

**CONDENSED LICENSING RULES / GENERAL INFORMATION
FOR AGRICULTURAL FAIRS LICENSE TO OPERATE BINGO,
RAFFLE(S) AND / OR AMUSEMENT GAMES**

WAC 230-02-110 GROSS GAMBLING RECEIPTS

DEFINED. "Gross gambling receipts" means the monetary value, stated in U.S. currency, due to any operator of a gambling activity for purchase of a chance to play a punch board or pull-tab series; purchase of a chance to enter a raffle; fees or purchase of cards to participate in bingo games; fees for participation in an amusement game, including rent or lease payments paid to licensees or franchisers for allowing operation of an amusement game on their premises; and any fee to participate in, or net win from, any card games or fund-raising events as defined in WAC 230-02-109. The value shall be before any deductions for prizes or other expenses.

Fees from players for entry into a player-supported jackpot held in conjunction with card games are not gross gambling receipts: Provided, That any portion of wagers deducted for any purpose other than increasing current prizes or repayment of amounts used to seed such prizes shall be treated as gross gambling receipts.

WAC 230-02-120 NET GAMBLING RECEIPTS

DEFINED. "Net gambling receipts" means all gross gambling receipts from any gambling activity, less the monetary value or, in the case of merchandise, the actual cost, of any prizes that were awarded.

WAC 230-02-130 NET GAMBLING INCOME

DEFINED. "Net gambling income" means net gambling receipts, less all other expenses related to the operation of a licensed activity paid out during the same period of time: Provided, That expenses must be reported on the accrual basis if the records are normally maintained on that basis.

WAC 230-02-188 AGRICULTURAL DEFINED.

Agricultural means promoting the art or science of cultivating land, harvesting crops or aquatic resources, or raising livestock. Incorporated granges as set out in chapter 24.28 RCW are encompassed within this definition.

WAC 230-02-191 AGRICULTURAL FAIR DEFINED.

Agricultural fair means those activities authorized by chapter 15.76 RCW and chapter 36.37 RCW and includes the exhibition of livestock, agricultural produce of all kinds, products of the farm home and educational contests, and displays and demonstrations designed to train youth and promote the welfare of farm and rural living.

WAC 230-04-190 ISSUANCE OF LICENSE – EXPIRATION – RESTRICTIONS.

The commission may only issue a license to qualified applicants. All licenses are issued subject to the following restrictions:

(1) The commission may issue the following licenses:

(a) **Charitable and nonprofit organizations and agricultural fairs.** The commission may issue a license to qualified bona fide charitable or nonprofit organizations or to qualified agricultural fairs to operate each of the following activities upon a specified location:

(i) Bingo;

(ii) Raffles;

(iii) Amusement games;

(iv) Punch boards and pull-tabs;

(v) Social card games; and

(vi) Fund raising events as defined in RCW 9.46.0233:

Provided, That any agricultural fair authorized under the provisions of chapter 15.76 or 36.37 RCW is prohibited from conducting fund raising events.

(b) **Commercial amusement games.** The commission may issue a separate license to any person to operate amusement games at one or more of the locations listed in WAC 230-04-138.

(c) **Commercial stimulant card games.** The commission may issue a license to any person operating a business primarily engaged in the selling of items of food or drink for consumption on the premises to allow a specified portion of a specified premises to be used by persons to play authorized card games.

(d) **Public card room employee.** The commission may issue a license to any person to perform duties in a public card room.

(e) **Commercial stimulant punch boards and pull-tabs.** The commission may issue a license to a person operating a business primarily engaged in the selling of items of food or drink for consumption on the premises to operate punch boards and pull-tabs upon specified premises.

(f) **Manufacturers and distributors of gambling equipment and paraphernalia.** The commission may issue a separate or combination license to the following:

(i) Manufacturers of punch boards, pull-tabs, devices for the dispensing of pull-tabs, bingo equipment, and other gambling equipment, supplies, and paraphernalia; and

(ii) Distributors of punch boards, pull-tabs, devices for the dispensing of pull-tabs, bingo equipment, and any gambling equipment, supplies, or paraphernalia for use in connection with authorized activities.

(g) **Representatives of manufacturers or distributors.** The commission may issue a separate license to a representative of a manufacturer or distributor to engage in the sale and distribution of gambling equipment and paraphernalia.

(h) **Recreational gaming activity permit.** The commission may issue a permit to an organization that has been in existence for at least six months to conduct a recreational gaming activity as defined by WAC 230-02-505.

License expiration.

(2) Each such license shall be valid for the period of time or the level of gross gambling receipts set forth on the license. In no case shall the time period exceed one year from the date that such license is issued: Provided, That license expiration dates may be adjusted by commission staff to schedule workload. Organizations licensed for more than one activity may have all expiration dates adjusted to end on the same day. Whenever license

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expiration dates are adjusted under this provision, the required fee shall be prorated by the commission. The prorated fees shall be computed on a monthly basis (i.e., one-twelfth of the annual payment per month) and subtracted from the regular annual fee. A prorated fee will be based on the number of whole months remaining upon approval of a license. For purposes of computing fees under this section, any part of a month in which the activity is authorized to be operated shall be deemed to be a whole month. Any difference between the required fee which exceeds twenty dollars, shall be refunded to the applicant. Specific expiration dates are as follows:

(a) Licenses issued to conduct any authorized activity in connection with and upon the site of a qualified agricultural fair, qualified community-wide civic festival, qualified world's fair, or qualified civic center shall be valid only for the duration of the fair or festival, or, in the case of an activity at a civic center, for the seasons during which the civic center is operating and open to the public. In no event shall such license exceed one calendar year.

(b) A license issued to conduct a raffle in connection with a qualified agricultural fair, qualified community-wide civic festival or qualified world's fair shall be in effect from the date the license was issued through the conclusion of the fair or festival;

(c) A license issued to conduct a card tournament shall be valid only for the duration of the tournament, but in no event shall exceed ten consecutive days;

(d) A license issued to conduct a fund raising event shall be valid only for the place and time set forth in the application or otherwise approved by the commission. The number of events permitted under the license in any calendar year is subject to the limitations set out in RCW 9.46.0233 defining a fund raising event: Provided, That a fund raising event license shall allow an organization to have possession of gambling equipment authorized for use at a fund raising event for a period of one year beginning on the day of the event and to rent such for up to four occasions per year to other organizations licensed to operate fund raising events;

(e) A license issued to an individual shall be valid for a period not to exceed one year from the date the individual was assigned duties requiring a license, the date the license was actually issued, or as set forth elsewhere in this title, whichever occurs first: Provided, That a charitable or nonprofit gambling manager or distributor representative license shall become void upon a change of employer; and

(f) A bingo license that has been limited under the restrictions of WAC 230-20-062 shall expire when the level of authorized gross gambling receipts is reached. A license that expires under this subsection shall not be granted an increase in license class for the current license period until all requirements of WAC 230-04-260 have been met or the commission grants an increase in license class under procedures set forth in WAC 230-20-062.

Reinstating expired licenses.

(3) If any licensee fails to submit a properly completed application and all applicable fees prior to the normal expiration date, the license shall expire and the operation of the applicable activity must immediately cease. When a license expires, a new application must then be submitted and a precicensing evaluation / investigation to the extent deemed necessary by the director will be completed prior to granting a license: Provided, That if a properly completed renewal application and fees are received at the commission headquarters office within the fourteen-day period following the expiration date, the commission may reinstate the license using normal renewal procedures. Reinstating a license under this provision does not, in any case, grant authority to operate the activity during the period between the normal expiration date and the date of reinstatement.

Two-part payment plan for license fees.

(4) The commission may allow an applicant renewing an annual license or applying for an additional license to pay the license fee in two payments under the following conditions:

(a) The license fee is at least eight hundred dollars;

(b) The applicant pays an administrative processing fee as set forth in WAC 230-04-202 or 230-04-203, plus one-half of the annual license fee at the time of application or renewal;

(c) Licenses issued under the two-payment plan shall be issued with an expiration date as determined by subsection (2) of this section and a second-half payment due date. If the second-half payment is received on or before the due date, the license will remain in effect until the expiration date. If the licensee fails to submit the second-half payment prior to the due date, the license shall expire and all operations of the activity must stop; and

(d) Gross gambling receipts during the first-half payment period must not exceed fifty percent of the authorized class limitation for annual gross gambling receipts. Licensees whose gross gambling receipts exceed fifty percent of the authorized level shall be required to apply for a license at the appropriate license class as required by WAC 230-04-260 and pay the full upgrade fee, plus an administrative processing fee, as set forth in WAC 230-04-202 and 230-04-203.

Conditions of license issuance.

(5) All activities so licensed are licensed subject to compliance with all of the applicable provisions of chapter 9.46 RCW, including any amendments thereto, all applicable rules and regulations passed by the commission, all other applicable laws of the United States, the state of Washington and all political subdivisions of the state of Washington which include but are not limited to the following:

(a) Business licenses or permits;

(b) Health certificates;

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- (c) Fire inspections;
- (d) Use and occupancy permit; and
- (e) Liquor license or permit.

WAC 230-04-191 PERMITS REQUIRED FOR PERSONS CONDUCTING BINGO AT AGRICULTURAL FAIRS. Before bingo is conducted at an agricultural fair, by a person or persons other than members of the licensee, or employees or volunteers working solely for the licensee, the licensee shall obtain, in addition to its own license, the approval of the commission of, and a permit from the commission for, each such person to operate said games.

Permits shall be applied for by the licensee by fully completing and returning to the commission its application form entitled "application for permit to conduct activity at agricultural fair," together with the fee required for each permit. The licensee is responsible for the operation of each activity conducted under the authority of its license and any violation by any one of the operators of the licensed activities within the fair or any of the provisions of chapter 9.46 RCW, or any amendments thereto, or of the rules of this commission, shall be grounds for the suspension or revocation of both the license and any permits issued thereunder.

No activity for which a license is required shall be conducted other than by the licensee, its members or employees or volunteers working solely for the licensee without the required permit having been first obtained and being prominently displayed as required elsewhere in these rules.

Permits issued by the commission under this rule shall be for the duration of the fair but in no event shall exceed one calendar year.

WAC 230-04-193 PERSONS MAY OBTAIN AN ANNUAL PERMIT TO CONDUCT BINGO AT AGRICULTURAL FAIRS ONLY. (1) An operator of bingo games may apply to the commission for a permit approving that operator to conduct bingo games at licensed agricultural fairs only. Such a permit shall be valid only when such games are conducted under an agreement with a fair holding a bingo license from the commission.

(2) It shall not be necessary for a licensed fair to obtain a permit on behalf of an operator under WAC 230-04-191 when the operator possesses a permit including the applicable event and location which has been obtained under this rule. However, the management of each agricultural fair licensee shall not be relieved from full and concurrent responsibility for the fair and lawful operation of bingo conducted under the authority of its license and any violation by any one of the permittees of any of the provisions of chapter 9.46 RCW, or any amendments thereto, or of the rules of the commission, shall be grounds for the suspension or revocation of the license.

(3) Applications for these annual permits shall be submitted by the operator upon the application forms provided by the commission, and accompanied by the

required fee. All information required by the commission or its staff shall be submitted in accordance with the procedures and subject to the same conditions as an application for a license under these rules. A change in the information furnished to the commission shall be made known to the commission in writing by the owner or chief executive officer of the operator within ten days of the change.

(4) Persons holding these permits who have contracted with a licensee to operate bingo shall notify, in writing, the county sheriff of each county, or the chief of police of each city, in which he will operate these games, of the times and locations at which they will be operated not later than ten days prior to operating any such games in that jurisdiction. The employment records of the permittee shall be made available to such local law enforcement officers upon demand.

WAC 230-04-210 WITHDRAWAL OF APPLICATION.

An application for any license may be withdrawn by the applicant by submitting to the commission a written notice of withdrawal of the application. To be effective, such written notices must be actually received in the office of the commission in Olympia by 5:00 p.m. the day prior to issuance or denial of the license by the commission or its delegate.

The fact that an application for a license has previously been withdrawn shall not prejudice any future application for a license from the commission.

WAC 230-04-220 PRORATING AND REFUNDING OF FEES.

(1) Unless otherwise provided by law, there will be no prorating or refunding of any license fee subsequent to issuance of a license or permit for the following actions:

- (a) Discontinuation of business;
- (b) Voluntary surrender of a license or permit; and
- (c) When a license or permit has been suspended, revoked, or otherwise canceled.

(2) Upon denial, voluntary withdrawal or administrative closure of an application for license, adoption or change of trade name, or change of location, the commission shall retain that portion of the fee tendered therewith as is necessary to offset its costs of processing and investigating the application: Provided, That the commission shall retain the entire fee when an individual license applicant performs any or all portions of the duties for which a permanent license is sought.

WAC 230-04-230 INTENTIONALLY UNDERSTATING ANTICIPATED REVENUE – PROHIBITED.

It shall constitute grounds for revocation or suspension of a license if any applicant intentionally understates the anticipated gross or net receipts from a licensed activity for any purpose.

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WAC 230-04-260 EFFECT OF EXCEEDING LICENSE CLASS INCOME LIMIT – PROCEDURES – PENALTIES. During any annual license period, a licensee shall not exceed the gross gambling receipts limits set forth on the license, except as authorized by this section. The following procedures, limitations, and penalties apply to licensees that exceed limits for any license.

Anticipating gambling receipts limit will be exceeded.

(1) Each licensee shall monitor the level of gross gambling receipts received from each gambling activity. When a projection of year-to-date receipts, as applied to the remaining period of the license, indicates that it is reasonably likely that a license will be exceeded, the licensee shall immediately comply with the following:

(a) Apply for a license that authorizes the anticipated level of gross gambling receipts; and

(b) Submit the basic fee required for the new license, less the amount originally submitted for the previous license, plus a change of classification fee required by WAC 230-04-202 or 230-04-203.

(2) Any license upgrade issued by the commission shall be valid only for the remainder of the original term of the license.

Penalty for failing to apply for license upgrade.

(3) Any licensee that fails to comply with the requirements set forth in subsection (1) of this section and exceeds the license class limit within a present or previous license year, may be assessed an exceeding class fee not to exceed fifty percent of the difference between the fees for the present license class and the new license class or one thousand dollars, whichever is less. Upon written notice by the commission assessing an exceeding class fee, a licensee shall remit the proper fee plus all upgrade fees within twenty days. Failure to remit such fees may result in a summary suspension of all licenses held by the licensee pending a hearing for the suspension or revocation of such licenses.

Partial refund of license fees when gambling receipts limit is not achieved.

(4) A licensee shall be allowed to apply for a partial refund of its license fee when its annual gross gambling receipts are less than the minimum for the class of license issued. The amount of refund shall be the difference between fees actually paid to operate during the period and those fees that would normally apply to the level of gross gambling receipts actually received during the period. Such request shall be made after the end of any annual license period and prior to the end of the next annual license period.

WAC 230-04-270 BAD CHECKS SUBMITTED AS PAYMENT OF FEES. The payment of a license fee by a check, which for any reason is not promptly paid by the drawee bank, shall be grounds for immediate

administrative closure of a new application, voiding of a temporary license, or revocation of a continuing license. If an application or license is administratively closed, voided or revoked under this section, a new application must be submitted with fees payable only by certified check, money order, or cash. Upon notification that a check is not negotiable or when a check must be resubmitted for payment for any reason, the commission shall:

(1) Add a processing charge of thirty dollars to the required license fee; and

(2) Notify the applicant by phone or in writing that payment in full, by certified check, money order, or cash, must be remitted within five days of the notification date. If the proper fee is not received within five days, the commission will proceed with appropriate administrative action.

WAC 230-08-120 QUARTERLY ACTIVITY REPORT BY OPERATORS OF BINGO GAMES (LICENSE CLASS D AND ABOVE). Each organization licensed to conduct bingo games in Class D and above shall submit an activity report to the commission concerning the licensed activity and other matters set forth below.

(1) Licensees must report on activity occurring between:

January 1 through March 31;

April 1 through June 30;

July 1 through September 30; and

October 1 through December 31 of each year.

(2) A report shall be submitted for any period of time the activity was operated or a license was valid. If a license was not renewed, a report for the period between the previous report and the expiration date shall be submitted.

(3) The report form shall be furnished by the commission and the completed report shall be received in the office of the commission or postmarked no later than 30 days following the end of the period for which it is made.

(4) The report shall be signed by the highest ranking officer or his/her designee. If the report is prepared by someone other than the licensee or an employee, then the preparer shall print his/her name and phone number on the report.

(5) The report shall be completed in accordance with the related instructions furnished with the report.

WAC 230-08-250 ANNUAL ACTIVITY REPORTS BY AGRICULTURAL FAIRS AND OTHER BONA FIDE CHARITABLE OR NONPROFIT ORGANIZATIONS WITH SPECIAL LOCATION LICENSES TO CONDUCT BINGO, RAFFLES, AND AMUSEMENT GAMES. (1) Each bona fide charitable or nonprofit licensee for the operation of bingo, raffles, and amusement games conducted only at agricultural fairs and other special locations shall submit an activity report to the commission concerning the operation of the licensed activities and other matters set forth below for the period of their license.

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(2) The report form shall be furnished by the commission and the completed report shall be received in the office of the commission or postmarked no later than 30 days following the expiration date of the license. All persons operating by virtue of a permit issued by the commission shall furnish to the licensee in conjunction with whom the permit is used, all information with respect to their own operation which is needed by the licensee to complete its report not less than ten days prior to the time the licensee is required to file his report with the commission.

(3) The report shall be signed by the highest ranking executive officer or his designee. If the report is prepared by someone other than the licensee or his employee, then the preparer shall also sign the report.

(4) The report shall be completed in accordance with the related instructions furnished with the report.

RCW 9.46.0321 BINGO, RAFFLES, AMUSEMENT GAMES – NO LICENSE REQUIRED, WHEN. Bona fide charitable or bona fide nonprofit organizations organized primarily for purposes other than the conduct of such activities are hereby authorized to conduct bingo, raffles, and amusement games, without obtaining a license to do so from the commission but only when:

(1) Such activities are held in accordance with all other requirements of this chapter, other applicable laws, and rules of the commission;

(2) Said activities are, alone or in any combination, conducted no more than twice each calendar year and over a period of no more than twelve consecutive days each time, notwithstanding the limitations of RCW 9.46.0205: PROVIDED, That a raffle conducted under this subsection may be conducted for a period longer than twelve days;

(3) Only bona fide members of that organization, who are not paid for such services, participate in the management or operation of the activities;

(4) Gross revenues to the organization from all the activities together do not exceed five thousand dollars during any calendar year;

(5) All revenue therefrom, after deducting the cost of prizes and other expenses of the activity, is devoted solely to the purposes for which the organization qualifies as a bona fide charitable or nonprofit organization;

(6) The organization gives notice at least five days in advance of the conduct of any of the activities to the local police agency of the jurisdiction within which the activities are to be conducted of the organization's intent to conduct the activities, the location of the activities, and the date or dates they will be conducted; and

(7) The organization conducting the activities maintains records for a period of one year from the date of the event which accurately show at a minimum the gross revenue from each activity, details of the expenses of conducting the activities, and details of the uses to which the gross revenue therefrom is put.

NOTE:

A. **ALL PROFIT-SEEKING** Operators may only conduct bingo and amusement games and must possess permit and / or license as follows:

1. Bingo

a. Single **permit** under WAC 230-04-191 (application filed on their behalf by the Fair Management).

OR

b. Annual **permit** under WAC 230-04-193 (application filed by the operator prior to fair season).

2. Amusement games – annual license (obtained by the operator under WAC 230-04-190(2)).

B. **BONA FIDE CHARITABLE / NONPROFIT** Organization may conduct bingo, raffles and / or amusement games upon the site of and during the fair only under the following conditions:

1. Operates without license or permit if stays within limitations of RCW 9.46.0321 (see above).

2. Obtains a **license** from the commission for each activity desired (or, if already licensed, obtain approval for "change of location" or "one annual change of bingo premises" as the case may be).

NOTE:

If the **fair** management does not wish to have a profit-seeking operator conduct bingo, the fair management need not obtain a license for **any** of the authorized activities if it also operates within the limitations of RCW 9.46.0321. In other words, the fair **must** obtain a **license** if it does not stay within RCW 9.46.0321 limits and / or contracts a profit-seeking operator to conduct bingo whose permit is valid only under a fair's **license**. However, the profit seeking amusement games operator may not obtain its own **license** for that activity and the fair need not apply for a **license** to cover that operator.