

Who We Are

We are a limited jurisdiction law enforcement agency and the only statewide agency devoted to gambling licensing, regulation and enforcement.

- Established by the Legislature in 1973 after a series of gambling related scandals.
- Second oldest gambling regulatory agency in the nation.
- Few major gambling scandals since the Commission was created.
- Our regulatory investigations are among the most effective in the nation.

Working closely with local, state, federal, Tribal and international law enforcement agencies, we accomplish our Legislative Declaration of:

- Keeping the criminal element out of gambling.
- Promoting social welfare through strict regulation and control.

Independent Citizens Commission: Five citizens are appointed by the Governor, with the consent of the Senate, to act as part-time Commissioners, for a single six-year term.

Agency Staff:

- Gambling Special Agents are commissioned law enforcement officers. Agents attend the Basic Law Enforcement Academy and receive the same training as other police officers.
- Many Agents are Certified Fraud Examiners and some are Certified Public Accountants.



Funding

- Non-general fund and non-appropriated agency.
- Funded through licensing and regulatory fees paid by licensees and Tribal governments.

Biennium	Agency Budget	Approved FTE
15-17	\$26.0 M	114
13-15	\$29.6 M	146
11-13	\$32.4 M	155

Licensed Gambling Activities

- Card games
- Bingo
- Amusement Games
- Pull-Tabs
- Punch boards
- Raffles
- Fund-Raising Events

We also enforce state laws for **unlicensed gambling**, such as sports wagering, promotional drawings and unlicensed raffles.

Year	Net Gambling Receipts Licensed Orgs.	# of Licensed Orgs. Reporting
2014	\$313 M	2,177
2013	\$311 M	2,179
2010	\$327 M	2,337

Background Checks

To ensure crime does not gain a foothold in gambling operations in the state, our background investigations are among the most thorough in the nation.

We determine if new and current businesses are qualified to hold a gambling license. This is accomplished through:

- **Criminal Background Checks** on nearly everyone involved in a gambling business.
- **Sourcing Funds** for commercial businesses to ensure money is from a legitimate source without ties to criminal activities.



In 2013:

- 23,300 criminal background checks
- 3,200 new licenses issued
- 16,000 licenses renewed

Audits and On-site Investigations

We conduct in-depth audits, on-site "spot" checks, and work undercover to ensure games are legal and honest. In 2014:

- 5,300 inspections.
- 500 complaints from the public investigated.
- 600 additional investigations initiated by us.
- 800 gambling rule/law violations were found.
- 210 criminal violations were found.
- 63 criminal cases sent to prosecutors.
- 29 cases were worked with other law enforcement agencies where they were the referring agency to the prosecutor's office.

Gambling Tax - 2013 | \$29 million

Local jurisdictions collect gambling tax, the state does not.

Criminal Activities We Investigate

- Theft
- Fraud
- Internet gambling
- Cheating
- Bookmaking
- Animal fights
- Embezzlement
- Money laundering
- Loansharking

Fighting Dogs Rescued | 2015

King County: The Seattle Police Dept. and Animal Control asked for our assistance in a dog fighting case. Our Agents used social media to locate the suspect and buy a fighting dog for \$2,000. Two suspects were arrested and five pit bulls seized, along with guns and cash.



The suspects were charged with professional gambling and animal cruelty; they are out on bail. The case is pending.

Cock Fighting Bust | 2014

Thurston County: Responding to complaints by neighbors, Agents launched an investigation resulting in the arrest of a Rochester man who was charged with 3 Felonies:

- Animal Cruelty 1st Degree
- Animal Fighting 2nd Degree
- Professional Gambling 2nd Degree.



The suspect served 21 days in jail. The case is pending in Thurston Co. Superior Court.

Operation Red Light | 2013

Spokane: Agents investigated vice crimes at a casino. Eight people were arrested and charged with promoting prostitution and money laundering. Approx. \$600,000 in cash, real estate and other property were seized. The cases are pending in Spokane Co. Superior Court. This three-year investigation involved local, state, federal and Tribal law enforcement agencies.

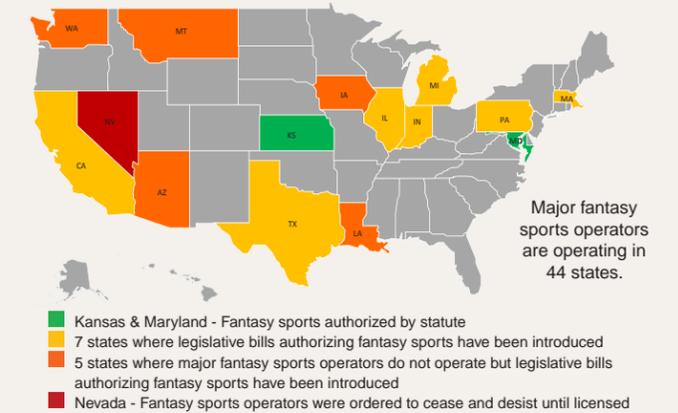


Online Gambling

The Washington State Constitution prohibits all gambling activities unless the activity is specifically authorized in state law. Fantasy Sports and Internet gambling have never been authorized.

Online Fantasy Sports

In 2015, two fantasy sports bills were introduced (SB 5284 & HB 1301); SB 5284 had a hearing. The bills would have declared fantasy competitions as games of skill and exempt from any classification as gambling. The bills died, but remain alive in the 2016 legislative session.



Intranet Gambling By States

3 states have authorized Intranet gambling, restricted to residents within their borders:

- Nevada (2011) • Delaware (2012) • New Jersey (2013)

13 states considering legislation for Intranet gambling:

- California
- Florida
- Hawaii
- Mississippi
- Illinois
- Maryland
- Iowa
- Massachusetts
- New York
- Pennsylvania
- Texas
- West Virginia
- Washington (HB 1114)

International Internet Gambling Task Force

We are founder and co-chair of a national and international task force working on education, awareness and coordinating enforcement activities to deter illegal Internet gambling.

Internet and Cyber Crime Training

We provide Internet and Cyber Crime training to federal, state, local and international agencies. We have trained 1,200 officials from the U.S. and 70 other countries.



Kelsey Gray

Commissioner
Appointed Jan 2012 - Term expires June 2017

Commissioner Gray is retired from the Washington State University's W. D. Ruckelshaus Center. She has worked with profit and nonprofit organizations, Tribes, law enforcement organizations, and local, state, and federal governments.



Julia Patterson

Commissioner
Appointed April 2014 - Term expires June 2020

Commissioner Patterson is a former member of the King Co. Council, Washington State Senate and House of Representatives and the Sea Tac City Council. She is currently on the Board for the local YMCA and on the Valley Medical Board of Trustees.



Ed Troyer

Commissioner
Appointed Sept. 2014 - Term expires June 2020

Commissioner Troyer has been with the Pierce County Sheriff's Department for over 30 years and is their Media Relations and Public Information Officer. He is also the Executive Director of Pierce County Crime Stoppers and Board Chair of TAPCO Credit Union.

Ex Officio Members

Four members of the Legislature act as ex officio members and only vote to approve or amend Tribal-State Class III Gaming Compacts. They serve an important liaison role between the Commission and legislature.



Senator
Steve Conway
29th District



Senator
Mike Hewitt
16th District

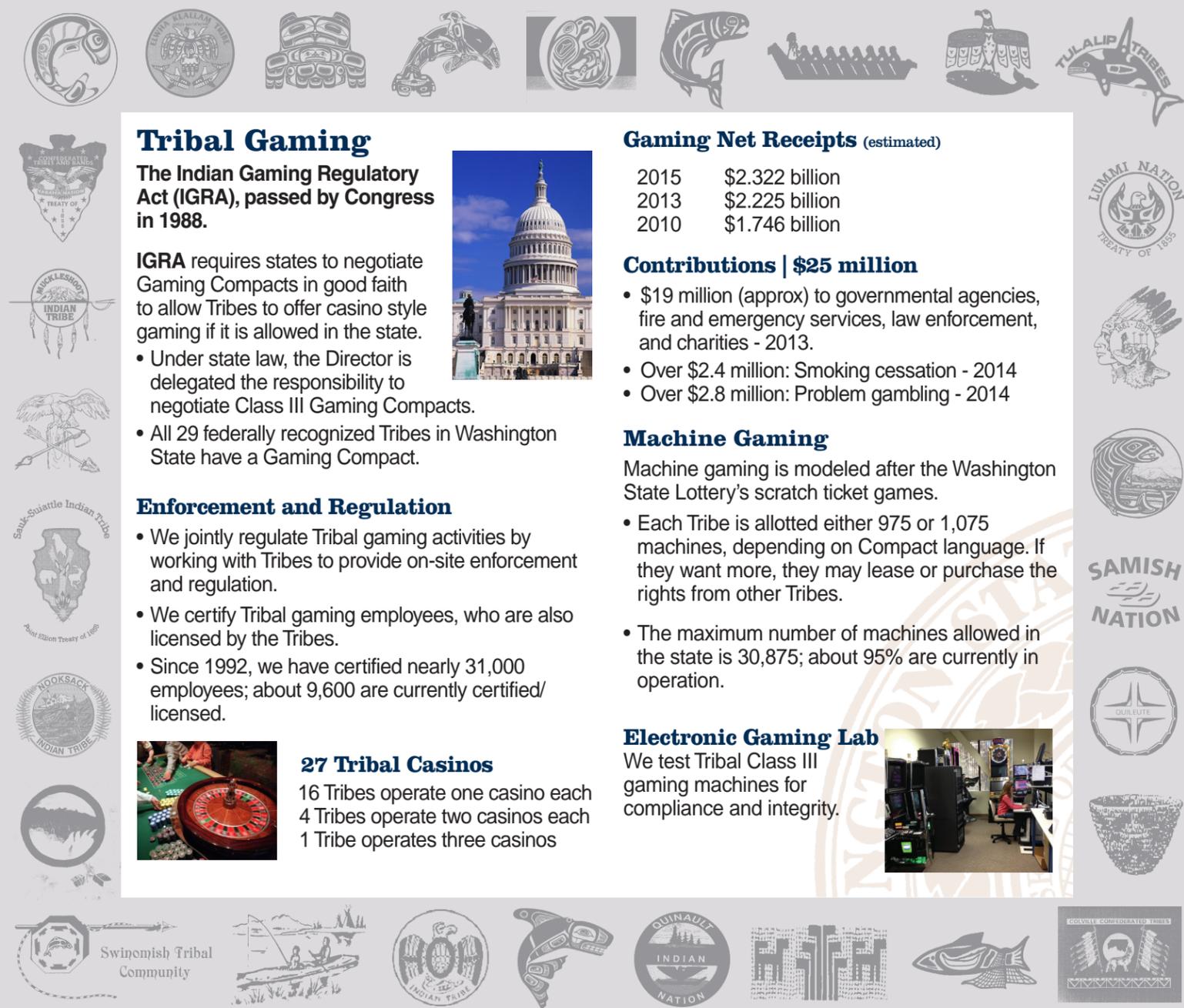


Representative
Christopher Hurst
31st District



Representative
Brandon Vick
18th District

Our Link to the Legislature



MISSION: Protect the public by ensuring that gambling is legal and honest



Tribal Gaming

The Indian Gaming Regulatory Act (IGRA), passed by Congress in 1988.



IGRA requires states to negotiate Gaming Compacts in good faith to allow Tribes to offer casino style gaming if it is allowed in the state.

- Under state law, the Director is delegated the responsibility to negotiate Class III Gaming Compacts.
- All 29 federally recognized Tribes in Washington State have a Gaming Compact.

Enforcement and Regulation

- We jointly regulate Tribal gaming activities by working with Tribes to provide on-site enforcement and regulation.
- We certify Tribal gaming employees, who are also licensed by the Tribes.
- Since 1992, we have certified nearly 31,000 employees; about 9,600 are currently certified/licensed.



27 Tribal Casinos

16 Tribes operate one casino each
4 Tribes operate two casinos each
1 Tribe operates three casinos

Gaming Net Receipts (estimated)

2015	\$2.322 billion
2013	\$2.225 billion
2010	\$1.746 billion

Contributions | \$25 million

- \$19 million (approx) to governmental agencies, fire and emergency services, law enforcement, and charities - 2013.
- Over \$2.4 million: Smoking cessation - 2014
- Over \$2.8 million: Problem gambling - 2014

Machine Gaming

Machine gaming is modeled after the Washington State Lottery's scratch ticket games.

- Each Tribe is allotted either 975 or 1,075 machines, depending on Compact language. If they want more, they may lease or purchase the rights from other Tribes.
- The maximum number of machines allowed in the state is 30,875; about 95% are currently in operation.

Electronic Gaming Lab

We test Tribal Class III gaming machines for compliance and integrity.



Washington State

GAMBLING COMMISSION



Chris Stearns
Commission Chair

Appointed May 2013
Term expires June 2021

Commissioner Stearns is an attorney specializing in Indian law. He previously served four years as Counsel to the

U.S. House Committee on Natural Resources and was the first-ever Director of Indian Affairs for the U.S. Department of Energy. He is also the past Chairman of the Seattle Human Rights Commission.



Bud Sizemore
Commission Vice Chair

Appointed April 2014
Term expires June 2019

Commissioner Sizemore is a former Mayor Pro Tempore and member of the Covington City Council, and Legislative

Liaison for the Washington State Council of Fire Fighters. He is currently a fire fighter with the Kent Fire Department Regional Fire Authority.



David Trujillo, Director

(360) 486-3512
Dave.Trujillo@wsgc.wa.gov

David has been the Director since June 2013. He began his career in gambling regulation and enforcement in 1992 and has held many positions throughout the agency.

David has degrees from Central Washington University and Western Washington University and certifications from the WA Criminal Justice Training Commission. He is licensed by the State Board of Accountancy and has received awards from the Secretary of State's Office, WA Society of CPA's, WA Army National Guard, and the FBI's Trilogy award.



Brian J. Considine,
Managing Attorney & Legislative Liaison

(360) 486-3469 / Brian.Considine@wsgc.wa.gov

Brian was appointed Managing Attorney and Legislative Liaison in Nov. 2015. Prior to this, he was an Assistant Attorney General representing the DOC, LCB, WSP and the Gambling Comm. He has worked as a Governor's Policy Advisor and session counsel for the House of Reps. He has a Sociology/Business degree from John Carroll University (Cleveland, Ohio) and a law degree from Seattle University School of Law.



Amy B. Hunter, Deputy Director

(360) 486-3463 / Amy.Hunter@wsgc.wa.gov

Amy was appointed Deputy Director in January 2015. Prior to this appointment, she oversaw the agency's legal department and communication functions. She has worked on legislative issues since 1998. Amy has a Sociology/Criminal Justice degree from Kansas State University and a law degree from Seattle University School of Law.

Washington State Gambling Commission

P.O. Box 42400 / Olympia, WA 98504-2400

(360) 486-3440 / (800) 345-2529 / www.wsgc.wa.gov / WAGambling

February 2016



Earned accreditation from the Washington Association of Sheriffs and Police Chiefs in 2014.



2015 Nominee for the Secretary of Defense Employer Support Freedom Award.

