

CARD ROOM CONNECTION

OFFICIAL NEWSLETTER OF THE WASHINGTON STATE GAMBLING COMMISSION
FOR CARD ROOM OPERATORS AND CARD ROOM EMPLOYEES

January - June 2007 Edition

House-Banked Card Rooms Internal Controls Increased July 1, 2007

House-banked card room licensees are required to submit Internal Controls to their local agent for review and approval.

“Handout B” of the Internal Controls packet outlines what must be submitted.

Effective July 1, 2007, “Handout B” was revised to require you to submit additional information to your agent. Following is a brief description of some of the additional information that is required.

More detailed information regarding procedures to ensure:

- Tips are properly accounted for;
- Minors do not gamble;
- All card room employees are properly licensed and trained;
- Gambling cards and chips are properly accounted for; and

(Continued on page 8)

New On-line Process

By: Philette Hamakua-Ling, Supervisor, Licensing Operations Division



Are you tired of faxing in your personnel termination notification (PTN) forms? Do you consider yourself computer savvy? Well if you have answered yes to either question, you are in luck.

We have a new on-line process in place, which allows you to log onto a secure website and submit the PTN to us electronically. Remember to send the notification to us within seven days of your card room employee ending employment.

(Continued on page 8)

2007 Legislative Re-Cap

The 2007 legislative session was very busy with nearly 20 gambling-related bills introduced. Four of those bills passed and will become effective July 22, 2007. The Commissioners requested the legislature take action on three bills; these bills are called “Agency Request Legislation.” One of those three bills (HB 1218) passed.

2007 was year one of the two year legislative cycle. This means that bills that “died” in 2007 can be considered again during the 2008 legislative session.

Following are four gambling related bills that passed:

Licensing (Agency Request Legislation - HB 1218)

- Military personnel can renew their licenses if they have been deployed and their license expired during deployment.
- Allows the Director to issue temporary licenses to individual licensees (card room employees, etc.) and other businesses (manufacturers, distributors, amusement game operators, etc.).

(Continued on page 4)

Proposed Rule Changes

Up for Final Action at the July 13, 2007, Commission meeting

Card Games - Petition for Rule Change

WAC 230-40-010

Shuffle Master, a licensed manufacturer, is requesting that the limit on the number of games that can be played within a single hand of cards be increased from two to three.

Card Games - Petition for Rule Change

WAC 230-40-800

A licensed card room employee is requesting the ability to deal Pai Gow games by hand, rather than from a shoe.

Pull-Tabs – Petition for Rule Change

WAC 230-30-080



The Washington Charitable and Civic Gaming Association is requesting that pull-tab payouts be increased from \$750 to \$2,500 and the tab count be increased from 10,000 to 25,000.

Pull-Tabs – Petition for Rule Change

WAC 230-30-045

The Washington Charitable and Civic Gaming Association is requesting that carry-over jackpot pull-tab payouts be increased from \$2,000 to \$5,000 and the tab count be increased from 6,000 to 10,000.

Here's How You Can Comment on a Proposed Rule Change

If you would like to comment on a proposed rule change under review, you are encouraged to attend a Commission meeting. If you can't attend a meeting, please send your comments to:

Washington State Gambling Commission
Attention: Rules Team
P.O. Box 42400, Olympia, WA 98504; or
E-mail: Rulesteam@wsgc.wa.gov



For detailed information about proposed rule changes under review, visit our website at www.wsgc.wa.gov and select Public Meetings, July 2007, Commission meeting. For an outline of current and past rule changes select Rules and Laws, Rules under Review.

Up for Final Action at the August 10, 2007, Commission meeting

Chip Destruction

New Rule: WAC 230-40-817



Staff proposes a new rule to expand and codify requirements to maintain control over logo chips when a card room goes out of business or changes its logo.

Currently, card room licensees submit Internal Controls outlining how they will dispose of logo chips.

The new rule will require the following to be included in the Internal Controls:

- Chip destruction log;
- Method of destruction;
- Designate the departments responsible for overseeing chip destruction. At least one licensed employee must be from the accounting department; and
- Procedures to be followed if the licensee's chip inventory becomes obsolete (i.e. card room changes its name, or its license is revoked, expired, or voluntarily surrendered).

Recently Adopted Rule Changes

Copies of these rule changes have been distributed to card room licensees in the Focus on Gambling Newsletter. If you would like a copy, please contact Susan Arland, Rules Coordinator (Contact information is on the back page of this newsletter).

Tip Reporting for Card Room Employees

WAC 230-40-855 Effective 2/18/07

Card room employees in house-banked card rooms must now follow more detailed procedures for tips received from players in house-banked card games:

- 1) Tip (“toke”) drop boxes must be locked and remain under camera coverage at all times;
- 2) Tips must be redeemed under surveillance;
- 3) Card room employees (CRE) must accurately report all tips to their employer. This puts the burden on the CRE to report accurately; and
- 4) Tips received by the cage cashier must be counted and documented by the shift/floor supervisor or security.

Petition for Rule Change from a Poker Player

WAC 230-40-120 Effective 4/9/07

Poker wagering limits increased from \$25 to \$40.

Petition for Rule Change from the Recreational Gaming Association

WAC 230-40-835, 230-40-865, 230-40-870, 230-40-885 Effective 3/15/07

Accounting staff at house-banked card rooms do not have to perform some daily accounting duties on weekends and/or holidays. This should save card rooms money by not requiring employees to come in on weekends.

Instead, they would perform these duties on the day following the weekend or holiday.

Scheduling Reconsideration Hearings

WAC 230-50-562 Effective 2/18/07

If a petition for reconsideration is received less than 15 business days before a regularly scheduled Commission meeting, the petition will be heard at the meeting immediately following the regularly scheduled Commission meeting.

License Fee Increase

WAC 230-04-202, 230-04-203, 230-04-204 Effective 6/30/07

All licensing fees will be increased by approximately 3%. The last fee increase was four years ago.

2007 Commission Meeting Schedule

July 12 & 13

La Quinta Inn & Suites

1425 East 27th Street
Tacoma, WA 98421
(253) 383-0146

August 9 & 10

Hilton

301 W. 6th Street
Vancouver, WA 98660
(360) 993-4500

September 13 & 14

Hilton Garden Inn

401 E. Yakima Avenue
Yakima, WA 98901
(509) 494-5004

October 11 & 12

Red Lion Hotel at the Park

303 W. North River Drive
Spokane, WA 99201
(509) 326-8000

November 15 & 16

DoubleTree Guest Suites
16500 Southcenter Parkway
Seattle, WA 98188
(206) 575-8220

**December
No Meeting**



2007 Legislative Re-Cap Continued

(Continued from page 1)

- Allows the Director to issue orders of summary suspensions to individual licensees and other businesses for serious violations.
- 2) Public Disclosure Exemption for House-Banked Card Room Financial Statements (HB 1449)**
Creates a public disclosure exemption for independent auditor reports and financial statements required by the Commission for house-banked card rooms.
 - 3) State Employee Raffles for Executive Branch Employees (HB 1599)**
 - 4) Removes the Sunset Clause for the Limited Waiver of Sovereign Immunity for Tribal Compacts (HB 1706)**

Five Gambling Related Bills that Died.

- 1) Limit the number of house-banked card rooms/allow cities to zone (HB 1477/ESSB 5558)**
- 2) Affirmative defense by a player for Internet gambling (HB 1243)**
- 3) Internet gambling by the player Misdemeanor (HB 2127)**
- 4) Internet gambling by the player Gross Misdemeanor (SHB 2320)**
- 5) Legislative approval of Tribal Gaming Compacts (HB 1257)**



Card Room Connection Newsletter

Two Agency Request Bills that Died.

- 1) Create penalties against minors who gamble (HB 1345/SB 5375)**

These companion bills create penalties for underage gamblers. Gambling Commission Special Agents would issue civil infractions to underage gamblers; the civil infraction has a \$125 fine plus required statutory fees, making the actual fine \$257, and the possibility of 4 hours of community supervision and court costs. HB 1345 passed the House by a 94:1 vote.

- 2) Create a barring list (SHB 1346/SSB 5374)**

These companion bills create a barring list for individuals:

Who are career or professional offenders or involved in organized crime;

Who have been convicted of a criminal violation of a gambling law of any state or of the United States, or who have been convicted of any felony including, but not limited to, theft, extortion, conspiracy to defraud, or any similar offense involving, or in connection with, any gambling activity; or

Who have been excluded under similar involuntary exclusion laws or rules of any other state or nation that regulates gambling.

Because the reasons for getting on the list are limited, we expect about twenty people would be put on the list each year. Other states have similar barring lists.

These bills passed out of the respective committees, but “died” in Rules. We plan to work on both of these proposals again during the 2008 session.

If you'd like to read a copy of a bill, they are easy to access through the legislative home page at www.leg.wa.gov. Just click on “Bill Information” & type in the 4 digit bill number. You can also do a word search for bills. You may also contact Amy B. Hunter, the Gambling Commission’s Legislative Liaison, at (360) 486-3463 or e-mail AmyB@wsgc.wa.gov.

Administrative actions taken for violating gambling rules.

Name	Violation	Case Outcome
Christopher Bell, Card Room Employee (CRE), (formerly employed by Hanks Casino) Belfair	Allowed a minor to participate in a house-banked card game. A Notice of Violation and Settlement (NOVAS) was issued; however, the licensee failed to pay the NOVAS fine.	The licensee failed to respond to charges, and a Default Order was entered revoking his license.
Huynh N. Nguyen, CRE, (employed by Silver Dollar/ Seatac) Seattle	Caused another to violate a gambling rule or law by ensuring a particular person won in the casino's promotional contest of chance.	The licensee agreed to a 14-day suspension.
Robert B. Barclay, Class III employee & CRE, (formerly employed by Point Defiance Café and the Nisqually Indian Tribe) Tacoma	Cheating	The Class III employee/licensee failed to respond to charges, and a Default Order was entered revoking his certification and license.
Sokhan Srey, CRE (formerly employed at Roxy's Bar & Grill), Renton	Cheating	An Administrative Law Judge (ALJ) issued an Order revoking his license. The licensee filed a Petition for Review. The Commissioners upheld the ALJ's Order revoking his license.
Barbra Bailey, Class III employee, (formerly employed by Upper Skagit Casino Resort) Skagit County	Criminal History	The ALJ issued an Order revoking her certification.
Dawn Black, Class III employee, (formerly employed by the Lummi Nation) Bellingham	Criminal History	The certified employee failed to respond to the charges, and a Default Order was entered revoking her certification.
Chad M. Durkee, Class III employee & CRE, (formerly employed by Bayside Lounge and Angel of the Winds Casino) La Connor	Criminal History	The licensee surrendered his license and certification.
Rebecca, Fisher-Lockwood, Applicant, (Keglers Choice Restaurant) East Wenatchee	Criminal History. Previously the applicant surrendered her card room employee license as a term of a Settlement Order.	The ALJ issued an Order denying her application.
Justin Hunsaker, Applicant, Olympia	Criminal History	The applicant failed to respond to charges, and a Default Order was entered denying his application.

Administrative actions continued.

Name	Violation	Case Outcome
Rong Min, CRE, (employed by Roman Casino) Tacoma	Criminal History	The licensee surrendered his license.
Renee Rimmer-Chadwick, Applicant, (Slo-Pitch Pub & Eatery) Bellingham	Criminal History	The ALJ issued an Order denying her application.
David Stadler, CRE, (formerly employed by Chrome Café) Arlington	Extension of Credit	The licensee surrendered his license.
Kelvin Tran, Applicant, (Red Wind Casino) Olympia	Failure to inform the Commission of bookmaking activities.	The applicant agreed to a Settlement in Lieu of Charges (SILC). The applicant was certified for Class III activity, and he was credited for the for twenty-two months he did not work in gambling as a period of suspension.
Deborah A. Kelly, Class III employee, (employed by Silver Reef Casino) Ferndale	Internal control violation. Took another employee's tip money.	The certified employee to failed respond to the charges, and a Default Order was entered revoking her certification.
David A. Whitis, Class III employee, (formerly employed by the Angel of the Winds Casino) Arlington	Internal control violation. Defrauded his employer of approximately of \$67.	The ALJ issued an Order revoking his certification.
Sokhoun Chim, CRE, (employed by Riverside Casino and Cascade Lanes Restaurant & Lounge) Seatac	Overpaying herself on tip wagers while dealing.	The licensee agreed to a seven-day suspension.
Steven J. Brizer, CRE, (employed by Happy Days Casino) Lakewood	Provided dealer services while visibly intoxicated, violated internal controls, violated Commission approved game rules, and manipulated the dealer's hands.	The licensee agreed to a 30-day suspension.
Geoffrey M. Flores, CRE, (employed by Happy Days Casino) Lakewood	Provided dealer services while visibly intoxicated, violated internal controls, violated Commission approved game rules, and manipulated the dealer's hands.	The licensee agreed to a 30-day suspension.

Administrative actions continued.

Name	Violation	Case Outcome
Andrew S. Kim, CRE, (employed by Skyway Park Bowl Restaurant/ Lounge) Seattle	Theft of \$70 while working as a poker supervisor and dealer.	The licensee failed to respond to the charges, and a Default Order was entered revoking his license.
Fay Lee, CRE, (formerly employed by Royal Casino) Kent	Theft of \$150 while working as a dealer.	The licensee failed to respond to the charges, and a Default Order was entered revoking his license.
Brian A. Long, CRE (formerly employed at Classic Rock Casino) Spokane	Theft of \$100 while working as a poker floor supervisor.	The ALJ issued an Order revoking his license.
Derek Vanweerdhuizen, CRE, (formerly employed by Chips Casino & The Palace) La Center	Theft from unsecured drop boxes while working as a security guard.	The licensee failed to respond to the charges, and a Default Order was entered revoking his license.
Joshua M. Hammons, Class III employee (formerly employed by the Tulalip Tribes) Marysville	Theft of \$3,318, as a result of reporting that he worked as a supervisor instead of as a dealer, and failure to disclose his criminal history.	The ALJ issued an Order revoking his certification. The Class III employee filed a Petition for Review. The Commissioners upheld the ALJ's Order revoking his certification.
Scott L. Keeline, Class III employee, (formerly employed by the Angel of the Winds Casino) Arlington	Theft of approximately \$67, while working as a craps boxperson and supervisor.	The ALJ issued a Default Order revoking his license, because the Class III employee did not appear at the hearing.
James G. McMurray, CRE, (formerly employed by Hollywood Casino) Shoreline	Theft of \$350, while working as a dealer.	The licensee failed to respond to a Summary Suspension, and a Default Order was entered revoking his license.
Christopher T. Odierno, CRE, (formerly employed by Slo Pitch Pub & Eatery) Bellingham	Theft of \$100 while working as a CRE.	The licensee failed to respond to charges, and a Default Order was entered revoking his license.
Robert J. Ramelow, Applicant, Spokane	Worked without a valid card room CRE license, caused the card room to fail to retain records on the premises, and failed to account for poker tournament money.	An ALJ issued an Order denying his application. The applicant filed a Petition for Review. The Commissioners upheld the ALJ's decision to deny his application for a gambling license.

OUR MISSION:

PROTECT THE PUBLIC BY ENSURING THAT GAMBLING IS LEGAL AND HONEST.

CALL OUR FIELD OFFICE CLOSEST TO YOU
FOR
REGULATORY OR OPERATIONAL QUESTIONS:

BELLINGHAM 360.676.2012

EVERETT 425.304.6300

**KENNEWICK 509.734.7412
509.734.7465**

PORT ORCHARD 360.769.9113

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**VANCOUVER 360.576.6012
360.833.0587**

WENATCHEE 509.886.6230

YAKIMA 509.575.2820

House-Banked Card Rooms Internal Control Increased Continued

(Continued from page 1)

- Each card room department's duties are clear. For example, instead of just listing each required item in the administration section (organization chart, job descriptions, hours of operation, etc.), specific information will be required for each item in each section.

Beginning July 1, 2007, agents will start visiting their assigned card rooms to deliver and explain the revised "Handout B". You will be asked to revise your Internal Controls and submit them to your agent no later than August 31, 2007.

We anticipate agents will complete the review and approval of the revised Internal Controls by September 30, 2007.

If you have questions, please contact your agent.

New On-line Process Continued

(Continued from page 1)

The new process is easy. It also gives you Internet access to multiple on-line government services with the use of a unique single self-generated User-ID and password.

The website is "Secure Access Washington" and is a single sign-on application created by the State Department of Information Services to simplify access to the growing list of government services available on-line.

If you want to take advantage of this new process, please contact a gambling license technician at 1-800-345-2529; press 2 for Licensing; then press 1 for Individuals Unit.

FOR HELP

WITH

PROBLEM GAMBLING

CALL: 800.547.6133

Washington State Gambling Commission

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This newsletter is published twice a year by the Washington State Gambling Commission.

Do you have questions or comments about our newsletter: Please E-mail us at SusanA@wsgc.wa.gov