
LILAC LANES & CASINO	Spokane	\$1,625,615	\$1,665,620	\$3,291,235	\$3,168,474	\$122,761
LANCER LANES RESTAURANT AND CAS	Pullman	\$997,818	\$900,649	\$1,898,467	\$1,779,736	\$118,731
LAST FRONTIER	LaCenter	\$9,180,831	\$1,873,415	\$11,054,246	\$10,941,276	\$112,970
CLEARWATER SALOON AND CASINO	Wenatchee	\$1,478,969	\$775,644	\$2,254,613	\$2,206,473	\$48,140
WILD GOOSE CASINO	Ellensburg	\$723,064	\$211,111	\$934,175	\$922,693	\$11,482
ZS RESTAURANT AT ZEPPOZ	Pullman	\$997,404	\$1,669,158	\$2,666,562	\$2,695,560	(\$28,998)
ACES CASINO ENTERTAINMENT	Spokane	\$1,111,689	\$316,370	\$1,428,059	\$1,488,478	(\$60,419)
WIZARDS CASINO	Burien	\$5,007,370	\$2,753,496	\$7,760,866	\$7,860,809	(\$99,943)
PAPAS CASINO RESTAURANT & LOUNGE	Moses Lake	\$2,115,973	\$3,793,585	\$5,909,558	\$6,117,465	(\$207,907)
UBET	Longview	\$2,684,316	\$622,925	\$3,307,241	\$3,518,540	(\$211,299)
GOLDEN NUGGET CASINO	Tukwila	\$2,254,306	\$450,199	\$2,704,505	\$3,000,744	(\$296,239)
LUCKY BRIDGE CASINO	Kennewick	\$2,407,722	\$717,408	\$3,125,130	\$3,465,598	(\$340,468)
GREAT AMERICAN CASINO/KENT	Kent	\$658,085	(\$60,153)	\$597,932	\$1,084,628	(\$486,696)
RED DRAGON CASINO	Mountlake Terrace	\$2,966,931	\$599,415	\$3,566,346	\$4,079,712	(\$513,366)
FORTUNE CASINO	Tukwila	\$913,181	\$293,046	\$1,206,227	\$1,846,756	(\$640,529)
GREAT AMERICAN CASINO/LAKEWOOD	Lakewood	\$5,296,343	\$876,731	\$6,173,074	\$7,043,982	(\$870,908)

**NOTE:** House-banked card room licensees must submit financial statements to the commission within 120 days after the end of their fiscal year. The financial statements include all gambling and non-gambling revenues and expenses of the licensee.

(1) Card Room Revenue is the gross revenue from the card room activity only. No other gambling activity revenues are included.

(2) Other Revenue is all revenues earned by the licensee other than from the card room, as defined above. This may include revenues from pull tabs, amusement games, food, beverage, and any other services/activities provided by the licensee.

(3) Total Expenses are all the expenses incurred by the licensee to operate their business during the fiscal year. Expenses may include such items as cost of sales, advertising, wages, utilities, depreciation, interest expenses, promotional allowances, and taxes.

(4) Net loss may include impairment of goodwill and loss on disposal of discontinued operations; net income may include debt forgiveness and gain on deconsolidation.

(5) Average -Net Income (Net Loss) of those reporting:	<u>Average</u>	<u>#</u>	<u>%</u>
Net Income	\$1,028,243	39	78%
Net Loss	(\$341,525)	11	22%
Combined	\$726,894	50	100%

(6) This report is merely a summary of the financial information reported to us. The actual financial statements, footnotes, and auditor's report are an integral part of this information.

# Washington State Gambling Commission

## Criminal Case Update

Bryce Mack, Acting Special Agent Supervisor,  
Regulation Unit

Gary Drumheller, Agent in Charge,  
Criminal Enforcement Unit



### Mission Statement:

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

October 2016

# Regulation Unit - 2016 Criminal Investigations

Investigation Type	Number
Unlicensed	233
Licensed	54
Total Criminal Investigations	287

**Note: Statistics reported are for the fourth quarter of 2015 and the first, second, and third quarters of 2016.**



# Regulation Unit

## 2016 Top Types of Criminal Investigations Conducted

Types of Cases	Percentage of Cases
Theft	30%
Cheating	23%
Conducting an activity without a license	11%
Illegal Gambling Devices, Dice Games, Sports Boards	7.5%
Fraud, Forgery & Counterfeiting	4.5%
Money Laundering & Structuring	2.5%

Note: Statistics reported are for the fourth quarter of 2015 and the first, second, and third quarters of 2016.



# Credit Card Fraud & Money Laundering

- Suspect (unlicensed) used fraudulent debit cards to obtain approximately \$12,000 in cash and merchandise
- The transactions occurred at multiple cardrooms in King and Snohomish Counties
- The suspect used the money obtained in the cash advances to gamble
- Charges filed for Identity Theft, 1<sup>st</sup> Degree Theft, Forgery, and Money Laundering



# Burglary at PT Licensee

- The suspect was an employee (unlicensed) at the licensee.
- Suspect quit several days before the burglary but did not turn in all of the keys
- Used keys to access areas where cash was located
- Suspect took approximately \$3,200 in cash from the licensee
- Agents executed search warrant with assistance from Stevens County SO
- Suspect was arrested and charged with theft



10/19/2015 02:39:58 MON



# Seizure of Illegal Gambling Devices

- Suspect was operating a bar and illegal gambling devices out of his home
- The agent confirmed the illegal gambling devices were at the location
- Assisted WSLCB and Thurston County SO with a search warrant of the residence
- Six illegal gambling devices were seized
- Charges are pending



♠ This aint' Vegas Baby! ♥  
♦ We don't pay out! ♣



# Card Room Employee Engaged in Theft

- The suspect removed cash from the table drop boxes before the cash was counted while the business was closed
- As an owner the suspect had access to numerous keys
- This allowed suspect to bypass key controls designed to prevent one person from accessing restricted areas
- Suspect admitted to stealing approximately \$1,800.00
- Suspect was charged with theft and WSGC license was revoked



4 Fri 09:10:39



# Bartender at Nonprofit Engaged in Theft and Fraud

- The suspect stole approximately \$10,000 in pull tabs
- Redeemed the stolen pull tabs for cash
- Fraudulently forged the names of customers on the pull tab winner's record
- Suspect confessed to the crime
- Suspect was charged with theft 2<sup>nd</sup> Degree



# Questions?



# Criminal Enforcement Unit



# Criminal Enforcement Unit - Responsibilities

- ▶ Work Undercover
- ▶ Work Illegal Gambling Cases and Cases that have a Gambling Nexus
- ▶ Long Term Investigations
- ▶ Work with Local, State, and Tribal Police
- ▶ Members of a federal and a state task force



# Criminal Enforcement Unit - Types of Crimes Investigated

- Illegal Gambling Activities:

- Bookmaking
- Animal Fighting
- Illegal Gambling Devices
- Internet Gambling
- Loan Sharking
- Financial Crimes



# Criminal Enforcement Unit

## 2016 Top Types of Criminal Investigations

Types of Cases	Percentage of Cases
<b>Financial Crimes</b> (Fraud, Forgery, Theft, Money Laundering, Counterfeiting)	<b>58%</b>
<b>Animal Fighting</b> (Cockfighting, Dogfighting)	<b>30%</b>
<b>Bookmaking/Sports Wagering</b>	<b>12%</b>

**Note: Statistics reported are for the fourth quarter of 2015 and the first, second, and third quarters of 2016.**



# Accomplishments

- ▶ Trained over 300 people so far this year
- ▶ Have been invited to teach at several locations outside of Washington State:
  - Oregon
  - California
  - Missouri
  - Louisiana
  - New Jersey



# Training Provided

- ▶ Money Laundering
  - NW Bankers Association
- ▶ Animal Fighting & Bookmaking
  - National Gaming Intelligence Group
- ▶ Operation Red Light
  - Law Enforcement Intelligence Unit Conference
- ▶ Undercover School Center
  - WA State Criminal Justice Training
- ▶ Animal Fighting Task Force
  - Pierce, King, and Snohomish County



# Cases Worked Jointly with Law Enforcement

- ▶ Cockfighting –
  - Law Enforcement Against Drugs Unit out of Yakima County
- ▶ Identity Theft, Fraud, and Forgery
  - Renton Police Department
- ▶ Dogfighting
  - Seattle Police Department



# Cockfighting – LEAD Task Force

- ▶ Subject had fighting roosters
- ▶ Search warrant was served at the residence



# Cockfighting – LEAD Task Force

- ▶ 19 birds had been physically altered
- ▶ Evidence found fighting blades
- ▶ Supplements and paraphernalia



# Identify Theft, Fraud, & Forgery

## Renton Police Department

- ▶ Nicole Gonzales was arrested on an outstanding FTA Warrant, with a \$75,000 bond, stemming from an identity theft case.
- ▶ Gonzales was arrested for identity theft and possession of stolen property.
- ▶ Charges for use of a fraudulent debit/credit cards being used at a Casino.



# Identify Theft, Fraud, & Forgery

## Renton Police Department

- ▶ Gonzales fled to Arizona.
- ▶ Worked with a King County Prosecutor and the King County Sheriff's Office in making the arrest.
- ▶ Convicted of three counts of Identity Theft – 2<sup>nd</sup> Degree



# Cockfighting

## Renton PD

- ▶ Renton Police Department contacted us regarding an individual within their city limits possibly involved in cockfighting.
- ▶ Roosters are not allowed within the city limits and there were noise complaints.
- ▶ 23 calls to the residence between October 2015 and March 2016.



# Cockfighting

## Renton PD

- ▶ Assisted the Renton Police Department in writing and executing a search warrant at the residence.
- ▶ 10 roosters were seized, 6 which had been altered.
- ▶ The roosters had been moved from outside to the inside of the house, trying to make it appear the roosters had been removed from the residence.



# Cockfighting Renton PD

- ▶ Medication for enhancing performance, cockfighting magazines and paraphernalia were found.
- ▶ Suspect booked for noise complaints, Animal Fighting, and Animal Cruelty.



# Dogfighting

## Seattle Police Department

- ▶ Pit Bulls being raised for fighting by Erich Daulo
- ▶ Daulo sold a Pit Bull to UC officer
- ▶ Search of Vehicle and Residence revealed
  - Four Guns
  - \$26k Cash
  - A trailer for transporting equipment consistent with animal fighting



# Dogfighting

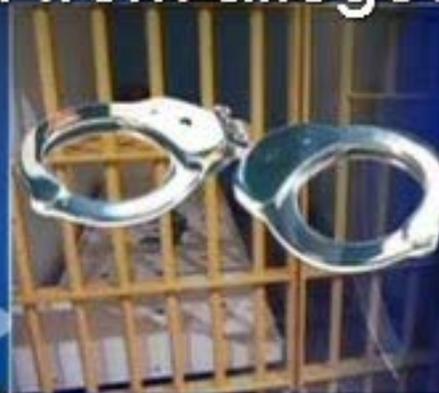
## Seattle Police Department

- ▶ Received \$6,000 from asset forfeiture
- ▶ Convicted of Animal Fighting and two counts of Unlawful Possession of a Firearm First Degree.



# VIDEO: 5 dogs rescued from alleged S

43 seconds left



ALLEGED DOG FIGHTING OPERATION

**KIRO 7** JOHN KNICELY  
@KNICELYKIRO7



Questions?

Thank You





**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.

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

TAB 5: October 2016 Commission Meeting Agenda.	Statutory Authority 9.46.070, 9.46.0201
Who proposed the rule changes?	
Staff.	
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>These rules address three concerns:</p> <ul style="list-style-type: none"> <li>• Reporting; and</li> <li>• Recordkeeping; and</li> <li>• The storage of tokens for future redemption.</li> </ul> <p>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.</p> <p>For group 12 amusement games, coupons, tickets, tokens or tokens on an electronic token cards cannot be commingled with any tracking, reward, or other gambling related redemption systems. Prohibiting the tokens from being transferred will help ensure that cash is not, in the end, awarded.</p> <p>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, WAC 230-07-125 and WAC 230-13-005. The Commissioners voted to file these versions at the meeting.</p> <p>The changes are as follows:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• 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</li> <li>• WAC 230-07-125 (2)(a) added the word “gambling” to use the defined term, “gross gambling receipts”; and</li> </ul>	

- 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 as long as three conditions are met, one of which is they cannot be commingled with any tracking, reward, or other gambling related redemption system.

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
<ul style="list-style-type: none"> <li>• As of April 2016, there were approximately 385 Group 12 amusement games in Washington.</li> <li>• As of February 8, 2016, there were approximately 430 Group 12 amusement games in Washington.</li> <li>• 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.</li> <li>• Licensees would be required to record and report gross receipts from Group 12 amusement games separately from the gross receipts of other amusement games.</li> <li>• 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.</li> <li>• 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.</li> </ul>
Agency Impacts
<ul style="list-style-type: none"> <li>• 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.</li> <li>• Staff will need to make a change to the annual amusement game activity report to collect gambling receipts information from Group 12 amusement games.</li> </ul>
Statements Supporting or Opposing the Proposed Rule Change
<p>We have received one written statement. See attached. At the September meeting, Jay Gerow testified with questions about the definition of gross gambling receipts.</p>
Staff Recommendation
<p>Final action on the original version of WAC 230-13-075 and version 2 for WAC 230-13-005, WAC 230-07-125, and WAC 230-13-170.</p>
Proposed Effective Date for Rule Change
<p>31 days from filing.</p>

**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 this list 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 Final Action at the October 2016 Commission meeting.

**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; ~~and~~ from:

(i) Group 1 through 11 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.]

**VERSION 2**

**Up for Final Action at the October 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 Final Action at the October 2016 Commission Meeting.**

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.]

## **Amended Section**

### **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 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; 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, ~~or~~ tokens, or tokens on an electronic token card; and

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

(iii) 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.

(5) Amusement games must not award additional plays as prizes.

(6) 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](#) 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:**

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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.

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**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.



**Amend**

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

- October 2016 – Further Discussion**
- September 2016 – Further Discussion**
- August 2016 – Further Discussion (Petition Revised)**
- July 2016 – Further Discussion**
- June 2016 – No Meeting**
- May 2016 – Up for Discussion and Possible Filing**
- April 2016 – Study Session**

TAB 6: October 2016 Commission Meeting Agenda. Statutory Authority 9.46.070, RCW 9.46.0282

**Who Proposed the Rule Change?**

Teresa Malphrus, owner of The Hideaway Restaurant and Casino, a 7 table Class F cardroom

**Describe the Proposed Change / Background**

In her original petition, Teresa Malphrus initially requested the following rule changes:

- 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
- 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.

Ms. Malphrus explained the reasons she is seeking these 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 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.”

At the August Commission meeting, the Commissioners took final action on a petition by Mr. Teeny, which made changes to WAC 230-15-135 and increased the single wager limits for nonhouse-banked card games to \$100 for Class F and \$300 for house-banked card rooms. Ms. Malphrus then asked the Commissioners to change the language in WAC 230-15-135 to increase the single wager limits for nonhouse-banked card games to \$300 for Class F. The Commission made a motion to file this amended language for further discussion.

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.

Attachments:

- Petition for rule changes from Teresa Malphrus in a letter dated April 10, 2016.
- May 4, 2016, email from Teresa Malphrus regarding changes to her original petition.
- Notice of rule-making sent to all card game licensees.

Licensees Impacted

With the proposed changes to the rake, three Class F card rooms and those house-banked card rooms that offer nonhouse-banked card games will be impacted.

With the proposed changes to the single wager limits, three Class F card rooms will be impacted.

**Policy Considerations**

None.

**Statements Supporting**

Stakeholder comments attached.

**Staff Recommendation**

Further Discussion

**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; or Chip rack - Only allowed if licensed for three or fewer tables; or 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 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; or 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.]

**Version filed after August 2016 Commission Meeting**

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) ThreeOne 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](#)

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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.

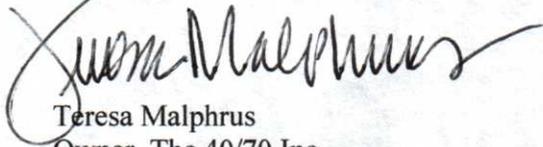
I am asking that the rake collection (house money) limit of ten percent of the pot up to five dollars be changed to ten percent of the pot with no regulation on limits.

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.  
Dbas/ 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 Chip rack - Only allowed if licensed for three or fewer tables; or 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 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 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

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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:

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**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>  
**Cc:** Wittmers, Keith (GMB) <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:

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**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: [Hollie.Arrona@wsgc.wa.gov](mailto:Hollie.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

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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

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

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**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

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[Another to add](#)

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**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

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**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

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FYI

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**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

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**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 230-06-030 Restrictions and conditions for gambling promotions.  
 WAC 230-06-031 Using wheels in promotional contests of chance, fund-raising events, or gambling activities.

- October 2016 – Up for Further Discussion**
- September 2016 – Up for Further Discussion**
- August 2016 – Final Action**
- May 2016 – Up for Discussion and Possible Filing**
- April 2016 – Study Session**

TAB 7: October 2016 Commission Meeting Agenda. Statutory Authority 9.46.070

Who Proposed the Rule Change?

Recreational Gaming Association.

Describe the Proposed Change / Background

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

The Recreational Gaming Association is requesting the following rule changes:

**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; and
- Allow card rooms to use a physical drawing, spinning a wheel or selection from a group of concealed items to award a prize.

**The proposed change clarifies when we review and approve gambling promotions. This occurs when cash or merchandise provided by a licensed manufacturer distributor or service provider for a single gambling promotion is over \$25,000.**

Currently, operators offering gambling promotions (1) must offer the promotion 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.

At the August meeting, the Commissioners suggested they work with staff and the RGA to add rule language limiting the promotional prizes awarded.

**Staff advised Commissioners at the September Commission meeting language was near completion and would be ready for their review in October. The change would allow manufacturers, distributors, and service suppliers to provide prizes to operators for promotions, but such promotions require advance approval by the Director if the cash or merchandise for a single promotion exceeds \$25,000.**

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, manufacturers, distributors and service suppliers.
Regulatory Impacts
<b><u>This change clarifies which gambling promotions require staff approval before operating and clearly sets out the requirement for Director approval.</u></b> These changes would reduce staff time since staff would not be reviewing <b>all</b> promotions.
Policy Considerations
None
Statements supporting
See comments attached.
Staff Recommendation
File Version 2 for further discussion.
Proposed Effective Date for Rule Change
31 days from filing.

**VERSION 3 MADE AFTER SEPTEMBER COMMISSION MEETING.**

**\*Note: Subsections (1) through (3) have been reordered.**

AMENDATORY SECTION (Amending WSR 14-17-056, filed 8/15/14,  
effective 9/15/14)

**WAC 230-06-030 Restrictions and conditions for gambling  
promotions.** Licensees may conduct gambling promotions to  
encourage players to participate in ((a)) the gambling activity  
they are licensed to conduct without our review or approval, ~~but~~  
~~you must follow these~~ under these restrictions and conditions:

(1) ~~((You must give all players an equal opportunity to  
participate; and~~

~~(2))~~ You must establish ~~standards~~ rules and restrictions to  
determine how you will give promotional prizes and items to  
players; and. ~~((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;))~~

(2) You must display Aall rules and restrictions and  
conditions, including any promotional materials or  
advertisements, must be clearly posted in the area of the  
gambling area and include them on promotional materials or  
advertisements activity. For promotions on card games you must

~~post the restrictions and conditions near the card game where the promotion will be offered;~~ and

(3) You must give all players eligible for the promotion an equal opportunity to participate; and

~~((3)) (24) 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)) the promotional prize in a gambling promotion cannot be pull tabs, bingo paper, raffle tickets, or entry into another licensed gambling activity regulated by us; and~~

~~((4) You must display all rules or restrictions clearly in the gambling area and include them on promotional materials or advertisements;)) (35) As part of a gambling promotion, you may add additional merchandise or cash prizes, including increasing payouts to licensed for gambling activities you are licensed to conduct as part of a gambling promotion; and~~

~~((5)) (4) 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; and~~

(6) Licensed manufacturers, distributors, and service

suppliers may give cash or merchandise items to licensed

operators to be used as promotional prizes as long as:

a) the cash or merchandise(s) is offered to all licensed operators; and

b) the gambling promotion is approved by the Director or Director's designee when a cash or merchandise provided to a licensed operator for a single promotion is over \$25,000.

(7) In order for a licensed manufacturer, distributor, and service supplier to receive approval, the plan for the gambling promotion must be submitted to the director at least ninety (90) days in advance of the intended start date and include:

(a) the gambling promotion rules and restrictions; and

(b) how the operator will safeguard the prizes; and

(c) how the prizes will be given away; and

(d) the beginning and ending dates for the gambling promotion; and

(e) A detailed prize winner's record to be filled out upon completion of the promotion that includes the winner's name, prizes paid out, date the prize was awarded; and

(f) Any other information we request; and

(875) You must not give ~~the~~ promotional prizes **or items**  
based on additional elements of chance, except that: ~~by the use~~  
~~of physical drawings, spinning a wheel, or a player making a~~  
~~selection from a group of concealed items, unless you are doing~~  
~~so as part of a bingo game or awarding the promotional prize on~~  
~~card games; and~~

(6) Promotional coupons (such as match play, lucky bucks,  
free aces, and similar types of coupons) may be offered as  
gambling promotions with the following restrictions:

(a) Licensed bingo operators are authorized to give  
promotional prizes or items as part of a bingo game; and based  
on an element of chance, such as drawing or spinning wheel; The  
promotional coupons have no value and are not considered part of  
the player's wager in determining the amount wagered; and

(b) Licensed card rooms are authorized to give promotional  
prizes or items as part of a physical drawing, spinning a wheel,  
or selecting from a group of concealed items; and Restrictions  
on the use of promotional coupons must be disclosed on the  
coupon and any expiration dates must be included on the coupon;  
and

~~(c) The promotional coupon by itself is not a gambling activity.~~ (9) 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.

[Statutory Authority: RCW 9.46.070 and 9.46.0277. WSR 14-17-056 (Order 703), § 230-06-030, filed 8/15/14, effective 9/15/14.]

Statutory Authority: RCW 9.46.070. WSR 08-17-066 (Order 629), § 230-06-030, filed 8/18/08, effective 9/18/08; WSR 06-17-132 (Order 601), § 230-06-030, filed 8/22/06, 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.**



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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)

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**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: [Hollce.Arrona@wsgc.wa.gov](mailto:Hollce.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](#)

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**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

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**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

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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

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FYI

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**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

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[Another to add](#)

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**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

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FYI – From Susan’s email.

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**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

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

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**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](#)

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**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

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#### 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

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**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

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**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



**Amend**

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

**October 2016 – Discussion**  
**September 2016 – Filed for Further Discussion**  
**August 2016 – Study Session**

Tab 8: October 2016 Commission Meeting Agenda.	Statutory Authority 9.46.070
<b>Who Proposed the Rule Change?</b>	
Executive Director Dolores Chiechi on behalf of the Recreational Gaming Association (RGA).	
<b>Describe the Proposed Change</b>	
<b><u>Bold/Underline = Changes made after the September 2016 Commission Meeting</u></b>	
<p>This change would authorize house-banked card game licensees to allow patrons to make wagers up to \$500 on house-banked card games.</p> <p>The current limitation set by the Commission of \$300 has been in place since early 2009. Before that, in 2004, the Commission limitation was increased to \$200 up from \$100. Before that (1997) house-banked card games opened up at \$25 dollars but increased to \$100 at a later date.</p> <p>Attachments:</p> <ul style="list-style-type: none"> <li>• Petition received from RGA</li> <li>• 9.46.010</li> <li>• 9.46.0282</li> <li>• 9.46.070</li> <li>• <b><u>Email(s)</u></b></li> </ul>	
<b>Background</b>	
<p>Currently, wagers on house-banked card games are limited to \$300. Most gambling revenues in house-banked card game licensees are derived from these same games. House-banked card game licensees are commercial entities that pay local gambling taxes. The Legislature authorized card games as a social past time as long as they were strictly controlled.</p> <p>Tribal Gaming Operations are limited to \$500. In contrast most class III gaming revenues are derived from Tribal Lottery Systems. Class III gaming revenues support Tribal government operations and support local economies and community impacts. The Indian Gaming Regulatory Act of 1988 authorized class III gaming for the purpose of promoting Tribal self-sufficiency.</p>	
<b>Licensees Impacted</b>	
<b>Regulatory and Resource Impacts</b>	
This change would impact approximately fifty house-banked card game licensees.	

There **may** be an increase in time spent by staff in reviewing internal controls and game rules and answering questions.

For licensees that increase wagering limits, there may be an increase in cheating cases that must be investigated by the Commission. In 2008, the total number of cheating cases investigated by us was 65. In 2009, the total number of cheating cases investigated by us was 45. In 2010, the total number of cheating cases investigated by us was 56.

**For licensees that increase wagering limits, there may be an increase in the amount of money paid to the WA Department of Revenue (DOR) for problem gambling. Since 2005, persons operating contests of chance (including card games) are subject to DOR's B&O tax on the gross income of the business derived from contests of chance. There are two classifications. Effective August 2015, the rate was 0.015% if less than \$50,000 a year and 0.0163% if more than \$50,000. These revenues are used for the purposes of the Problem and Pathological Gambling Treatment Program administered by the Department of Social and Health Services.**

Policy Considerations

Whether this increase is consistent with the Legislative Declaration. The legislature defined "social card game" in RCW 9.46.0282 and this same RCW limits the number of tables per establishment to fifteen and the Commission will set a limit on wagers.

Statements supporting and opposing

**At the September Commission Meeting, Dolores Chiechi, Executive Director of the RGA, Victor Mena and George Teeny, officers of the RGA and HBCR operators testified in favor of the petition. See attachments.**

Staff Recommendation

Further Discussion

Proposed Effective Date for Rule Change

Effective 31 days from filing

AMENDATORY SECTION (Amending WSR 08-20-025, filed 9/19/08, effective 1/1/09)

**WAC 230-15-140 Wagering limits for house-banked card games.** (1) A single wager or a bonus wager for an odds-based pay out must not exceed ((three)) five hundred dollars.

(2) A player may make a single wager for each decision before the dealer deals or reveals additional cards. For Blackjack, the player may place an additional wager for doubling down or splitting pairs.

(3) Bonus wagers for progressive jackpots must not exceed manufacturer's rules or limits listed in subsection (1) of this section.



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

July 20, 2016

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

**RE: Petition for Rule Change:  
WAC 230-15-140 - Wagering limits for house-banked games**

Dear Commissioners:

On behalf of our members, we respectfully submit the attached rule change for your review and consideration.

This change would authorize licensees to allow patrons to make wagers up to \$500 on house-banked games offered in licensed, house banked card rooms.

Come January 2017, our members will need a mechanism to increase gambling receipts as they are unable to pass on the inevitable increased expenses:

- Proposed restructure and increase of WSGC license fees which may result in some HBCR licensees seeing up to a 150-200% increase;
- Passage of Initiative 1433 raising the minimum wage January 2, 2017 to \$11.00/hour; \$11.50 in 2018; \$12.00 in 2019 and \$13.50 in 2020 respectively; and,
- Mandated benefits: health care, paid sick/safe leave, and predictive scheduling initiatives

We anticipate letters of support from house banked card room patrons and licensees will ensue once the petitions appear on the Commission's formal agenda.

We request that the Commission consider filing this petition for further discussion.

Thank you in advance for your attention and consideration.

Sincerely,

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

Attachment

## **WAC 230-15-140 - REVISED**

### **Wagering limits for house-banked card games.**

(1) A single wager or a bonus wager for an odds-based pay out must not exceed ~~three~~ five hundred dollars.

(2) A player may make a single wager for each decision before the dealer deals or reveals additional cards. For Blackjack, the player may place an additional wager for doubling down or splitting pairs.

(3) Bonus wagers for progressive jackpots must not exceed manufacturer's rules or limits listed in subsection (1) of this section.

**From:** [Dolores Chiechi](#)  
**To:** [Griffin, Tina \(GMB\)](#); [Hunter, Amy \(GMB\)](#)  
**Cc:** [Trujillo, Dave \(GMB\)](#)  
**Subject:** RGA Rules Petition - HBCR Wager Limits  
**Date:** Wednesday, July 20, 2016 1:26:54 PM  
**Attachments:** [HBCR Wager Limits.docx](#)

---

Tina/Amy,  
Please find the attached petition for rule change to WAC 230-15-140: wager limits for house-banked card games.

Please let me know anything more is required.

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**

**RCW 9.46.010****Legislative declaration.**

The public policy of the state of Washington on gambling is to keep the criminal element out of gambling and to promote the social welfare of the people by limiting the nature and scope of gambling activities and by strict regulation and control.

It is hereby declared to be the policy of the legislature, recognizing the close relationship between professional gambling and organized crime, to restrain all persons from seeking profit from professional gambling activities in this state; to restrain all persons from patronizing such professional gambling activities; to safeguard the public against the evils induced by common gamblers and common gambling houses engaged in professional gambling; and at the same time, both to preserve the freedom of the press and to avoid restricting participation by individuals in activities and social pastimes, which activities and social pastimes are more for amusement rather than for profit, do not maliciously affect the public, and do not breach the peace.

The legislature further declares that the raising of funds for the promotion of bona fide charitable or nonprofit organizations is in the public interest as is participation in such activities and social pastimes as are hereinafter in this chapter authorized.

The legislature further declares that the conducting of bingo, raffles, and amusement games and the operation of punchboards, pull-tabs, card games and other social pastimes, when conducted pursuant to the provisions of this chapter and any rules and regulations adopted pursuant thereto, are hereby authorized, as are only such lotteries for which no valuable consideration has been paid or agreed to be paid as hereinafter in this chapter provided.

The legislature further declares that fishing derbies shall not constitute any form of gambling and shall not be considered as a lottery, a raffle, or an amusement game and shall not be subject to the provisions of this chapter or any rules and regulations adopted hereunder.

The legislature further declares that raffles authorized by the fish and wildlife commission involving hunting big game animals or wild turkeys shall not be subject to the provisions of this chapter or any rules and regulations adopted hereunder, with the exception of this section and RCW 9.46.400.

All factors incident to the activities authorized in this chapter shall be closely controlled, and the provisions of this chapter shall be liberally construed to achieve such end.

[ 1996 c 101 § 2; 1994 c 218 § 2; 1975 1st ex.s. c 259 § 1; 1974 ex.s. c 155 § 1; 1974 ex.s. c 135 § 1; 1973 1st ex.s. c 218 § 1.]

**NOTES:**

**Findings—1996 c 101:** See note following RCW 77.32.530.

**Effective date—1994 c 218:** "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect immediately [April 1, 1994]." [ 1994 c 218 § 20.]

**Severability—1974 ex.s. c 155:** "If any provision of this 1974 amendatory act, or its application to any person or circumstance is held invalid, the remainder of the act, or the

application of the provision to other persons or circumstances is not affected." [ **1974 ex.s. c 155 § 13; 1974 ex.s. c 135 § 13.**] Section 14 of the act, which provided for an effective date and that the act would be subject to referendum petition, was vetoed by the governor. The veto and the related message can be found in chapter 155, Laws of 1974 ex. sess.

**RCW 9.46.070****Gambling commission—Powers and duties.****The commission shall have the following powers and duties:**

(1) To authorize and issue licenses for a period not to exceed one year to bona fide charitable or nonprofit organizations approved by the commission meeting the requirements of this chapter and any rules and regulations adopted pursuant thereto permitting said organizations to conduct bingo games, raffles, amusement games, and social card games, to utilize punchboards and pull-tabs in accordance with the provisions of this chapter and any rules and regulations adopted pursuant thereto and to revoke or suspend said licenses for violation of any provisions of this chapter or any rules and regulations adopted pursuant thereto: PROVIDED, That the commission shall not deny a license to an otherwise qualified applicant in an effort to limit the number of licenses to be issued: PROVIDED FURTHER, That the commission or director shall not issue, deny, suspend, or revoke any license because of considerations of race, sex, creed, color, or national origin: AND PROVIDED FURTHER, That the commission may authorize the director to temporarily issue or suspend licenses subject to final action by the commission;

(2) To authorize and issue licenses for a period not to exceed one year to any person, association, or organization operating a business primarily engaged in the selling of items of food or drink for consumption on the premises, approved by the commission meeting the requirements of this chapter and any rules and regulations adopted pursuant thereto permitting said person, association, or organization to utilize punchboards and pull-tabs and to conduct social card games as a commercial stimulant in accordance with the provisions of this chapter and any rules and regulations adopted pursuant thereto and to revoke or suspend said licenses for violation of any provisions of this chapter and any rules and regulations adopted pursuant thereto: PROVIDED, That the commission shall not deny a license to an otherwise qualified applicant in an effort to limit the number of licenses to be issued: PROVIDED FURTHER, That the commission may authorize the director to temporarily issue or suspend licenses subject to final action by the commission;

(3) To authorize and issue licenses for a period not to exceed one year to any person, association, or organization approved by the commission meeting the requirements of this chapter and meeting the requirements of any rules and regulations adopted by the commission pursuant to this chapter as now or hereafter amended, permitting said person, association, or organization to conduct or operate amusement games in such manner and at such locations as the commission may determine. The commission may authorize the director to temporarily issue or suspend licenses subject to final action by the commission;

(4) To authorize, require, and issue, for a period not to exceed one year, such licenses as the commission may by rule provide, to any person, association, or organization to engage in the selling, distributing, or otherwise supplying or in the manufacturing of devices for use within this state for those activities authorized by this chapter. The commission may authorize the director to temporarily issue or suspend licenses subject to final action by the commission;

(5) To establish a schedule of annual license fees for carrying on specific gambling activities upon the premises, and for such other activities as may be licensed by the commission, which fees shall provide to the commission not less than an amount of money adequate to cover all costs incurred by the commission relative to licensing under this chapter and the enforcement by the commission of the provisions of this chapter and rules and regulations adopted pursuant thereto: PROVIDED, That all licensing fees shall be submitted

with an application therefor and such portion of said fee as the commission may determine, based upon its cost of processing and investigation, shall be retained by the commission upon the withdrawal or denial of any such license application as its reasonable expense for processing the application and investigation into the granting thereof: PROVIDED FURTHER, That if in a particular case the basic license fee established by the commission for a particular class of license is less than the commission's actual expenses to investigate that particular application, the commission may at any time charge to that applicant such additional fees as are necessary to pay the commission for those costs. The commission may decline to proceed with its investigation and no license shall be issued until the commission has been fully paid therefor by the applicant: AND PROVIDED FURTHER, That the commission may establish fees for the furnishing by it to licensees of identification stamps to be affixed to such devices and equipment as required by the commission and for such other special services or programs required or offered by the commission, the amount of each of these fees to be not less than is adequate to offset the cost to the commission of the stamps and of administering their dispersal to licensees or the cost of administering such other special services, requirements or programs;

(6) To prescribe the manner and method of payment of taxes, fees and penalties to be paid to or collected by the commission;

(7) To require that applications for all licenses contain such information as may be required by the commission: PROVIDED, That all persons (a) having a managerial or ownership interest in any gambling activity, or the building in which any gambling activity occurs, or the equipment to be used for any gambling activity, or (b) participating as an employee in the operation of any gambling activity, shall be listed on the application for the license and the applicant shall certify on the application, under oath, that the persons named on the application are all of the persons known to have an interest in any gambling activity, building, or equipment by the person making such application: PROVIDED FURTHER, That the commission shall require fingerprinting and national criminal history background checks on any persons seeking licenses, certifications, or permits under this chapter or of any person holding an interest in any gambling activity, building, or equipment to be used therefor, or of any person participating as an employee in the operation of any gambling activity. All national criminal history background checks shall be conducted using fingerprints submitted to the United States department of justice-federal bureau of investigation. The commission must establish rules to delineate which persons named on the application are subject to national criminal history background checks. In identifying these persons, the commission must take into consideration the nature, character, size, and scope of the gambling activities requested by the persons making such applications;

(8) To require that any license holder maintain records as directed by the commission and submit such reports as the commission may deem necessary;

(9) To require that all income from bingo games, raffles, and amusement games be recorded and reported as established by rule or regulation of the commission to the extent deemed necessary by considering the scope and character of the gambling activity in such a manner that will disclose gross income from any gambling activity, amounts received from each player, the nature and value of prizes, and the fact of distributions of such prizes to the winners thereof;

(10) To regulate and establish maximum limitations on income derived from bingo. In establishing limitations pursuant to this subsection the commission shall take into account (a) the nature, character, and scope of the activities of the licensee; (b) the source of all other

income of the licensee; and (c) the percentage or extent to which income derived from bingo is used for charitable, as distinguished from nonprofit, purposes. However, the commission's powers and duties granted by this subsection are discretionary and not mandatory;

(11) To regulate and establish the type and scope of and manner of conducting the gambling activities authorized by this chapter, including but not limited to, the extent of wager, money, or other thing of value which may be wagered or contributed or won by a player in any such activities;

(12) To regulate the collection of and the accounting for the fee which may be imposed by an organization, corporation, or person licensed to conduct a social card game on a person desiring to become a player in a social card game in accordance with RCW 9.46.0282;

(13) To cooperate with and secure the cooperation of county, city, and other local or state agencies in investigating any matter within the scope of its duties and responsibilities;

(14) In accordance with RCW 9.46.080, to adopt such rules and regulations as are deemed necessary to carry out the purposes and provisions of this chapter. All rules and regulations shall be adopted pursuant to the administrative procedure act, chapter 34.05 RCW;

(15) To set forth for the perusal of counties, city-counties, cities and towns, model ordinances by which any legislative authority thereof may enter into the taxing of any gambling activity authorized by this chapter;

(16)(a) To establish and regulate a maximum limit on salaries or wages which may be paid to persons employed in connection with activities conducted by bona fide charitable or nonprofit organizations and authorized by this chapter, where payment of such persons is allowed, and to regulate and establish maximum limits for other expenses in connection with such authorized activities, including but not limited to rent or lease payments. However, the commissioner's powers and duties granted by this subsection are discretionary and not mandatory.

(b) In establishing these maximum limits the commission shall take into account the amount of income received, or expected to be received, from the class of activities to which the limits will apply and the amount of money the games could generate for authorized charitable or nonprofit purposes absent such expenses. The commission may also take into account, in its discretion, other factors, including but not limited to, the local prevailing wage scale and whether charitable purposes are benefited by the activities;

(17) To authorize, require, and issue for a period not to exceed one year such licenses or permits, for which the commission may by rule provide, to any person to work for any operator of any gambling activity authorized by this chapter in connection with that activity, or any manufacturer, supplier, or distributor of devices for those activities in connection with such business. The commission may authorize the director to temporarily issue or suspend licenses subject to final action by the commission. The commission shall not require that persons working solely as volunteers in an authorized activity conducted by a bona fide charitable or bona fide nonprofit organization, who receive no compensation of any kind for any purpose from that organization, and who have no managerial or supervisory responsibility in connection with that activity, be licensed to do such work. The commission may require that licensees employing such unlicensed volunteers submit to the commission periodically a list of the names, addresses, and dates of birth of the volunteers. If any volunteer is not approved by the commission, the commission may require that the licensee not allow that person to work in connection with the licensed activity;

(18) To publish and make available at the office of the commission or elsewhere to anyone requesting it a list of the commission licensees, including the name, address, type of license, and license number of each licensee;

(19) To establish guidelines for determining what constitutes active membership in bona fide nonprofit or charitable organizations for the purposes of this chapter;

(20) To renew the license of every person who applies for renewal within six months after being honorably discharged, removed, or released from active military service in the armed forces of the United States upon payment of the renewal fee applicable to the license period, if there is no cause for denial, suspension, or revocation of the license;

(21) To issue licenses under subsections (1) through (4) of this section that are valid for a period of up to eighteen months, if it chooses to do so, in order to transition to the use of the business licensing services program through the department of revenue; and

(22) To perform all other matters and things necessary to carry out the purposes and provisions of this chapter.

[ **2012 c 116 § 1**; **2007 c 206 § 1**; **2002 c 119 § 1**; **1999 c 143 § 6**; **1993 c 344 § 1**; **1987 c 4 § 38**; **1981 c 139 § 3**. Prior: **1977 ex.s. c 326 § 3**; **1977 ex.s. c 76 § 2**; 1975-'76 2nd ex.s. c 87 § 4; **1975 1st ex.s. c 259 § 4**; **1974 ex.s. c 155 § 4**; **1974 ex.s. c 135 § 4**; **1973 2nd ex.s. c 41 § 4**; **1973 1st ex.s. c 218 § 7**.]

#### NOTES:

**Effective date—1993 c 344:** "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect June 1, 1993." [ **1993 c 344 § 2**.]

**Severability—1981 c 139:** "If any provision of this amendatory act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected." [ **1981 c 139 § 19**.]

**Severability—1974 ex.s. c 155:** See note following RCW **9.46.010**.

*Enforcement—Commission as a law enforcement agency: RCW **9.46.210**.*

**RCW 9.46.0282****"Social card game."**

"Social card game" as used in this chapter means a card game that constitutes gambling and is authorized by the commission under RCW 9.46.070. Authorized card games may include a house-banked or a player-funded banked card game. No one may participate in the card game or have an interest in the proceeds of the card game who is not a player or a person licensed by the commission to participate in social card games. There shall be two or more participants in the card game who are players or persons licensed by the commission. The card game must be played in accordance with the rules adopted by the commission under RCW 9.46.070, which shall include but not be limited to rules for the collection of fees, limitation of wagers, and management of player funds. The number of tables authorized shall be set by the commission but shall not exceed a total of fifteen separate tables per establishment.

[ 1997 c 118 § 1.]

**From:** [David Fretz](#)  
**To:** [Griffin, Tina \(GMB\)](#)  
**Subject:** Wager Limit Increase to \$500  
**Date:** Thursday, September 01, 2016 9:51:23 AM  
**Attachments:** [image001.jpg](#)

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Tina,

Please accept this note as support for the rule change increasing wagering limits from \$300 to \$500. It has been many years since the wager limit has been increased. Initiative 1433 will be on the November ballot and is likely to pass. This Initiative will increase minimum wage 16% from \$9.47 to \$11.00 on January 1, 2017 and includes step increases to \$13.50 by 2020. The impact to our businesses will be significant since the compression effect of this increase will require us to raise wages in other area such as janitorial, cooks, security, surveillance and floor supervision. The total impact of this wage increase for a typical House Banked Card Room is likely to exceed \$200,000 in 2017. Our food and beverage prices will need to increase. However, without this bet limit adjustment, we'll be unable to increase our revenues enough to cover the impact of this change to minimum wage.

Regards,



David Fretz

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

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#### 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.



**Amend**

WAC 230-15-453 Using match play or similar coupons in gambling promotions.

**October 2016 – Up for Possible Filing**  
**September 2016 – Study Session**  
**August 2016 – Study Session**

Tab 9: October 2016 Commission Meeting Agenda.	Statutory Authority 9.46.070
<b>Who Proposed the Rule Change?</b>	
Warren Montney, Lucky Bridge Casino	
<b>Describe the Proposed Change / Background</b>	
<p>Mr. Montney is seeking a rule change to help start a live poker game after a player has been eliminated from a poker tournament.</p> <p>The petitioner is seeking a rule change to allow Match Play coupons to be awarded to eligible participants of card tournaments as a gambling promotion. The Match Play coupons could be then be used by the card tournament players in a live card game after the players finish playing in the card tournament. Players would use their money with the Match Play coupon to place their wager in a live poker game.</p> <p>The proposed rule changes by the Recreational Gaming Association to WAC 230-06-030 (Tab 7), gambling promotions, would be necessary in order to achieve the changes sought by Mr. Montney.</p> <p>Attached:</p> <ul style="list-style-type: none"> <li>• Petition for Adoption, Amendment or Repeal of a State Administrative Rule received on July 18, 2016 from Mr. Montney.</li> <li>• September 30, 2016 email from Mr. Montney with the rule language requested.</li> </ul>	
<b>Licensees Impacted</b>	
Card room licensees that have card tournaments. As of June 30, 2016, there were 13 charitable, nonprofit and commercial licensed card rooms offering poker and 50 house-banked card rooms that may offer non-house banked and house-banked card games. Both groups can offer tournaments under their license.	
<b>Regulatory and Resource Impacts</b>	
Staff will need to review changes to card tournaments that incorporate match play coupon gambling promotions.	
<b>Staff Recommendation</b>	
<p>Under the requirements of the Administrative Procedure Act, the Commission must take action on a petition within 60 days of receiving it. Your options are:</p> <ol style="list-style-type: none"> <li>1) Initiate rule-making proceedings (file the rule for further discussion);</li> <li>2) Deny the petition in writing, stating the reasons for the denial and specifically address the concerns stated in the petition. If appropriate, the Commission must indicate alternative means by which the agency will address the concerns raised in the petition; or</li> <li>3) Propose an alternative version of the rule.</li> </ol>	
<b>Proposed Effective Date for Rule Change</b>	
No effective date requested.	

**WAC 230-15-453 Using match play or similar coupons in gambling promotions.**

Match play coupons may be offered as gambling promotions with the following restrictions:

- (1) The coupons have no value. Players cannot "double down" on the "match play" portion of the wager.
- (2) Players may double down on the chip portion of the wager, not to exceed maximum wagering limits.
- (3) A match play coupon is not considered part of the player's wager in determining the amount wagered.

Match play coupons may be used by players who wager the maximum allowed.

(4) A match play coupon is itself a gambling promotion and cannot be awarded as a prize in a promotional contest of chance, as authorized in RCW 9.46.0356, ~~or as a prize on a card game.~~

(5) Restrictions on the use of coupons must be disclosed on the coupon.

(6) Expiration dates must be included on the coupon.

(7) Match play and other similar type coupon promotions such as Lucky Bucks and Free Ace, etc., ~~must~~ must be given to all players eligible for the promotion. ~~participants in a card tournament as long as they are given to all participants and are not awarded based on the outcome of the tournament.~~

(8) Coupon promotions allowing free play must not be given out based upon the outcome of a card game or tournament.

**From:** [Stueckle, Joshua \(GMB\)](#)  
**To:** [Rancour, Michelle \(GMB\)](#)  
**Subject:** Fwd: Request for rule change.  
**Date:** Wednesday, August 24, 2016 2:05:24 PM

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Begin forwarded message:

**From:** "Stueckle, Joshua (GMB)" <[joshua.stueckle@wsgc.wa.gov](mailto:joshua.stueckle@wsgc.wa.gov)>  
**Date:** August 23, 2016 at 12:02:29 PM PDT  
**To:** "Griffin, Tina (GMB)" <[tina.griffin@wsgc.wa.gov](mailto:tina.griffin@wsgc.wa.gov)>  
**Cc:** "Anderson, Julie (GMB)" <[julie.anderson@wsgc.wa.gov](mailto:julie.anderson@wsgc.wa.gov)>  
**Subject:** FW: Request for rule change.

Tina,  
FYI....

I spoke with Warren about changing to the October commission meeting. He gladly agreed as the Spokane venue is much closer.

Thanks,  
Josh

**From:** warren m [<mailto:warrenmontney@gmail.com>]  
**Sent:** Tuesday, August 23, 2016 11:54 AM  
**To:** Stueckle, Joshua (GMB) <[joshua.stueckle@wsgc.wa.gov](mailto:joshua.stueckle@wsgc.wa.gov)>  
**Subject:** Request for rule change.

Josh,  
After our phone conversation today. It appears to me that all parties would be better served if we pull my request for a rule change regarding non cash value chips/ coupons in player banked poker games off the September agenda, and place it on the October Agenda in Spokane.  
Thank you for the heads up regarding this issue  
Warren Montney  
Lucky Bridge Casino  
Kennewick Wa  
Cell 509.308.4173

**From:** [Rancour, Michelle \(GMB\)](#)  
**To:** [Griffin, Tina \(GMB\)](#)  
**Subject:** FW: Request for rule change. Warren Montney  
**Date:** Wednesday, July 20, 2016 4:10:12 PM  
**Attachments:** [07 2016 Warren Montney Petition.pdf](#)

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Tina,

I forwarded this on Monday.

Michelle

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**From:** Rancour, Michelle (GMB)  
**Sent:** Monday, July 18, 2016 11:50 AM  
**To:** Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>; Anderson, Julie (GMB) <julie.anderson@wsgc.wa.gov>  
**Cc:** Stueckle, Joshua (GMB) <joshua.stueckle@wsgc.wa.gov>; Hunter, Amy (GMB) <amy.hunter@wsgc.wa.gov>  
**Subject:** RE: Request for rule change.

Tina, Julie & Josh,

Attached is the rule petition received from Mr. Warren Montney in PDF format.

I will build his rule making file and take care of the CR-101 to file.

**Michelle Rancour**

Assistant to Deputy Director  
[Washington State Gambling Commission](#)  
PO Box 42400, Olympia WA 98504-2400  
(360) 486-3447  
Twitter @WAGambling

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**From:** Griffin, Tina (GMB)  
**Sent:** Monday, July 18, 2016 8:14 AM  
**To:** Anderson, Julie (GMB) <[julie.anderson@wsgc.wa.gov](mailto:julie.anderson@wsgc.wa.gov)>  
**Cc:** Rancour, Michelle (GMB) <[michelle.rancour@wsgc.wa.gov](mailto:michelle.rancour@wsgc.wa.gov)>; Stueckle, Joshua (GMB) <[joshua.stueckle@wsgc.wa.gov](mailto:joshua.stueckle@wsgc.wa.gov)>; Hunter, Amy (GMB) <[amy.hunter@wsgc.wa.gov](mailto:amy.hunter@wsgc.wa.gov)>  
**Subject:** FW: Request for rule change.

Hello Julie,

We will be getting a rule petition from Mr. Monty this week most likely. Please to the CAT agenda a

new rule petition for Mr. Monty. The below email summarizes his request.

Michelle, once the petition comes in provide it to Julie so she can include it in the CAT packet.

Josh, please work on a rules summary. It should be brief. Use the current petitions as an example. Please also check with Mr. Monty to see if he plans on attending the August/Olympia meeting.

Thanks,  
Tina

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**From:** Newer, Susan (GMB)  
**Sent:** Friday, July 08, 2016 4:50 PM  
**To:** Griffin, Tina (GMB) <[tina.griffin@wsgc.wa.gov](mailto:tina.griffin@wsgc.wa.gov)>; Hunter, Amy (GMB) <[amy.hunter@wsgc.wa.gov](mailto:amy.hunter@wsgc.wa.gov)>  
**Cc:** Trujillo, Dave (GMB) <[dave.trujillo@wsgc.wa.gov](mailto:dave.trujillo@wsgc.wa.gov)>  
**Subject:** FW: Request for rule change.

This came in Friday afternoon.

Michelle

**From:** warren m [<mailto:warrenmontney@gmail.com>]  
**Sent:** Friday, July 08, 2016 4:02 PM  
**To:** Newer, Susan (GMB) <[susan.newer@wsgc.wa.gov](mailto:susan.newer@wsgc.wa.gov)>  
**Subject:** Request for rule change.

Susan, I would like to discuss a rule change with you regarding poker. I Have previously asked my Gaming agent about this and he said the law does not currently allow it. I would like to be able to use "blind chips" in live play poker. they would work as follows. We would give them out as " house added money to tournament players or in other promotional ways. They would only be used for the big blind or for the person in the small blind to call the big blind amount. They would have zero cash value. but as soon as they are placed into the pot the house will replace them with live chips.

There would be no rake on those chips. so if there was a PSJ rake the PSJ dollar would not be dropped until someone calls with their own live chips. If a player has only blind chips in front of them they cannot call any raises or bets with blind chips.

If a player has no live chips they would be treated as all in. and all additional action will be in a side pot. I feel this is just one of those rules that never got changed you can use "match play " or "Free play " coupons on house bank games. When the rule was created for poker they made it so you can only use live chips because the pot belongs to the players. As long as the rule applies that the house replaces the Blind Chips with live chips as soon as they hit the pot. the issue of a player being awarded non cash value chips. is moot.

The other issue is that the house needs to be able to decide if "non cash value chips" may go apply towards the minimum buy in.

In years gone buy I filled out rule change request forms. now that link just goes to your email. so if that form still exists please let me know and I will fill one out. Feel free to call me and discuss this issue if anything seems unclear or unworkable.

Thanks ,  
Warren Montney  
Lucky Bridge Casino  
509-308-4173



## PETITION FOR ADOPTION, AMENDMENT, OR REPEAL OF A STATE ADMINISTRATIVE RULE

Print Form

In accordance with [RCW 34.05.330](#), the Office of Financial Management (OFM) created this form for individuals or groups who wish to petition a state agency or institution of higher education to adopt, amend, or repeal an administrative rule. You may use this form to submit your request. You also may contact agencies using other formats, such as a letter or email.

The agency or institution will give full consideration to your petition and will respond to you within 60 days of receiving your petition. For more information on the rule petition process, see Chapter 82-05 of the Washington Administrative Code (WAC) at <http://apps.leg.wa.gov/wac/default.aspx?cite=82-05>.

### CONTACT INFORMATION *(please type or print)*

Petitioner's Name Warren Montney  
Name of Organization Tri-Cities Gaming DBA Lucky Bridge Casino  
Mailing Address \_\_\_\_\_  
City \_\_\_\_\_ State WA Zip Code \_\_\_\_\_  
Telephone \_\_\_\_\_ Email \_\_\_\_\_

### COMPLETING AND SENDING PETITION FORM

- Check all of the boxes that apply.
- Provide relevant examples.
- Include suggested language for a rule, if possible.
- Attach additional pages, if needed.
- Send your petition to the agency with authority to adopt or administer the rule. Here is a list of agencies and their rules coordinators: <http://www.leg.wa.gov/CodeReviser/Documents/RClist.htm>.

### INFORMATION ON RULE PETITION

Agency responsible for adopting or administering the rule: WSGC

1. NEW RULE - I am requesting the agency to adopt a new rule.

The subject (or purpose) of this rule is: \_\_\_\_\_

The rule is needed because: \_\_\_\_\_

The new rule would affect the following people or groups: \_\_\_\_\_

**2. AMEND RULE - I am requesting the agency to change an existing rule.**

List rule number (WAC), if known: \_\_\_\_\_

I am requesting the following change: \_\_\_\_\_

To allow no cash value chips to be used in poker games provided the house exchanges them for cash value chips when they are placed into the pot.

This change is needed because: \_\_\_\_\_

It is often difficult to get a live poker game after a tournament this will help the licensee do so.

The effect of this rule change will be: \_\_\_\_\_

Free plays can be used in house banked games but not poker because you cannot award one to another player as part of a pot. This is a simple work around.

The rule is not clearly or simply stated: \_\_\_\_\_

**3. REPEAL RULE - I am requesting the agency to eliminate an existing rule.**

List rule number (WAC), if known: \_\_\_\_\_

*(Check one or more boxes)*

It does not do what it was intended to do.

It is no longer needed because: \_\_\_\_\_

It imposes unreasonable costs: \_\_\_\_\_

The agency has no authority to make this rule: \_\_\_\_\_

It is applied differently to public and private parties: \_\_\_\_\_

It conflicts with another federal, state, or local law or rule. List conflicting law or rule, if known: \_\_\_\_\_

It duplicates another federal, state or local law or rule. List duplicate law or rule, if known: \_\_\_\_\_

Other (please explain): \_\_\_\_\_

Addendum to rule change request.

As part of the requested rule change I would like clarification to the rule to include the ability to award no cash value chips as house added prizes to a poker tournament in which people pay a fee to participate in .

A sample of how this would work could be the first 6 players knocked out of the poker tournament get \$25 in no cash value chips or coupons with a printed amount on them . the house may stipulate if they may be placed into the pot at any time or only from the blind positions for amounts totaling the amount of the big blind or less.

As soon as they are bet the house will replace them with cash value chips and the game will progress as normal, players who only have non cash value chips will be treated as "all in" for any additional wagering .

This will give us a way to generate a live game from tournament play which is the primary purpose of having tournament play in a poker room.

**From:** [Stueckle, Joshua \(GMB\)](#)  
**To:** [Rancour, Michelle \(GMB\)](#); [Griffin, Tina \(GMB\)](#)  
**Subject:** FW: Petition  
**Date:** Friday, September 30, 2016 3:09:50 PM  
**Attachments:** [Montney Petition 10-2016.docx](#)

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[Here you go, hot off the press](#)

**From:** warren m [mailto:warrenmontney@gmail.com]  
**Sent:** Friday, September 30, 2016 3:06 PM  
**To:** Stueckle, Joshua (GMB) <joshua.stueckle@wsgc.wa.gov>  
**Subject:** Petition

Josh Enclosed please find the Petition for rule change to file with the commission. I would like this rule effective date to be 31 days from filing  
Thanks for your Help  
Warren Montney  
Lucky Bridge casino  
509.308.4173 Cell