



STATE OF WASHINGTON  
**GAMBLING COMMISSION**

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

**January Gambling Commission Meeting Minutes**

Gambling Commission Headquarters

**Virtual Meeting**

**\*January 14, 2021**

**Commissioners Present:**

**Bud Sizemore, Chair (Via Teams)**

**Julia Patterson (Via Teams)**

**Alicia Levy (Via Teams)**

**Lauren King (Via Teams)**

**Ex Officio Members Present:**

**Senator Steve Conway (Via Teams)**

**Representative Shelley Kloba (Via Teams)**

**Staff Present:**

Dave Trujillo, Director; and Julie Anderson, Executive Assistant.

**Staff Present-Virtual:**

Tina Griffin, Assistant Director; Brian Considine, Legal and Legislative Manager (LLM); Julie Lies, Tribal Liaison; Ashlie Laydon, Rules Coordinator; and Matt Kernutt, Assistant Attorney General.

**Public Meeting Call to Order**

**Chair Sizemore** called the virtual meeting to order at 9:36 AM and announced that the Commissioners would go directly into executive session to discuss potential litigation, including tribal negotiations, with legal counsel. Chair Sizemore asked Director Trujillo to call the roll. Chair Sizemore announced that the public meeting would reconvene at 1:00 PM.

Executive session adjourned at 12:30 PM. The commissioners took a break until 1:00 PM.

**Public meeting reconvened at 1:05 PM.**

**Chair Sizemore** asked Director Trujillo to call roll to ensure a quorum for the public meeting. All commissioners were present. The Commission observed a moment of silence for the fallen officers that have lost their lives since we last met.

There were 84 people who attended the virtual meeting.

**Tab 1**

**Consent Agenda**

***Commissioner King moved to approve the consent agenda as presented.***

***Commissioner Patterson seconded the motion.***

***The motion passed 4:0***

\* 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.

## **Director's Report**

**Director Trujillo** announced that Assistant Attorney General (AAG) Matt Kernutt would be representing the Commission at this meeting. AAG Suzanne Becker will return for the February meeting. He also mentioned that the Gambling Commission is still short one commissioner but expects to have the seat filled soon. Director Trujillo updated the Commissioners on the recent uniformed presence of the national guard, state patrol and Thurston County deputies at capitol campus. Director Trujillo will be attending virtual weekly general government agency cabinet meetings during session. Lastly, Director Trujillo mentioned that the agencies financial update would be brought to the commission every three months or sooner if needed.

## **Tab 2**

### **Presentation – Perry Technical Foundation**

#### **Tyna Antonson, Special Agent (SA) and Christine Cote, Perry Technical Foundation**

**President** presented the materials for this tab. Washington State Gambling Commission rules require licensees to get commission approval prior to offering a raffle prize that exceeds \$40,000 and/or offering raffle prizes that exceed \$300,000 in a licensee year, WAC 230-11-067. Staff recommends approval for Perry Technical Foundation to offer a raffle prize in excess of \$40,000 and offer raffle prizes over \$300,000.

**Chair Sizemore** asked about the timeline for the winner to produce taxes for the house and further asked if the timeline could be changed to April 2022 rather than March 2022 giving the winner one more month. Christine Cote agreed with that change. Chair Sizemore modified the raffle rules motion.

**Chair Sizemore** asked for public comment. There was no public comment. Julie Anderson confirmed no activity in the chat room and no emails for public comment.

*Commissioner Patterson moved to approve Perry Technical Foundation to offer a raffle prize in excess of \$40,000 and to exceed the annual raffle prize of \$300,000 for their license year ending June 30, 2022 so long as they have a valid license with the Washington State Gambling Commission.*

*Commissioner Levy seconded the motion.*

*The motion passed 4:0*

## **Tab 3**

### **Rule Petition for Discussion and Possible Filing – Recording Live Play**

**Ashlie Laydon, Rules Coordinator (RC)**, presented the materials for this tab. RC Laydon played a short video from another jurisdiction as an example of what the licensee is proposing, summarized the petition, and gave staff's recommendation to deny the petition based on the policy concerns identified in the materials. Then, the petitioner **Freddie Siyufy** presented to the commissioners his petition and why he believed they should accept it for rule-making.

After Mr. Siyufy's presentation, **Commissioner Lauren King** asked if anything that was just mentioned in the presentation alleviated any staff concerns. **RC Laydon** deferred the question to Assistant Director (AD) Tina Griffin. **AD Griffin** said that an attorney would have to weigh in on the definition of gambling equipment. She also said she does not have issues with the other items listed but still has some concerns with third party wagering, because there's going to be

much activity at that table, though it's not going to be live streamed. Also, the cardroom licensees, will need to give their input. And she does not feel it would alleviate many, if not any, of the policy considerations outlined. Commissioners didn't have any further questions.

*Commissioner King moved to deny petition in writing for the reasons stated by Gambling Commission staff, including that observers or third parties may wager amongst themselves on how the player will wager, or on the outcome of the player's hand. People recording will enter areas of the licensee's establishment that are prohibited by the general public. And licensees or the public may offer incentives such as credit to recorded players to increase marketing and viewership for their facility. I'd also mentioned the potential conflict with the RCW and issues of problem gaming. I would add that as the Gambling Commission staff mentioned the petitioner can resubmit his petition once it better describes the activities that address staff's concerns.*

*Commissioner Patterson seconded the motion.*

*The motion passed 4:0*

**Commissioner Patterson** said, *“I appreciate the petitioner's collaborative attitude and I understand that there are many possible factors that need to be considered in order for us to ever be able to move forward with this. There are a lot of policy considerations which Commissioner King articulated and, we are incredibly busy right now with sports wagering and with problem gambling and many other things. But if the petitioner comes back and if what he is requesting is better defined and if there seems to be industry wide support, and if we have time I, for one, would be willing to entertain this proposal again at a later time. But for now, I will support the motion that's before us.”*

**Chair Sizemore** was reminded this agenda item was not opened up for public comment. Chair Sizemore then asked for public comment and said they could revisit the motion and vote if there is public comment supporting a different position.

There was no public comment. **Julie Anderson** confirmed no activity in the chat room and no emails for public comment.

The Commissioner's maintained their vote and **Director Trujillo** spoke to the petitioner and agreed to check in with him soon.

#### **Tab 4**

##### **Rule Petition up for Discussion and Possible filing – Online Raffles**

**RC Laydon** presented the materials for this tab and informed the Commissioners that the Petitioner Patrick McBurney would not be present for the hearing. There were no further comments from commissioners after RC Laydon presented a summary and the Petitioner's reasoning for bringing forward the petition.

**Chair Sizemore** asked for public comment. **Julie Anderson** confirmed no activity in the chat room and no emails for public comment.

*Commissioner Patterson moved to deny the petition as the Washington State Gambling Commission does not have the authority to authorize changes. It must go to the legislature for approval.*

*Commissioner Levy seconded the motion.  
The motion passed 4:0*

#### **Tab 5**

##### **Rule up for Discussion and Possible filing – Sports Wagering Pre-Licensing Qualification**

**Brian Considine**, Legal and Legislative Manager (LLM), presented the materials for this tab. LLM Considine also summarized the public comments submitted to the agency and found in the Commission packet. LLM Considine indicated the Commissioners may call a special meeting to act on these rules after February 23, 2021 or act on it at their March 11, 2021 regularly scheduled public meeting.

**Chair Sizemore** asked for public comment and there was no public comment. **Julie Anderson** confirmed no activity in the chat room and no emails for public comment.

*Commissioner Patterson moved to approve this rule for further discussion.  
Commissioner Levy seconded the motion.  
The motion passed 4:0*

#### **Tab 6**

##### **Rule up for Final Action – Pull-Tab Prize Limits**

**Ashlie Laydon**, Rules Coordinator (RC), presented the materials for this tab.

**Chair Sizemore** asked for public comment. **Julie Anderson** confirmed no activity in the chat room and no emails for public comment.

*Commissioner King moved to approve this rule for final action.  
Commissioner Levy seconded the motion.  
The motion passed 4:0*

#### **Tab 7**

##### **Rule up for Final Action – Scientific Definition**

**Ashlie Laydon**, Rules Coordinator (RC), presented the materials for this tab. Commissioners voted unanimously to approve this rule to amend language using scientific as a qualified topic for nonprofits as authorized in RCW 9.46.0209

**Chair Sizemore** asked for public comment. **Julie Anderson** confirmed no activity in the chat room and no emails for public comment.

*Commissioner Patterson moved to approve this rule for final action.  
Commissioner King seconded the motion.  
The motion passed 4:0*

#### **Tab 8**

##### **Legislative Update**

**LLM Considine** presented the materials for this tab. **LLM Considine** summarized how the 2021 session is going and the interesting factors related to it being a virtual session this year. LLM Considine briefed Commissioners on the materials in the packet. He also briefed them on the addendum materials for SB 5212, sports wagering at card rooms/race tracks.

Commissioners voted unanimously for Washington State Gambling Commission (WSGC) to support HB 1022 in support of the Washington Horse Racing Commission.

Commissioners also voted unanimously that the WSGC should support budget proviso(s) necessary to extend the Problem Gambling Task Force and its final report and the problem gambling prevalence study until 2022.

**Chair Sizemore** asked for public comment.

**Dora Smith, Chair of the Yakama Nation Gaming Commission** addressed the commission and thanked them for their time. She said “Since the COVID 19 has set in our State I've not been able to attend any of the meetings and I thought I better sit in and find out the status of the sports wagering legislation and I didn't realize that Maverick had submitted another bill until I began to do research on my laptop and found it as an attachment. So, it was interesting to read it.” She asked if LLM Considine would continue to keep her and the Yakama Nation in the loop as to the status and progress for the projected timeline. She continued to say, “I wanted to find out about the hundred-thousand-dollar license fee that is in that bill in the legislative press releases on the Washington State Gambling Commission website. It refers to the tribes having a \$500 000 license application fee for sports wagering and that's a huge difference.” **Chair Sizemore** thanked Chair Smith for her comment and reminded everyone to seek information on bills and upcoming virtual hearing from their lobbyists or other entities. We have an open line of communication with the government to government relations. **Director Trujillo** thanked Chair Smith for participating today.

Commissioners discussed SB 5212, sports wagering for card rooms and horse racetracks. This bill would authorize retail and online sportsbooks for current card room and horse track licensees. The Commission is neutral on the bill but has concerns on the many technical issues within the bill and further review of the problem gambling funding mechanism.

**LLM Considine** reminded Chair Sizemore and commissioners that February 15 would be the first cutoff date so commissioners would have another opportunity to revisit SB 5212 before acting.

**Commissioner Patterson** said, “from the conversation today that the bill as is would not meet our standard of meeting both the five pillars and being constructed in a way for us to have a good regulatory framework to work from.”

**Commissioner King** indicated that maybe the Commission should consider opposing the bill due to our concerns and that it's not technically sound. Discussion about this idea occurred and ultimately staying neutral was the preferred approach. However, LLM Considine and the Commissioners stated the position possibly should change if the bill gets out of committee without amending it to alleviate all of our concerns.

**Chair Sizemore** opened the floor for public comment. There was no more public comment.

**Chair Sizemore** reminded the commissioners and the public that the next virtual public meeting would be February 11, 2021 and to continue checking the website for the most current information.

The January meeting adjourned at 2:24 PM.