

**WASHINGTON STATE
GAMBLING COMMISSION MEETING
THURSDAY, NOVEMBER 15, 2012
APPROVED MINUTES**

Chair John Ellis called the Gambling Commission meeting to order at 1:05 p.m. at the Tumwater Comfort Inn and Conference Center and introduced the members present.

MEMBERS PRESENT: **Chair John Ellis**, Seattle
 Vice-Chair Mike Amos, Selah
 Commissioner Michael Reichert, Maple Valley
 Commissioner Margarita Prentice, Seattle
 Representative Gary Alexander, Olympia (*arrived at 1:55*)
 Representative Timm Ormsby, Spokane (*arrived at 1:50*)

STAFF: **Rick Day**, Director
 David Trujillo, Deputy Director
 Mark Harris, Assistant Director – Field Operations
 Amy Hunter, Administrator – Communications & Legal
 Callie Castillo, Assistant Attorney General
 Gail Grate, Executive Assistant

Staff Accomplishment Richard Herrington, Recognition for 20 Years of State and Gambling Commission Service

Director Rick Day congratulated and thanked Richard Herrington for his 20-years of service with the state of Washington and with the Gambling Commission. He is the Agent-In-Charge (AIC) for the Criminal Intelligence Unit and oversees and manages the agency's computer forensic operations and internet investigations. AIC Herrington has a Bachelor of Science degree from the University of Portland. He served 15 years with the Lewis County Sheriff's Office specializing in undercover narcotics and conspiracy investigations before joining the Washington State Gambling Commission in 1992. He has worked undercover on professional gambling, bookmaking, and organized crime. AIC Herrington is the co-chairman of the international informal internet gambling task force and the investigative enforcement group. He is also the vice-chairman of the northwest region and a board member of the national Association of Law Enforcement Intelligence Network. He is involved in training law enforcement personnel in Europe, Canada, and the United States in internet and cyber investigations.

Chair Ellis thanked AIC Herrington for his service to the Gambling Commission. He then introduced Chairman Bill Iyall, of the Cowlitz Tribe, who was in the audience.

Agenda Review/Director's Report

Director Day briefly reviewed the agenda, noting there were no staff requested changes but there was one request from a petitioner. He pointed out a news article concerning online gambling and also a letter from the Lieutenant Governor appointing Senator Lisa Brown as an ex-officio member. He explained that Senator Brown had planned on attending this meeting, but was unable to make it to Olympia. Senator Brown did not run as a senator this year, so she would not be continuing in an ex-officio capacity in 2013. Director Day appreciated her interest even though she was unable to attend this meeting. The petitioner, Rockland Ridge and Galaxy Gaming, has requested their petition for rule change on the envy and share the wealth issue be held over until the January commission meeting.

Chair Ellis asked if there were any objections to deferring that matter until the January commission meeting; there were none. He approved the request from the petitioner.

Director Day noted there would be no commission meeting in December. Staff anticipates the January meeting will be two days, but he encouraged everyone to continue checking the website for updated information. The meeting is currently scheduled for Thursday and Friday, January 10 and 11, at the Comfort Inn in Tumwater, starting at 1:30 p.m. on Thursday and 9:30 a.m. on Friday.

He pointed out a letter addressed to former Commissioner Keven Rojecki that will be signed by the Commissioners and mailed to him.

Director Day explained that the memorandum from Rules Coordinator Susan Newer references a report to the Governor's office regarding the Executive Order Suspending Non-Critical Rule Development, also known as the rules moratorium. The report is due the end of January, but staff wanted the Commissioners to see it at this meeting so staff have the ability to meet the requested timelines from the Governor's office. The Governor extended her original order through the end of 2012; it was originally supposed to expire the end of 2011. The tables in the memorandum compare the two years. The Commission adopted six rule changes this year; one was a staff request resulting from a change in legislation, and five requests were from the public. Staff has ten public proposals under consideration and about 47 pending staff proposals, which have stacked up as a result of the two rules moratoriums. One area staff are looking at is the amusement game sections. It has been a long time since staff actually looked at how those amusement game sections apply and work in Washington State, so there are a number of areas that need to be updated and brought current with modern times. Those sections should come to the Commission next year unless the new Governor renews the moratorium.

Update from Evergreen Council on Problem Gambling *(PowerPoint Presentation)*

Director Day explained staff is planning about three separate presentations to bring the Commission up-to-date regarding problem gambling, prevention, and treatment efforts in

Washington. He introduced Maureen Greeley from the Evergreen Council on Problem Gambling, who would be giving the first presentation.

Executive Director Maureen Greeley, Evergreen Council on Problem Gambling (ECPG), explained she would be providing the Commissioners with highlights of their past year, and the entire history of the ECPG. Director Greeley provided packets of information with lots of reading material for the future, explaining she was not going to go over all of that material, but would provide some of the highlights. The Evergreen Council on Problem Gambling is a nonprofit organization that was formed in 1991 to provide programs and services and to advocate for programs and services by people who are affected negatively by problem gambling. She emphasized that the ECPG is not anti-gambling; it understands the economic benefits that gambling has brought not only to Washington State, but also to many places in the country and across the globe. ECPG works in partnership with many gambling industry members to bring awareness of problem gambling and the responsibility of taking care of people who are in need of help and services for problem gambling. Director Greeley highlighted a number of key areas that included treatment, training, awareness and prevention, research, and advocacy. There is state-funded treatment for problem gambling, plus ECPG also provides funding for treatment for problem gambling and provides a 24/7 helpline number that is answered by a live person and has translation services for those who do not speak English well. ECPG also provides the only funding for residential treatment in the state of Washington; however there is no residential treatment facility for problem gamblers in the state of Washington. So ECPG provides out of state funding for Washington residents whose treatment providers feel that residential treatment is necessary for their recovery. ECPG contracts with three different treatment providers: one in Oregon, one in Louisiana, and one in Minnesota. It also does audits of those facilities every other year. Currently ECPG is trying to locate a chemical dependency program that has beds in the state of Washington that might want to branch out and include problem gambling in the future.

Director Greeley was excited to share that ECPG launched a therapeutic justice program in Washington this year in conjunction with Pierce County Superior Court drug court. This is the first of its kind in this state. There is only one problem gambling court in the United States, which is in Amherst, New York. Judge Farrell of that Court came out and worked with the ECPG. It took about three years but the ECPG now has the full support of the judges, prosecuting attorneys, defense attorneys, and the counselors in the drug court system. ECPG received a very large donation from the Puyallup Tribe to fund this, as well as a grant from the Department of Justice, in partnership with the Lakewood Police Department, which will launch the first three years of the program. ECPG wanted to make sure it had funding for at least three years so it could do outcome measurements to make sure this program succeeds as it moves forward. ECPG hopes to roll it out into other superior courts throughout the state.

Treatment in Washington State is one of ECPG's challenges. The State Problem Gambling Program funds outpatient treatment, but there are only about 25 treatment providers currently in Washington State, mostly in large metropolitan areas, which is not nearly enough. It is not

difficult to find treatment in Seattle, Tacoma, or Spokane; however it can become very difficult to get treatment in many of the rural areas. There are still gaps in service that need to be addressed. The ECPG, as well as the state, supports outpatient treatment for individuals, families, couples, group treatment, and case management.

The ECPG also provides training and has a certification program for treatment providers, mental health providers, chemical dependency treatment providers, and psychologists who want to become certified problem gambling treatment providers. It also puts on two training conferences a year; one is the Four Directions Conference and the other is Focus on the Future. However, in 2013 the ECPG will not be having Focus on the Future as it will be hosting the National Conference on Problem Gambling in Seattle. Director Greeley invited everyone to participate. She was happy to report that the ECPG has had a long-standing partnership with the Gambling Commission and hoped to be able to highlight some of those partnership activities next year during the Conference, which will be in July of 2013.

The ECPG also participates in the Gambling Commission's new agent training. Director Greeley recognized and thanked Ron Baldwin and the Gambling Commission for giving her time on the agenda to spend with the new agents talking about problem gambling and responsible gaming. The ECPG has a training and certification program for responsible gaming, and launched the first program with the Tulalip Tribe. Director Greeley is in the process of scheduling training for 1,600 employees at the Tulalip Casino on responsible gaming. The ECPG worked closely with the Tribal Council, with the CEO and staff at the casino, and with the Tribal Gaming Agents, to ensure that everyone felt comfortable with what the training will be, and so that it will be tailored to their needs as well as providing the information that the ECPG wanted. Director Greeley anticipated there would be at least four to six months of training in that program. The ECPG also does a lot of prevention and education programs. One of their youth campaigns is being done with KUBE 93 radio, which is the demographic for 18 to 24 year olds. There is also an awareness campaign called the Youth Problem Gambling in the Arts, which has been put on for several years, and has received some partnership funding through the Division of Behavioral Health and Recovery for that program.

Getting help in Washington is possible and getting information is possible. The 24/7 toll-free number is the easiest way to do that. But social media is becoming more and more important, so the ECPG has launched a lot of social media initiatives on Websites, Blogs, Twitter, and Facebook. The ECPG is currently looking at chat rooms as an alternative to the help line because more and more people are seeking help through the internet rather than through a telephone.

Director Greeley highlighted the KUBE program, which is part of a youth program already in process in partnership with KUBE 93FM radio. ECPG has had some radio spots already, and has been doing a lot of social campaign work with the radio station, specifically for the 16-24 year old demographic. The ECPG is also working with DECA, which is a program within the high schools that works with youth who are interested in business management, marketing,

financial management, entrepreneurship. There are nine DECA groups that competed by creating their own peer-to-peer communications programs around problem gambling and underage gambling. Three of those groups were selected and their campaign will be launched on KUBE radio and the website in about three weeks with some amazing elements. They will create an on-air radio program, with the help of KUBE, and have created online banners and social media components, as well as components within their high school like posters and elements they can put up. The elements have become very sophisticated and include: home page wings, pushdowns, and banner ads; all sorts of elements that will draw people to this. They can link directly to a page that gives information about problem gambling and underage gambling. The ECPG has been using "Know the Real Score About Gambling." Eric Powers really bought into this program and has been the on-air personality and has been fantastic in this program. There will be ads throughout the website that were created by KUBE and will be replaced by the student artwork that was just created. Anyone who comes to the site and keys in the word "gamble" will find the portal page that will lead them to the ECPG site, as well as to more information within the KUBE site. Some of the students have already put posts on Facebook for their own information, whether or not they won the campaign yesterday. The winner will receive \$500 for their school DECA program and will get to tour the KUBE studios. So not only will they get it produced by KUBE, but they actually get to come in and experience what it is like to develop marketing in a communication studio. It has been very popular with the students. The second version of this will be launched after the first of the year with the Lake Washington School District, in partnership with the Muckleshoot Indian Tribe. This looks like it is a campaign that is very exciting to students, and Director Greeley hoped to continue it throughout the next year.

Director Greeley reported on the state of problem gambling in Washington State and the state of problem gambling in the nation. She was very excited that Washington State's new Problem Gambling Program Manager, Cheryl Wilcox, is in the audience. Ms. Wilcox started in October and the ECPG is thrilled to have her onboard. The ECPG went for more than a year without a State Problem Gambling Program Manager. Ms. Wilcox comes to the ECPG with a lot of great experience and passion, and Director Greeley has already had some very good opportunities to work with her. One of those opportunities is to take a look at the WACs on the problem and pathological gambling services because there was a hole in it that really needed to be changed. The Problem Gambling Advisory Committee also helped with this project. To date, problem gambling treatment providers on contract with the state have not been required to be certified problem gambling treatment providers, which is a hole that ECPG wants to change. They have submitted new wording to go to the legislators this next season to make that important change.

The Division of Behavioral Health and Recovery (DBHR) provides primary funding for outpatient treatment, but the ECPG is a backup partner. In the past few years, state budgets have been very tight and the ECPG has been able to fill a gap when the state contracts were not able to continue throughout the biennium. The ECPG will be there again this year, if that is necessary. The other issue within Washington State is maintaining a high profile, or any profile for that matter, for problem gambling. There has been a lot of discussion going on about integrating

services: mental health, behavioral health, alcohol, and drugs. But often problem gambling gets lost in the shuffle. The ECPG really has to fight for funding and has to fight for a place at the table in those discussions. Director Greeley thought Ms. Wilcox would be a very strong voice to fight for that, as well as general awareness.

There is also an issue on the national level. The ECPG has tried for several years to get the Comprehensive Problem Gambling Act passed, but it has not been successful, even with a lot of support in both the House and the Senate. Director Greeley thought there was a possible shift in that to work with SAMHSA, the National Institute of Health, and the National Institute of Mental Health to keep problem gambling awareness high. Researchers in problem gambling are having a very hard time getting funding, but if problem gambling is removed from the discussion and they talk just about addictions and behavioral health, they receive the funding. So there needs to be an awareness change so more research can be done in this area.

Another area that has been specifically talked about is internet gambling and the laws around internet gambling. While the U.S. laws prohibit internet gambling across state lines, there has been a lot of changes when looking at the application of the Federal Interstate Wire Act and how that relates to sports wagering. There is a lot of gray area that needs to have attention paid to in the future. There are hundreds of online sites that are now operating. The consumer has become more aware, in part due to the work the Gambling Commission has done in our state, which has been very helpful. People are paying more attention to where they are willing to take a risk; if they are willing to gamble online and if they are willing to give up privacy information online when they do not know what the security levels are. That has been some very good awareness, but there is a lot more to do there. Underage gambling on the internet is clearly an issue that is very hard to address when they can gamble in their own home and they do not have to provide certain types of information that can protect them from that. It is a big issue that need to be looked at. There are a lot of grooming sites on the internet that teach children how to play different games so that when they become 18 or 21, they are more comfortable going online and playing. There is nothing wrong with knowing how to play a game, but everyone needs to be very careful on those sites and know how they are being run.

Research and studies are being done that show that access to gambling on the internet may be causing some additional problems with pathological gambling. People can gamble all day long, wherever they want to, whenever they want to, on a PDA or on a computer. Director Greeley asked if there were any questions or any further information the Commissioners would like her to provide.

Chair Ellis thanked Director Greeley, adding that the Gambling Commission has found the partnership with the Evergreen Council on Problem Gambling to be extremely valuable in addressing the developing problems. He agreed it was still a long way from having the recognition, as well as the treatment and prevention that it needs. He asked if there were any questions.

Commissioner Michael Reichert asked about the demand for residential treatment and if Director Greeley had any idea how many beds or units might be needed. **Director Greeley** replied that this year alone, the ECPG has placed 15 people in residential treatment. They look very carefully at that and do not place everyone who requests it, but works very carefully with that person's treatment provider to ensure that residential treatment is truly what that person needs. Director Greeley hoped that next year they would be able to start intensive outpatient treatment, because some people do not need to go to residential; they really need more intensive outpatient treatment, but there are no intensive outpatient programs (IOP) in Washington State. The ECPG is currently working with Providence St. Peter Hospital in Olympia, and it looks like their Chemical Dependency Center is going to open an IOP in the next year. It is very expensive to send people to residential treatment. It is very important to have it available, but they want to make sure that someone really needs it if they are going to use the service. **Commissioner Reichert** asked if there were any demographics regarding how active military or veterans are impacted by gambling. **Director Greeley** replied there has been some research done in that area, which shows that current active military and veterans are at an increased rate of vulnerability for pathological and problem gambling. They have access to an incredible amount of money when they are deployed, and they do not always have anything to spend it on. There are also gambling facilities on many overseas bases. There is a significant issue both with problem and pathological gambling, and with domestic violence and other issues that it brings into the homes when they return from their deployment. **Commissioner Reichert** commented that in his work at Catholic Charities he is aware that the Seattle/King County area, the Puget Sound area, is going to be the sixth largest recipient of veterans coming out of the Afghan war. So it could be a major problem in a number of areas. **Director Greeley** said that in the past year, the ECPG has gone to Whidbey, to Bremerton, met with the National Guard, and been to Joint Base Lewis McChord. There is interest, but there has not yet been a lot of activity around making sure that services are available in those areas, so there is going to be some major work to be done there.

Director Day asked if Director Greeley had any idea of what Washington was looking at in terms of prevalence from what she has seen and the information she has been working with. He did not believe there had been any survey type prevalence information done recently. **Director Greeley** replied the last prevalent studies in Washington were done in 1998 and 1999, and the Lottery helped fund those prevalent studies. Where other prevalent studies have been done, they seem to show very similar numbers no matter if they are in this country or outside this country. The prevalence tends to be somewhere between 2 and 4 percent of the adult population that will have a problem or pathological gambling risk. When the last prevalence study was done, it showed about 8 percent of adolescents in Washington, which was double the adults. Underage gambling happens; it is a population that is testing waters and boundaries. Fortunately, most people are lucky enough to get beyond that time period and maturity happens for most. People decide that some of those things that were fun risks to attempt when they were adolescents are not so much fun when they are trying to save up money for a car or something else. Director Greeley would like to see further research done in that area, because the internet is going to change that and those percentages will probably go up with internet gambling.

Chair Ellis thought that, given the amount of dialogue, planning, and development of business models that is going on at the federal level and nationally with the potential for internet gambling being legalized, that will be driving those numbers significantly up and giving a broad range of youths and others the idea that gambling is quite all right. **Director Greeley** replied that gambling is quite all right. **Chair Ellis** agreed. **Director Greeley** reiterated that the ECPG is not anti-gambling; it recognizes that most people can enjoy gambling for recreation and entertainment. But when they are one of that small percentage, they do not care that it is a small percentage because it can be very devastating to them. That is why the ECPG wants to ensure there are services available. Director Greeley said the ECPG always appreciates its partnership with the Commission, and are hopeful that in the very near future it will be entering into a new partnership with the Gambling Commission on some very important awareness campaigns through Fisher Communications. Underage gambling will be the first campaign, and then they hope to have a second one right before the end of the biennium. Director Greeley hoped the Commission would all attend the National Conference next year and celebrate the good work that ECPG has done in Washington and with colleagues across the country.

Chair Ellis thanked Director Greeley for her presentation and welcomed Cheryl Wilcox. He said the Commission was very glad the state now has her as program manager for Evergreen Council on Problem Gambling. He asked if there was anything Ms. Wilcox would like to add to what Director Greeley had said. **Ms. Cheryl Wilcox** said (from the audience) that she did not have anything to add; that she would probably be back for the January or February meeting. **Chair Ellis** said he would look forward to it.

Remote Conferencing Ability (*PowerPoint Presentation*)

Director Day explained that, when feasible, the Commission is statutorily directed to use an alternate meeting format, rather than in-person meetings. In the past, the Commission has tried conference calls and found the available technology and cost very limiting on the ability to continue the participation in the meeting, and to make sure there is always a quorum when voting. Since technology changes, Administrator Tom Means, from our Information Technology Division, will be giving a report on the direction he is looking at to give the Commission an idea of where it is going. Hopefully, this is technology that can be made more available as time wears on. Director Day said the Commission was fortunate to have Tom Means as its Technology Administrator. He is not only very knowledgeable, but also a very wise man.

Mr. Tom Means reported that he was asked to research remote conferencing as a possibility for the Commission meetings in the future. One of the driving factors is RCW 43.03.250, which mandates Class Four groups, when feasible, to use an alternative means of conducting a meetings; in other words, to have some kind of remote conferencing. There are four different options as far as remote conferencing is concerned:

- Audio Conferencing, which is the most basic, would be a telephone or speaker phone at each location. It works well, but it has some limitations.

- Web Conferencing, which is a newer technology, is primarily used to give presentations over the web. There are two basic forms of web conferencing:
 - Webcast, which can be live or delayed. Basically, it is just presenting information over the internet or the web to various locations. Typically, audio is still done over a telephone; although, it can be done over a computer as well.
 - Webinar, which is normally live, and is more interactive than the basic webcast.
- Video Conferencing, which is more advanced, is primarily audio and video like TVW broadcasts. It requires more bandwidth; a higher speed circuit to run between various locations. It is also quite a bit more interactive and allows people to actually see who they are talking with and who they are presenting to. An example of a consumer version of video conferencing would be Skype, which our service members are using back and forth with their family members. It is a great technology for that purpose, but probably not for the Commission's particular needs.
- Telepresence, which is video conferencing on steroids. It is the most expensive and most complex. It would be similar to the commercials on TV with Cisco where there is a remote office and three or four wide screen TVs. It is almost as if they right there in the room. Telepresence is probably not something the Commission will look into, as it is quite expensive.

The first three conferencing technologies mentioned (Audio, Web, and Video) are currently available through Washington State's Consolidated Technology Services (CTS) Department. The Commission is not mandated to use CTS if a cheaper alternative is found. Mr. Means said he would be looking at that as he goes forward in the research. If CTS does not offer the best rates, he would obviously look at other vendors for the technology. Currently, in-house the Commission has used live video streaming a couple of times for recognition celebrations, doing a live feed from Headquarters office to remote field offices. Staff is not able to interact, but can remotely participate in the celebrations. Staff has used WebEx to conduct some meetings so field staff do not have to travel. In these lean budget times, agencies are looking to save as much money as they can, so one of the benefits would be reduced travel costs. It fills a communication gap; so instead of being face-to-face, technology can be used to bring others into the meeting. In certain cases it is more convenient, especially for the person who does not have to travel several hundred miles to a meeting.

There are a number of challenges in setting up something like this:

- It would require some kind of high-speed circuit, and would be dependent on the venue of whether the facility has a circuit that is fast enough to meet the Commission's needs.
- There could be delays with the quality of the transmission with the circuit. It would be similar to the news when a reporter is reporting from a remote location, often there is a delay before they talk back and forth.
- The cost of the equipment, software, and services that might be needed are also challenges.

- One or two operators would be needed at the main location to operate the equipment, depending on how complex it is. It is hard to troubleshoot in real time. Probably the most significant thing would be if one of the Commissioners was in a remote location and lost the circuit, the Commission could potentially lose their quorum. That would have a tremendous impact on a meeting.
- Another difficulty would be having just audio and not having any visual cues. The Commission would not be able to see the person they were talking to. Most people are visual types who want to see what the person's thinking when they are talking with them.
- Something else to consider is how the meeting would be recorded. If someone is brought in remotely on a video conference, there would need to be more screens in front of the Commissioners at the meeting so they could see the person rather than having to turn around and look at a screen behind or to the side of them.
- Those are some of the issues at the primary meeting location. There would be similar challenges at the remote location.
 - Dependent on the circuit they have at their home or office, do they have a computer or web camera available, or would the Commission have to provide it.
 - They may not be able to hear or see everything that is happening at the meeting location, particularly if there is only one camera being used.
 - They would not be able to see everything that is going on around the meeting room.
 - Depending on the quality of the transmission, troubleshooting, and if the connection is lost, the Commission could lose their quorum.

Mr. Means said he planned on doing more research to see what would be the most viable and cost-effective options and what other agencies are or are not doing and their experience with the technology. Mr. Means has received correspondence from about ten agencies and hopes to receive more. Once he gets all of that, he will potentially request quotes and proposals, and then after some brainstorming at headquarters, might consider putting it in the Commission budget and potentially have a decision package come forward in the spring. Mr. Means asked if there were any questions.

Chair Ellis noted for the record that Representative Timm Ormsby of Spokane, an ex-officio member of the Commission, had arrived.

Chair Ellis asked if Mr. Means had gotten enough information yet to get a sense of the extent of which video conferencing or other forms of remote conferencing were being used by other state agencies. He thought it was a great idea to be collecting information about what other agencies have done or are doing. **Mr. Means** replied he actually had received information from other agencies, which ran the gambit from the very basic Skype type of systems for small meetings to DSHS and Department of Health actually have quite extensive capabilities. He talked with the Department of Health at length and they actually have remote conferencing centers around the state that people can go into and be connected back to the main headquarters to conduct conferencing. Obviously, their budgets are significantly greater than the Gambling

Commission's so they can spend more money to set those up, plus their constituency is greater so they have a greater need to have that kind of set up. DSHS is a similar situation. One thing he found from the ten responses was that not a whole lot of agencies really have the public kind of meeting the Gambling Commission has. The majority of their remote meetings are for in-house meetings among their own staff. Occasionally, they have public meetings, but they are really not using it a whole lot for that.

Chair Ellis asked if there were any other questions; there were none. He thanked Mr. Means for his presentation.

Approval of Minutes – October 11, 2012, Regular Commission Meeting

Chair Ellis asked if any of the Commissioners had any comments or changes to be made to the draft minutes; there were none. He called for a motion.

Commissioner Amos made a motion seconded by **Commissioner Reichert** to approve the minutes from the October 11, 2012, Commission meeting as submitted. *Vote taken; the motion passed with four aye votes.*

New Licenses and Class III Certifications

Deputy Director David Trujillo reported there were no changes or unusual items to note on the November 2012 Commission approval list of new licenses and Class III certifications. Based upon the licensing investigations, staff recommends approving all new licenses and Class III certifications listed on pages 1 through 20.

Commissioner Amos made a motion seconded by **Commissioner Reichert** to approve the new licenses and Class III certifications listed on pages 1 through 20. *Vote taken; the motion passed with four aye votes.*

Defaults:

Ms. Amy Hunter reported that neither of the card room employees are currently working in a capacity that would require they have a gambling license.

Dustin T. Foster, Card Room Employee, Revocation

Ms. Hunter reported the Director issued charges to Mr. Foster based on his pending legal problems in Kent Municipal Court, including seven counts for Unlawful Issuance of a Bank Check and seven counts for Theft in the Third Degree. These charges stem from when Mr. Foster wrote seven checks worth over \$4,000 on a closed account in exchange for cash from a disabled adult friend. That criminal case is still pending. Mr. Foster waived his right to a hearing by not responding to the charges. Staff recommends the Commission revoke Mr. Foster's card room employee license.

Chair Ellis asked if there were any questions; there were none. He asked if Dustin T. Foster or a representative was present; no one stepped forward. He called for a motion.

Commissioner Amos made a motion seconded by **Commissioner Reichert** that the Commission revoke the gambling card room employee license for Dustin T. Foster. *The vote was taken; the motion passed with four aye votes.*

Lan N. Nguyen, Card Room Employee, Revocation

Ms. Hunter reported that surveillance video showed Ms. Lan Nguyen taking another card room employee's cell phone in the break room where she worked at Goldie's. When she was interviewed by a Commission agent, Ms. Nguyen denied that she took the iPhone 4, but did admit she paid the victim \$500 for the phone. The order shows there were a number of unusual hand gestures with this phone, which was recorded. The Deputy Director issued charges to Ms. Nguyen based on her taking the cell phone. Ms. Nguyen waived her right to a hearing by not responding to the charges. Staff recommends the Commission revoke Ms. Nguyen's card room employee license.

Commissioner Amos asked if the two people were related. **Ms. Hunter** responded that they were not related; that Nguyen is a very common last name, similar to Smith as a last name.

Chair Ellis asked if there were any questions; there were none. He asked if Lan N. Nguyen or a representative was present; no one stepped forward. He called for a motion.

Commissioner Amos made a motion seconded by **Commissioner Reichert** that the Commission revoke the gambling card room employee license for Lan N. Nguyen. *The vote was taken; the motion passed with four aye votes.*

Rules Up For Final Action

Staff Proposed Rule Change – Inspecting your criminal history record information

- a) Amendatory Section: **WAC 230-21-001** Purpose
- b) New Section: **WAC 230-21-030** Inspecting your criminal history record information

Deputy Director Trujillo reported that staff was proposing this package to bring the Gambling Commission rules in line with Engrossed Senate Bill 6296, which became effective June 7, 2012. This applies to criminal justice agencies. The Engrossed Bill requires criminal justice agencies to have a mechanism for people to come and take a look at their records that are on file. New language added to WAC 230-21-001 will say "and to the Criminal Records Privacy Act, Chapter 10.97." WAC 230-21-030 lists seven protocols for people that want to look at their records that are on file within the Gambling Commission offices. Staff have not received any statements in favor of or opposing this rule change. Staff recommends final action.

Chair Ellis asked if there were any questions; there were none. He called for public comment; no one stepped forward so he closed the public hearing concerning this petition and asked if there was a motion.

Commissioner Amos made a motion seconded by **Commissioner Reichert** that the Commission amend WAC 230-21-001 and add the new section WAC 230-21-030 effective January 1, 2013. *The vote was taken; the motion passed with four aye votes.*

Chair Ellis indicated for the record that Representative Gary Alexander, an ex-officio member of the Commission has joined the meeting.

Petition from the Public: Rockland Ridge Corp and Galaxy Gaming – Allowing “envy” and “share the wealth” “bonus features” to be connected to multiple tables of various card games in a house-banked card room

- a) Amendatory Section: **WAC 230-15-040** Requirements for authorized card game
- b) Amendatory Section: **WAC 230-15-685** Restrictions on progressive jackpots

Chair Ellis explained the petition from Rockland Ridge and Galaxy Gaming had been set over at the request of the petitioners until the January Commission meeting.

Director Day stated that the Commission just received two letters on this petition: one from Representative Richard DeBolt and the other from Representative Sam Hunt. Both letters encouraged postponing this petition until the Legislature has the opportunity to review it. Both of those letters will be included in the rules packet.

Other Business/General Discussion/Comments from the Public

Chair Ellis opened the meeting for other business and public comment; there was none.

Executive Session to Discuss Pending Investigations, Tribal Negotiations and Litigation

Chair Ellis called for a 15 minute break at 2:05 p.m. He announced that the Executive Session was expected to last approximately one hour and that at the end of the executive session the public meeting would be resumed solely for the purposes of adjourning. At 2:20 p.m. the Commission went into an Executive Session to discuss pending investigations, tribal negotiations, and litigation.

Adjourn

Chair Ellis adjourned the meeting at 2:40 p.m.

Minutes prepared by:
Gail Grate, Executive Assistant