



## July Commission Meeting Minutes

**Location of Meeting:**

Red Lion Hotel  
18220 International Blvd.  
Seattle, WA 98188

**Meeting Date:**

July 13 & 14, 2016

**Commissioners Present:**

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

**Ex Officios Present:**

Senator Steve Conway  
Representative Christopher Hurst

**Staff Present:**

Amy Hunter, Deputy Director  
Tina Griffin, Assistant Director – Licensing Regulation and Enforcement  
Brian Considine, Staff Attorney  
Julie Lies, Tribal Liaison – Tribal & Technical Gambling  
John Meader, Assistant Attorney General  
Julie Anderson, Executive Assistant

**July 13, 2016**

Educational Training – Poker & Wagering demonstration was held at the Silver Dollar Casino in SeaTac. Poker wagering demonstration was presented by Special Agent, Bill McGregor. Special agents at the table were Josh Stueckle (dealer), Dan Frey, Rick Schulte and Jess Lohse.

Commissioners present: Chair, Bud Sizemore, Vice-Chair, Julia Patterson, Chris Stearns, Ed Troyer, and Kelsey Gray.

The education and training demonstration started at 1:00 and adjourned at 4:15. There was no public comment and no action was taken.

**Commissioners Gray and Stearns thanked the Silver Dollar and Victor Mena for hosting the event.**

-PUBLIC MEETING-

**July 14, 2016**

Welcome

*Bud Sizemore, Commission Chair*

Chairman Bud Sizemore called the Gambling Commission meeting to order at 11:00 a.m. at the Red Lion, SeaTac and introduced the members present.

Chair Sizemore announced the Commission meeting would immediately go into Executive Session to **Discuss Pending Investigations, Tribal Negotiations and Litigations** and adjourned at 11:05 AM.

The Commission meeting reconvened at 1:05 pm and Chair Sizemore welcomed everyone back to the public portion of the meeting.

There were about 50 audience members.

The audience was receptive of the “Going Green” concept, which means that we will have less and less paper at future Commission meetings.

The agenda was adjusted to accommodate Vice-Chair Patterson’s schedule. She had to leave the meeting at 2:30.

**Assistant Director Tina Griffin** presented and gave Commissioners’ an update on Group 12 amusement games. This portion of the agenda started with Tab 2.

### **Tab 2**

#### **Group 12 Amusement Games- Electronic Puzzle and Pattern Solving Game**

- WAC 230-13-067 Group 12 Electronic Puzzle and Pattern Solving Game Standards.

This rule was up for discussion only. There was no action needed at this meeting. The rule will be up for Final Action in August.

### **Tab 3**

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

- WAC 230-13-075 Assigning and reporting group numbers of authorized amusement games.
- WAC 230-13-170 Recordkeeping for commercial amusement games. Staff recommended filing Version 2.
- WAC 230-07-125 Recordkeeping requirements for lower volume charitable or nonprofit organizations. Chair noted the term “gambling” seemed to be missing between “gross receipts.” He suggested this be changed.
- WAC 230-13-005 Amusement games authorized. Staff recommended filing Version 2.

*Vice-Chair Patterson moved to file the respective version 2’s and to file 230-07-125 with “gambling” added.*

*Commissioner Stearns seconded the motion.*

*The motion passed unanimously.*

*Up for Final Action in September.*

#### **Tab 4**

##### **Group 12 Amusement Games-Licensing**

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

**Chair Sizemore** called for public comment. There were no comments regarding these rules. The rules will be up for Final Action in August.

**Chair Sizemore** called for public comment for the four group 12 rules up for discussion and Pat Tompkins, Sound Amusements and Joan Mell, Attorney for ADOW spoke in opposition of the rule changes for the Group 12 amusement games.

#### **Tab 7**

##### **Petition from Pat Tompkins**

##### **Repeal Certain Group 12 Amusement Game Requirements**

- WAC 230-13-135 (2) Maximum wagers and prize limitations.
- WAC 230-13-010 Approval of new amusement games (Repeal certain portions).
- WAC 230-06-110 (6) Buying selling, or transferring gambling equipment.
- WAC 230-05-030 (10) Fees for other businesses.
- WAC 230-05-030 (11) Fees for other businesses.
- WAC 230-03-190 (1) Applying for a distributor license.
- WAC 230-03-185 (1) (c) Applying for a manufacturer license.
- WAC 230-13-080 (4) Operating coin or token activated amusement games.

Pat Tompkins spoke in support of his petition. He said Group 12 amusement games should not be discriminated against. They should be treated like the other 11 groups.

*Vice-Chair Patterson moved to deny the petition request presented.*

*Commissioner Kelsey Gray seconded the motion.*

*A few reasons given were that these rules were put into place because the amusement games were not operated as anticipated. These petitions would undo six months of work and consideration that went into their passage.*

*The motion passed unanimously.*

#### **Tab 8**

##### **Petition from Jesse Stiltner-Change Definitions Related to Amusement Games**

- WAC 230-13-170 Recordkeeping for commercial amusement games.
- WAC 230-13-175 Recordkeeping for unlicensed charitable and nonprofit amusement games.
- WAC 230-06-200 Defining “gambling equipment.”

**Chair Sizemore** called for public comment. Jesse Stiltner spoke in support of his petition and asked the Commission to remove the word “gambling” from gross gambling receipts related to amusement games to make it clear that amusement games are not gambling.

*Vice-Chair Patterson moved to deny the petition request presented.*

*Comissioner Petterson explained that removing “gambling” would create an undefined term. However, it is worth looking at in the future. To change it now would confuse things. Commissioner Kelsey Gray seconded the motion. The motion passed unanimously.*

**Tab 5**

**Petition from Theresa Malphrus – Poker Wagering:** Theresa Malphrus explained the rake and player supported jackpot. She thanked the Commissioners for taking the time to go the Silver Dollar to get a better understanding of wagering. She spoke about her cardroom. She said she was requesting no limits on the rake because she offers a game that is fairly rare, but highly sought after. She felt players would pay a higher rake for this game, but ultimately the market will dictate the rake amount. One of the reasons for the request for rule changes is in anticipation of the minimum wage labor increases in November. This petition will be up for final action in August.

**Tab 6**

**Petition from George Teeny – Poker Wagering:** George Teeny explained his reasons for the rule change. He wants to raise the wager limit from \$40 to \$100 for Class “F” card rooms and to \$300 for house-banked card rooms. Senator Conway asked Mr. Teeny about the poker limits in Oregon. This petition will up for final action in August.

**Tab 1a**

Director’s Report: Deputy Director Amy Hunter gave the Director’s report because Director Trujillo is on annual leave until July 18. It was the first meeting Dave has missed in over 10 years.

**Tab 1b**

**Eliminate Charitable and Nonprofit Organizations’ 15 voting member requirement.**

Legislative Liaison Brian Considine presented two ideas for Agency Request Legislation. The first request is to remove the 15-voting member requirement needed by charitable or nonprofit organizations to engage in gambling activities. These organizations would still need to meet all other requirements in statute and rule, including the requirement they be in existence for at least 12 months before they could be licensed for gambling.

**Civil Immunity for Special Agents.**

The second proposal for Agency Request Legislation is to provide immunity for special agents if they take action to prevent physical harm to a person or substantial property damage. Park Rangers received this immunity in a bill which passed last session. Park Rangers are limited authority law enforcement officers, similar to Commission agents.

Brian Considine will work on stakeholder outreach over the next few months.

**Tab 1c**

Assistant Deputy Director Tina Griffin presented the Western Washington Enhanced Raffle Results. Special Olympics had a net loss of approximately \$3300 on a raffle that was only

opened to past participants of their house raffles. Special Olympics Communications Director Dan Wartelle was available for questions. Commissioner Troyer asked if the numbers were correct (they were). Commissioner Stearns asked if the Special Olympics would do another raffle of this type and the answer was no. Mr. Wartelle said they would continue to do the house/enhanced raffles.

### **Tab 9 New Licenses and Class III Employees**

Assistant Director Tina Griffin presented the materials for the New Licenses and Class III Employees.

*Commissioner Stearns moved to approve the New Licenses and Class III Certifications as presented in the packet.*

*Commissioner Kelsey Gray seconded the motion.*

*The motion passed 4-0.*

*Commissioner Julia Patterson was not present for the vote.*

### **Class III gaming approval.**

Assistant Director Tina Griffin presented the materials for the Class III Gaming list. Staff recommend approval of the Snoqualmie Class III Gaming Employees listed in the packet.

*Commissioner Kelsey Gray moved to approve the Class III Gaming Employee Licenses.*

*Commissioner Troyer seconded the motion.*

*The motion passed 3-0.*

*Commissioner Stearns abstained.*

*Commissioner Patterson was not present for the vote.*

### **Tab 10 Defaults**

Brian Considine presented the Defaults and the Commissioners.

Chea-

*Commissioner Gray moved to revoke the Class III Certification for Chamroeun Chea.*

*Commissioner Stearns seconded the motion.*

*Motion passed 4-0.*

*Commissioner Patterson was not present for the vote.*

Dragon Pearl-

*Commissioner Stearns moved to deny Dragon Pearl's licensure application.*

*Commissioner Gray second the motion.*

*Motion passed 4-0.*

*Commissioner Patterson was not present for the vote.*

### **Tab 11 Minutes**

*Commissioner Gray moved to adopt March, April and May Commission meeting minutes as presented.*

*Commissioner Stearns seconded the motion.*

*The motion passed.*

*Commissioner Patterson was not present for the vote.*

There was public comment from Joan Mell. Senator Conway and Ms. Mell had some discussion about “expansion of gambling” and then agreed to discuss the topic later.

Meeting adjourned at 3:46 p.m.