



You are receiving this notice because you commented on these proposed rule changes:

Notice of Permanent Rules for Wagering Limits for Nonhouse-banked Card Games and Authorized Fees.

This explanatory statement concerns the Washington State Gambling Commission's adoption of Amended Sections:

WAC 230-15-080 Authorized fees and authorized methods of collection.

WAC 230-15-135 Wagering limits for nonhouse-banked card games.

The Administrative Procedure Act ([RCW 34.05.325\(6\)](#)) requires agencies to complete a concise explanatory statement before filing adopted rules with the Office of the Code Reviser. This statement must be provided to anyone who gave comment about the proposed rule-making.

Once persons who gave comment during this rule-making process have had an opportunity to receive this document, the Washington State Gambling Commission will file the amended rules with the Office of the Code Reviser.

The Washington State Gambling Commission appreciates your involvement in the rule-making process. If you have any questions, please contact Tina Griffin, Assistant Director, at Tina.Griffin@wsgc.wa.gov or at (360) 486-3546.

What are the agency's reasons for adopting this rule?

A petitioner requested increased wagering limits for nonhouse-banked card games, such as poker, and to assess players of nonhouse-banked card games a higher fee. Specifically, the proposed increases would be:

- A maximum single wager of \$300 for nonhouse-banked card games operated by Class F card rooms and
- An assessed fee on nonhouse-banked card games by Class F and house-banked card rooms of not more than 10% of the total wagers for a hand.

Summary of all public comments received on this rule proposal and consideration of the comments. The summaries below are from stakeholders who have commented either at Commission Meetings or emailed their

comments/concerns to the Commission. Please note, the spelling of these names have not all been verified.

Teresa Malphrus, Owner of the Hideaway and petitioner requesting the rule change:

Discussed the pilot program from 2009 on the wager increase to \$100 for Texas Hold'em. The thought at that time was to implement the higher limit just for Texas Hold'em and then down the road consider moving other games to that \$100 limit. And I believe enough time has passed and there's probably enough information now, which is actually no information because there really hasn't been a lot of problems, to ask for consideration to have these other games go up to \$100. Would like to take a 10% rake on the unique games, such as Panguingue. For the other games, the rake would be what the market would bear.

Ian Riley, Owner of the Black Pearl Casino: It would be great to have the ability to offer a larger spread game so that instead of having a small game for the occasional one game or two games per month, we would be able to offer a more exciting game for those players that could afford it. We take \$3 as a maximum rake. The market will not bear any larger amount than that. So the ability to increase the rake, I think, would be determined by the market. We have a local tribal casino that has the ability to offer a larger game than what we do. And once again, the ability to be competitive against that would be a benefit to our room.

Josh Herschlip from the Buzz Inn Steak House and Casino: Supports the rule change. As minimum wages go up and the health care, and the sick leave, if we have the ability to add \$1 and get \$6 in rake and as you said, five years from now maybe that needs to go to \$7. But maybe at that point the customer base will bear that increase. As the system progresses, you need to have that ability to move up. But the \$10 cap would be far out there, and not regularly taken. A player would not bear that.

B.J. Garbe, CEO of Lake Bowl Inc.: In favor of the rule proposal.

Dan Baker, Controller for Black Pearl Spokane: Supports the rule change.

George Teeny, owner New Phoenix Casino and Last Frontier Casino: Supports the rule change.

Mark Greene, owner of Lancer Lanes and Casino: Supports the rule change.

WSGC Response:

The Commissioners took into account all information through testimony and written comments in making their decision to proceed with this rule change.

If there are variances from the proposed rule and final adopted rule, state the reasons for the differences (RCW 34.05.325(6)(a)(ii)).

The original proposed rule was filed as a CR-102 on July 6, 2016. A substantial variance to the proposed rule was then made as part of the rulemaking process and the proposed rule was updated with a second CR-102 on October 4, 2016. The rulemaking proceedings were reopened for further public comment. There were no changes between the second CR-102 and the final adopted rule.