



# What's New and What's News

A NEWSLETTER FOR THE LEGISLATURE & OTHER GOVERNMENTAL AGENCIES

July 2007

This newsletter is dedicated to keeping the legislature and other governmental agencies informed of "What's New" in the Gambling Commission and "What's News."

## New Assistant Director for Field Ops.



**Mark Harris, Assistant Director  
Field Operations Division**  
(360) 486-3579 MarkH@wsgc.wa.gov

For those of you I haven't met, I want to introduce myself. I was appointed as Assistant Director of Field Operations in December 2006.

I have been with the agency since September 1994 and have worked as a Special Agent, Special Agent III-Lead, and Special Agent Supervisor in Field Operations.

I graduated Summa Cum Laude from Eastern Washington University with a Bachelor degree in Accounting and graduated from the Basic Law Enforcement Academy first in my class. I'm a Certified Public Accountant, a Certified Forensic CPA, a Certified Fraud Examiner, and have a Supervisory Certification from the Criminal Justice Training Commission.

I'm the newest Legislative Team member. Feel free to contact me if you have questions about field operations or our regulatory and enforcement programs.

I'm originally from Eastern Washington and was raised in Moses Lake.

## Staff Recognition

### 2007 Certified Fraud Examiners

The following Special Agents completed requirements for certification as fraud examiners in 2007:

Darcey Axon, Allen Esparza, Jim Greene, Ira Harte, Brian Lane, Mark Richart, and Amy Schmitt.

## 2007 Legislative Recap

Several bills relating to gambling were introduced during the 2007 legislative session; four passed:

- 1) **Licensing** (HB 1218) Prime Sponsor: Rep. Conway
  - Allows the Director to issue temporary licenses to individual licensees and other businesses.
  - Allows the Director to issue orders of summary suspensions to individual licensees and other businesses for serious violations.
  - Military personnel can renew their licenses if they have been deployed and their license expired during deployment.
- 2) **Public Disclosure Exemption for Financial Statements** (HB 1449) Prime Sponsor: Rep. Condotta
  - Creates a public disclosure exemption for independent auditor reports and financials statements required by the Commission for house-banked card rooms.
- 3) **State Employee Raffles for Executive Branch Employees** (HB 1599) Prime Sponsor: Rep. Hunt
- 4) **Removes the sunset clause for the limited waiver of sovereign immunity for tribal compacts** (HB 1706) Prime Sponsor: Rep. Conway

Several other gambling related bills were introduced, but didn't make it through the process and can be considered again during the 2008 legislative session.

### Agency Request Legislation:

- **Create penalties for minors who gamble** (SB 5375/HB 1345) (Sen. Murray, Rep. Wood)
- **Create a barring list** (SSB 5374/SHB 1346) (Sen. Murray, Rep. Wood)

### Other Bills:

- **Limit the number of house-banked card rooms** (ESSB 5558/HB 1477) (Sen. Prentice, Rep. Conway)
- **Affirmative defense by a player for Internet gambling** (HB 1243) (Rep. Strow)
- **Internet gambling by the player-Misdemeanor** (HB 2127) (Rep. Strow)
- **Internet gambling by the player-Gross Misdemeanor** (SHB 2320) (Rep. Strow)
- **Legislative approval of Tribal gaming compacts** (HB 1257) (Rep. Chandler)

**Our Mission: Protect the Public by Ensuring that Gambling is Legal and Honest.**

## New Ex-Officio Appointed



We are pleased to announce that Representative Geoff Simpson (47th District) has been appointed by Speaker Chopp as an Ex-Officio member of the Gambling Commission.

Representative Simpson is a professional fire fighter and lives in Covington.

He replaces Representative Alex Wood (3rd District).

## Tribal Negotiations

In December 2006, state and tribal negotiation team members reached an agreement for a compact with the Spokane Tribe. This is the 28<sup>th</sup> gaming compact with the 29 federally recognized Tribes in Washington.

The compact resolves years of negotiations and litigation between the Tribe, State and Federal Government. In the compact, the Tribe commits financial support to problem gambling and smoking cessation programs.

In March 2007, state negotiators and 27 Washington State Indian Tribes reached an agreement to amend their Tribal-State Gaming Compacts. Highlights of the amendment include:

- Contributions to smoking cessation programs
- Contributions to problem gambling programs
- Increases Tribal Lottery System (machine gaming) allocations from 675 to 975 per Tribe
- Report community investments and contributions

## Primary Legislative Contacts



**Rick Day**  
**Director**  
(360) 486-3446  
Rickd@wsgc.wa.gov



**Amy B. Hunter**  
**Legislative Liaison**  
(360) 486-3463  
Amyb@wsgc.wa.gov

## Undercover Work Catches Bookie

In September 2006, a Nevada bookmaker traveled to Spokane and recruited an estimated forty bettors and hand books.

One of our undercover agents placed bets with the bookmaker through a handbook and the bets went to an off shore betting house.

Because the bookmaker was a licensed card room employee in Nevada we contacted the Nevada Gaming Control Board (NGCB). They began an investigation and asked us to continue placing bets.

Surveillance revealed the bookmaker was in the company of a convicted bookmaker. Money was exchanged or shipped to a bank account in Nevada that was under the bookmaker's name.

The NGCB executed a search warrant and found numerous betting records along with other miscellaneous items. The bookmaker was charged in Las Vegas with 44 counts of felony gambling violations. He is out on bail awaiting trial.

## Cheaters Indicted

In May 2007, two Federal grand jury indictments were unsealed in Seattle charging twelve defendants of Conspiracy, Theft of Funds from Gaming Establishment on Indian Lands, and Interstate Transportation of Stolen Property.

The charges stem from investigations conducted by Commission agents, together with the Federal Bureau of Investigation, the Puyallup Tribal Gaming Agency, the Nooksack Tribal Gaming Agency, and other out-of-state federal and state law enforcement agencies.

The defendants are charged with cheating at 18 casinos across the United States, including ten tribal casinos. The players traveled from California and colluded with game dealers to cheat at mini-baccarat and allegedly stole more than \$1 million from the Emerald Queen Casino operated by the Puyallup Tribe. Additionally, more than \$90,000 was allegedly stolen through a cheating scam at the Nooksack River Casino operated by the Nooksack Tribe.

This is an example of our agents working with Tribal Gaming Agencies and other law enforcement agencies to ensure gambling is legal and honest.