



STATE OF WASHINGTON
GAMBLING COMMISSION

"Protect the Public by Ensuring that Gambling is Legal and Honest"

August Gambling Commission Meeting Minutes

Virtual Meeting

*August 12, 2021

Commissioners Present:

Bud Sizemore, Chair (Via Teams)

Julia Patterson (Via Teams)

Alicia Levy (Via Teams)

Kristine Reeves (Via Teams)

Ex Officio Members Present:

Representative Shelley Kloba (Via Teams)

Staff Present – Virtually:

Tina Griffin, Interim Director; Julie Lies, Tribal Liaison (TL); Ashlie Laydon, Rules Coordinator (RC); Adam Teal, Acting Legal Manager; Donna Khanhasa, Special Agent; Roger Sauve, Special Agent; Tommy Oakes, Professional Standards and Training Supervisor; Julie Anderson, Executive Assistant and Suzanne Becker, Assistant Attorney General.

Chair Sizemore called the virtual meeting to order at 9:32AM and mentioned that TVW would be livestreaming the meeting. He asked for a moment of silence to recognize the fallen law enforcement officers that lost their lives since the commission last met.

Tab 1

Consent Agenda

Commissioner Levy moved to approve the consent agenda as presented by staff.

Commissioner Patterson seconded the motion.

The motion passed. 4:0

Tab 2

Special Olympics of Washington (SOWA)

Roger Sauve, Special Agent (SA), Donna Khanhasa, Special Agent (SA) presented the materials for this tab. They were joined by Mary Do, Chief Operating Officer (COO) and Mark Sinay, VP Accounting and Administration from the Special Olympics of Washington (SOWA). SA Sauve shared the results of our program review of SOWA for the year ended 2019.

SA Khanhasa presented the Enhanced Raffle results. They discussed the 2020 results and answered questions.

Commissioner Reeves asked if the 2020 raffle violation was an anomaly in terms of their situation or was it a regular occurrence. **SA Khanhasa** stated that SOWA have not had any other violations and confirmed that SOWA operated the Enhanced Raffle within the plan approved by the commissioners.

Representative Kloba asked about the proceeds gained through the anomalous behavior.

SA Sauve stated that approximately \$4.9 million of the \$6.7 million was generated via online sales.

* Governor Inslee issued [Proclamation 20-28.4](#) et al that suspended certain Open Public Meeting requirements, including in-person public meetings requirements for this Commission Meeting.

Commissioner Reeves asked how many times the “dream house” had been awarded as a grand prize. **COO Do** stated that SOWA had not been able to reach the threshold of ticket sales to be able to award the house.

Commissioner Patterson reiterated that approximately 80% of the monies generated, was generated under the ticket sales method that was not an approved method.

Interim Director Griffin said that the tickets were sold through a voice over internet protocol. There is a question as to what is really meant by “fax” and staff will look to definition “fax” moving forward.

Commissioner Reeves asked COO Do to add more information to SOWA’s website indicating that the Dream House has never been won. COO Do agreed.

SA Khanhasa continued her presentation with the 2021 Enhanced Raffle plan request.

Chair Sizemore ask for public comment. There was no public comment.

Commissioner Reeves moved to approve the Western Washington Special Olympics 2021 Enhanced Raffles Request as presented by staff.

Commissioner Levy seconded the motion.

The motion passed. 4:0

Tab 3

2021 Session Recap: Law Enforcement Bills

Tommy Oakes, Professional Standards and Training Supervisor (PSTS) presented the materials for this tab. **PSTS Oakes** highlighted the bills that directly affects the Washington State Gambling Commission.

Commissioners Patterson and Reeves thanked him for the presentation.

Commissioner Reeves asked if WSGC had an anti-biased training program and if not, would the agency consider it in the future. Interim Director and PSTS Oakes agreed to work with her on future training for staff.

Chair Sizemore ask for public comment. There was no public comment.

Commissioners took a 10-minute break

Tab 4

Petition for Rule Change- Adopting Rules for Manufactures and Distributors

Ashlie Laydon, Rules Coordinator (RC) presented the materials for this tab. RC Laydon was joined by Walter Antoncich. This petition was heard at the July 2021 Commission Meeting and the Commissioners asked for additional time to review the matter further and also to allow staff time to provide additional information on manufacturers and distributors in the pull-tab industry. RC Laydon provided the additional information that Commissioners asked for and they discussed it. Staff continues to recommend denial of this petition as regulating lawful business relationships between distributors and manufacturers is generally outside the Commission’s mission. Additionally, there are other legal remedies that the petitioner could pursue, such as anti-trust laws, other than have the Commission adopt rules.

Chair Sizemore ask for public comment. There was no public comment.

Commissioner Patterson moved to deny the petition due to insufficient evidence to contradict the legal direction given by the agency's assistant attorney general in 2014.

Commissioner Levy seconded the motion.

The motion passed 4:0

Tab 5

Petition for Rule Change- Adopting Rules for Minimum Cash on Hand for HBCR's

RC Laydon presented the materials for this tab. She was joined by Ann Huysmans, of Galaxy Gaming Inc., Las Vegas, Nevada. Ms. Huysmans is proposing to amend WAC 230-15-050, Minimum cash on hand requirements, to allow operators who are running house-banked jackpots to keep the required jackpot money in a separate, off-site bank account rather than on the premises. The petitioner feels this change is needed because operators have expressed security concerns associated with keeping large sums of money on the premises.

Chair Sizemore ask for public comment.

Victor Mena, Operations Manager at Frontier Casino spoke in favor of the rule change stating, "it would increase the safety of the card rooms. "

Gary Saul, Consultant for Galaxy Gaming also spoke in favor of the rule change.

Commissioner Levy moved to initiate rulemaking proceedings by filing the rule as proposed for further discussion.

Commissioner Reeves seconded the motion.

The motion passed 4:0

Tab 6

Defaults

Adam Teal, Acting Legal Manager presented the material for this tab.

- **Shyanna Lockridge-CR 2021-00213**

Chair Sizemore asked if Shyanna Lockridge was present. She was not.

Commissioner Reeves moved to revoke Shyanna Lockridge's Public Card Room Employee License for the reasons presented by staff.

Commissioner Levy seconded the motion.

The motion passed 4:0

Chair Sizemore asked if Lyna Thou was present. She was not.

- **Lyna Thou-CR 2020-01588**

Commissioner Sizemore moved to revoke the Lyna Thou's Class III Employee certification as presented by staff.

Commissioner Levy seconded the motion.

The motion failed 2:2

Commissioner Patterson moved to continue this discussion to the next public commission meeting on August 27, 2021.

Commissioner Reeves seconded the motion.

The motion passed. 3:1

Chair Sizemore declined.

This default will be on the August 27, 2021 agenda.

Tab 7

2022 Agency Request Legislation

Tina Griffin, Interim Director (ID) presented the materials for this tab. Commissioners discussed this topic and Commissioners agreed to hear this at the August 27, 2021 commission meeting for final approval.

Tab 8

Director Hire Update

Lisa Benavidez, Human Resources Director presented the materials for this tab. HRD Benavidez gave a short update on the director hiring process. Commissioners Patterson, Reeves and Levy will meet on August 25 for a Special Executive Session for the sole purpose of discussing the potential candidates to move forward in the interview process. At the August 27 commission meeting HRD Benavidez will give an update on the progress that was made on August 25.

Public Comment

There was no public comment.

Chair Sizemore announced that Commissioners would go into Executive Session to discuss potential agency litigation with legal counsel, including tribal negotiations.

The August 12th meeting adjourned at 3:29 PM.

There were 82 people that joined the meeting.