



STATE OF WASHINGTON
GAMBLING COMMISSION

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

March Gambling Commission Meeting Minutes

Gambling Commission Headquarters

Virtual Meeting

***March 11, 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)

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 Suzanne Becker, 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 11:58 PM. The commissioners took a break until 1:00 PM.

Public meeting reconvened at 1:02 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. Chair Sizemore announced that the agenda would change a little to accommodate the Ex-Officios schedule so they can be here for the Snoqualmie Tribe Compact Hearing.

There were 83 people who attended the virtual meeting.

Tab 1

Consent Agenda

Commissioner Levy moved to approve the consent agenda as presented.

Commissioner King seconded the motion.

* 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.

The motion passed 4:0

Director’s Report

Director Trujillo highlighted feedback from Licenses regarding agents that provided inspections at their establishments. These licensees said that Pull-Tabs were saving their business. He also gave an update on Self-Exclusion. Staff is working on rules and have created a flow chart that continues because it hasn't been cast through the public rulemaking process yet, our flow charts and our language is continuing to be refined. We know that we must continue to develop our own internal Standard Operating Procedures. The Self-Exclusion flow chart will be shared with commissioners at a later meeting.

Tab 6

Presentation – Budget Review and Update

Christopher Stanley, Chief Financial Officer (CFO) presented the materials for this tab. **CFO Stanley** gave the standard update. He said, “The improvement in our financial situation is a testament to the resilience of our industry. We are completely license-fee supported. And so, as our industry has found creative ways to survive during the pandemic, that has given us the ability to survive as well”.

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

Tab 2

Snoqualmie Tribe Compact Amendment Hearing

Stanford Le, Interim CFO and President for Snoqualmie Casino, David Trujillo (Director, WSGC) and Julie Lies (Tribal Liaison, WSGC) presented the material for this tab. **Director Trujillo** explained the process for amending a tribal gaming compact. **Stanford Le** spoke about the Snoqualmie Tribe and Casino. **Tribal Liaison Lies** discussed the details of the Tribe’s Class III gaming compact amendment. **Senator Conway** asked CFO Le if COVID impacted tribal operations. **CFO Le** explained that, “overall the casino is a very carefully run operation and the casino industry as a whole was well-prepared for the pandemic”. **Representative Kloba** asked for a reminder of what the problem gambling funding was. **Tribal Liaison Lies** said currently it is 0.13% and the tribe has agreed to increase that 0.2%. **Chair Sizemore** asked for public comment. There was no additional public comment. **Chair Sizemore** asked Julie Anderson if there was any emails or chat activity. **Julie Anderson** replied that were none.

Commissioner King moved to forward the proposed compact to the governor for review and final execution.

Commissioner Levy seconded the motion.

Director Trujillo called the role.

Commissioner Patterson – yes

Commissioner Levy – yes

Commissioner King – yes

Commissioner Sizemore – yes

Senator Conway – yes

Representative Kloba – yes

The motion passed 6:0

Tab 3

Presentation – Problem Gambling Awareness Month

Roxane Waldron, the state Problem Gambling Program Manager (PM) presented the materials for this tab. PM Waldron thanked the commission for the invitation to present during Problem Gambling Awareness Month to share an update. (Power Point Presentation can be found on our website). **Commissioner Patterson** stated, “I want to express my gratitude to Roxane for doing a great job on behalf of the people of Washington”.

Public Comment

There was no public comment.

Tab 4

Updating Rules Regarding Card Games

Ashlie Laydon, Rules Coordinator (RC) and Special Agent (SA) Jess Lohse, presented the materials for this tab. RC Laydon explained that at the July 2020 meeting, the commission initiated rulemaking to define and outline operational requirements for jackpot prizes and to also update existing rules related to authorizing new card games, authorizing changes to existing card games, requirements for card games, wagering, adding merchandise and cash prizes or cash to card games, minimum cash on hand requirements, paying out prizes for card games and maintaining funds to pay prizes. The language today is up for discussion and possible filing and looks to amend 18 rules, repeal two rules and adopt one new rule. **SA Lohse** elaborated on the positive feedback that was received regarding these proposed changes. He also said that one manufacturer had some concerns with WAC 230-15-040 initially, but those have been resolved. **Chair Sizemore** asked if there was a potential risk to have a game where somebody can have 10 different \$300 wagers on a game? **SA Lohse** said, “the 230-15-040 rule, as of right now, it limits four separate games to a card game where three of them can be over \$5, and one has to be \$5 or less. As far as the card game approval process goes, the team I'm on, we've approved games over the years that have more than four separate games”.

Public Comment

Chair Sizemore asked for public comment and Julie Anderson checked the chat box and email. There were no public comments.

Commissioner Levy moved to file the proposed rule language which is recommended by staff for further discussion.

Commissioner King seconded the motion.

The motion passed. 4:0

Tab 5

Changing Minimum Number of Licensed Employees Required

Ashlie Laydon, Rules Coordinator (RC), presented the materials for this tab. RC Laydon was joined by Petitioner Max Faulkner. Max Faulkner, of West Richland, Washington, is proposing to amend WAC 230-15-340, Minimum number of licensed employees required, to allow the poker supervisor to deal until one table breaks and then allow dealers to rotate as supervisors in poker tournaments with no player-supported jackpots, nonvalue chips, and multiple starting tables. The petitioner feels this change is needed because under the current rules a card room must have an extra person to start a tournament even when there is no player-supported jackpot and non-value chips are used. Many times, a tournament breaks a table very early, eliminating

the need for the employee after a few minutes. The petitioner feels that if the supervisor can deal until a table breaks, it would make it more efficient for the card room. The current rules add cost and inconvenience to the card room without adding any protection to the players. The petitioner feels the effect of this rule change would save cost and inconvenience to the card room without affecting player protection. **Mr. Faulkner** explained his reasoning for the request to the commission. **Commissioner Patterson** addressed the petitioner and explained her concerns had to do with the fact that if the rule was adopted, there wouldn't be an independent decision-maker if a dispute occurred at the table. Her other concern was that it would end up leaving the card room operating without oversight by someone who wasn't involved in the game. She also asked staff to address if their concerns were adequately addressed. **Assistant Director (AD) Tina Griffin** addressed the petitioner. After explanation of the rules and the changes that the petitioner is requesting, AD Griffin stated, "You have to have a supervisor in each gaming area and pit under WAC 230-15-460, which is not the rule that he's looking to change. And it does allow for a dealer and a supervisor to work the same shift, but you can't be a dealer and a supervisor simultaneous to that. So even if you have a dealer or a supervisor in a card tournament of a house banked card room licensee, you're still going to have to have a supervisor in that gaming area and in the live gaming area pit. So no, the communication, the testimony does not resolve our concerns".

Chair Sizemore recognized the agency staff concerns and asked if the Petitioner would consider withdrawing his petition to see if he can work out these issues with staff. The Petitioner withdrew his petition stating that he will work with staff to amend the correct rule. AD Griffin added that she will reach out to him to reconnect on this topic.

Tab 7

Legislative Update

LLM Considine presented the materials for this tab. **LLM Considine** said we are currently tracking about 60 bills and provided a short summary of noteworthy bills the agency is currently tracking, including industry bills. He also discussed the state operating budget-related items the agency was working on and that it seemed the Problem Gambling Task Force and prevalence study requests would be in one or both budgets. He thanked Representative Kloba for all her assistance on the Problem Gambling Task Force, the prevalence study, and just reiterating the extension of the sports wagering loan repayment in both Senate and House budgets be repaid in 2023. Lastly, LLM Considine shared that Governor Inslee just announced in a press briefing that starting March 22, 2021 the whole state is moved to phase three, which is 50% capacity, and that should benefit the industry.

Public Comment

Chair Sizemore asked for public comment. There was no more public comment. He asked Julie Anderson if there was any emails or chat activity. There were none.

Chair Sizemore confirmed that Director Trujillo's last day at the Gambling Commission would be March 31, 2021. He thanked Director Trujillo for his service to Washington State Gambling Commission and wished him luck and in his next chapter. **Chair Sizemore** asked Vice Chair (VC) Patterson to lead the Interim Director process as Chair Sizemore expressed his willingness and desire to serve as the interim position and will recuse himself from the selection process. **Commissioner Patterson** asked Director Trujillo for a recommendation for Interim Director. Director Trujillo recommended AD Griffin for the position. **VC Patterson** asked for consultation from AAG Becker. **AAG Becker** explained that a special meeting would have to be

held for public awareness to allow all commissioners time to consider their options. **VC Patterson** agreed and announced that she will be working with Human Resources Director, Lisa Benavidez on next steps.

Commissioners Levy said, *“I just would like to thank Dave for everything he's done so far, and we're going to miss you on the Commission. It's been a great having the pleasure to work with you. Good luck in your future endeavors”*.

Commissioner King said, *thank you, Dave, for everything that you've done, and you'll be sorely missed”*.

Representative Kloba replied, *“I was just thinking about all the times that Mr. Trujillo has shown up in front of the committee and just always very open, so knowledgeable, but able to distill things down to the basics so that any brand new committee member could understand the issue at hand and some of the detail. He was very welcoming when I joined the Commission and I just really am very thankful for all of that, his warmth and his professionalism, and just really jealous of the folks that you are going to work with in the future, because it's not us”*.

Public Comment

Chris Stearns said, *“Thank you, Chair Sizemore and hi, everyone. Director Trujillo, just my absolutely “favoritest” of all directors. Although there was only one other, I think when I joined, and that, so I have a limited experience. I was honored to, I think as my first official vote, when I joined the Commission was to vote for you to be the Director. Under your stewardship, the Commission has not just thrived, but it's just maintained its reputation and record of excellence for keeping gambling safe and keeping it honest in the state of Washington. Yeah. Your tenure here is just remarkable. I know the people of Washington are really grateful for all that you've done for them, and I wish you best of luck in your new endeavor”*.

Chair Sizemore reminded the Commissioners that the next public meeting would be April 8 and that a special meeting would occur before that and to continue checking the website for the most current information.

The March meeting adjourned at 3:07 PM.