



STATE OF WASHINGTON  
**GAMBLING COMMISSION**

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

**July Gambling Commission Meeting Minutes**

Gambling Commission Headquarters

**Virtual Meeting**

**\*July 17, 2020**

**Commissioners Present:**

**Bud Sizemore, Chair (Present)**

**Julia Patterson (Via Teams)**

**Alicia Levy (Via Teams)**

**Lauren King (Via Teams)**

**Ex Officio Members Present:**

**Senator Steve Conway (Via Teams)**

**Senator Jeff Holy (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; Julie Lies, Tribal Liaison; Heather Songer, Public Information Officer; Ashlie Laydon, Rules Coordinator; Adam Teal, Staff Attorney; and Suzanne Becker, Assistant Attorney General.

**Public Meeting Call to Order**

**Chair Sizemore** called the virtual meeting to order at 10:04 AM and announced that the commissioners would go directly into executive session to discuss potential litigation, including tribal negotiations, with legal counsel. He announced that the public meeting will reconvene at 1:00 PM.

Executive session adjourned at 12:15 PM. The commissioners took a short break until 1:00 PM.

**Public meeting reconvened at 1:06 PM.**

**Chair Sizemore** asked Director Trujillo to call roll to ensure a quorum. All commissioners were present. Chair Sizemore announced that Commissioner Troyer would not be joining the meeting and that the June 23, 2020 meeting was Commissioner Troyer's last commission meeting. Chair Sizemore spoke about recent news events and asked for a moment of silence for the fallen officers since we last met.

There were 84 people who attended the virtual meeting.

**Tab 1**

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

*Commissioner Levy seconded the motion.*

*Director Trujillo called the roll.*

*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.

## Tab 2

### Petition for Review

**Doug Van de Brake, Washington Assistant Attorney General; Terence Wong, Attorney for Petitioners; and the Petitioners, Mr. Doo and Mr. Mazeckin,** presented the material for this tab. Mr. Terence Wong represented both Mr. Doo and Mr. Mazeckin. Assistant Attorney General Doug Van De Brake represented the Washington State Gambling Commission's agency staff. The commissioners had before them: the administrative record from the administrative law judge (ALJ), the ALJ's initial order finding the penalty of revocation was supported and appropriate in both cases; and the parties' pleadings. Oral argument was held before the commissioners during the public meeting.

**Commissioners Sizemore, Patterson and King** adjourned the public meeting to a closed session where they met with AAG Suzanne Becker for 15 minutes.

Following oral argument and review of the record, the Commission denied Mr. Doo's and Mr. Mazeckin's petition for review. The Commission affirms, in its entirety, the April 13, 2019 initial order granting Gambling Commission's motion for summary judgment and adopts the initial order as the Commission's final order.

**There was no public comment.**

## Tab 3

### Petition for Final Action – Cost of Providing Public Records

**Ashlie Laydon, Rules Coordinator,** presented the materials for this tab. At the January commission meeting, commissioners approved staff's request to enter into rule-making to develop rules that would allow the agency to charge for costs authorized under the Public Records Act. At the May public meeting, staff presented draft language for authorizing imposition of certain costs for providing records in a public records request, including: the actual cost for copying records, including per-page rate for copying, labor costs of copying, and shipping costs; providing copies of electronically produced records; actual costs for the electronic production or file transfer of the record; the use of a cloud-based storage or processing service; and the cost of transmitting the records in an electronic format. No comments were received at any public meeting or directly to the agency during the public comment period. Staff requested the commissioners take final action and approve the final language for this rule-making.

**There was no public comment.**

*Commissioner Patterson moved to approve for final action on Cost of Providing Public Records to occur 31 days after filing with the Office of the Code Revisor.*

*Commissioner King seconded the motion.*

*The motion passed 3:0*

*Commissioner Levy was not present for the vote.*

#### **Tab 4**

##### **Rules Petition-Updating Rules Regarding Card Games**

**Ashlie Laydon, Rules Coordinator**, presented the materials for this tab. Staff asked the commissioners to approve entering into rule-making to address house-banked “jackpot” prizes, including progressive and house jackpots. Current rules need to be amended and possibly new rules added to clarify the different jackpot prizes authorized, and how they are to be operated, including: restrictions, enforcement, minimum cash on hand and payments, adjustments, and removal of jackpot prizes offered.

Commissioner Sizemore asked if the rules would address player supported jackpots. Staff replied that it would not and would only focus on the house-banked jackpots.

**There was no public comment.**

*Commissioner Patterson moved to initiate rule-making to update the rules regarding card games, as presented by staff.*

*Commissioner King seconded the motion.*

*The motion passed 3:0*

*Commissioner Levy was not present for the vote.*

#### **Tab 5**

##### **Rules Petition-Sports Wagering**

**Brian Considine, Legal and Legislative Manager (LLM)**, presented the materials for this tab. On March 25, 2020, Governor Jay Inslee signed House Bill 2638, authorizing sports wagering for Class III tribal facilities under terms of the new law and as negotiated in tribal-state compacts.

New rules will likely need to be implemented before Class III tribal facilities can offer sports wagering at current Class III tribal facilities. Staff recommends initiating rule-making to ensure that the agency can facilitate the implementation of sports wagering through rule making once tribal negotiations are at a place that would allow the agency to begin stakeholder work necessary for any rule-making and not delay the submission of rule language to the commissioners once any language is ready for their review. Rule-making would cover all aspects of regulation, but could be done in phases, if needed, and any rules will be consistent with terms of any new tribal-state sports wagering compact amendment(s).

**There was no public comment.**

*Commissioner Patterson moved to approve staff recommendation to initiate rule-making to facilitate the implementation of sports wagering consistent with terms of any new tribal-state sports wagering compact amendments.*

*Commissioner King seconded the motion.*

*The motion passed 3:0*

*Commissioner Levy was not present for the vote.*

#### **Tab 6**

##### **Presentation- Gambling Commission Financial Update**

**Christopher Stanley, Chief Financial Officer (CFO)**, presented the materials for this tab. CFO Stanley provided an agency budget review and financial update. He will present the agency’s

budget for the Commission’s consideration and approval at the August and September commission meetings.

**There was no public comment.**

**Tab 7**

**Presentation- Agency Request Legislation**

**Brian Considine, Legal and Legislative Manager (LLM)**, presented the materials for this tab. LLM Considine presented possible 2021 agency request legislation. LLM Considine discussed the following possible topics for agency request legislation:

- (1) General Fund appropriation request -
  - a. \$6 million sports wagering loan forgiveness
  - b. Chair Sizemore added new general fund appropriation for unlicensed criminal activity (example: animal fighting and online gambling)
- (2) Reviewing Nonprofit bingo laws
  - c. Senior Centers/Community Centers
  - d. Low stakes bingo;
- (3) Sports Wagering Law clean-up
  - e. Fantasy Sports/tournament pools
  - f. Sports Boards
  - g. Definition of esports
- (4) Forthcoming Problem Gambling Task Force Recommendations
- (5) Loot Box regulation
- (6) Social Casino regulation; and
- (7) Requesting a change to the Definition of Theft
- (8) Director Trujillo added cashless transactions -

Additionally, staff held a virtual stakeholder forum on June 24, 2020 to preview possible agency request topics and seek input on topics stakeholders would like the Commission to take on in 2021. The following topics were requested by stakeholders:

- (1) Online Raffles
- (2) Raffles using the mail.

**LLM Considine** briefly explained each topic on the staff and stakeholder lists. Then, he asked for additional topics and **Director Trujillo** added cashless transactions to the list. **Chair Sizemore** added funding for criminal law enforcement work on unlicensed gambling activities.

**LLM Considine** recommended the Commission only prioritize the budget package requests and nonprofit bingo changes for agency request legislation. LLM Considine provided reasoning for why other topics should not be the priority this session and why the focus should be on the two budget requests and the nonprofit bingo law change(s).

The commissioners agreed with LLM Considine’s recommendations. LLM Considine informed them that he and CFO Stanley would have more specific information on each of these priorities at their August public meeting and will ask for final action at the agency’s September public meeting.

**Chair Sizemore** announced that the August and September commission meetings would be virtual and to continue to watch the agency website for up-to-date information.

**Chair Sizemore** adjourned the July commission meeting at 3:58 PM.