

WASHINGTON STATE GAMBLING COMMISSION PUBLIC MEETING - March 2021

Gambling Commission Headquarters Lacey, WA

COMMISSIONERS



Bud Sizemore Chair



Julia Patterson Vice Chair



Alicia Levy



Lauren King

EX OFFICIOS



Senator Steve Conway



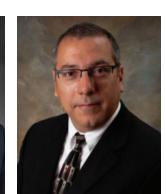
Senator Jeff Holy



Representative Shelley Kloba



Representative Brandon Vick



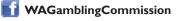
STAFF

David Trujillo Director



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(300) 400-3407 | (000) 343-2327 | www.w



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GAMBLING COMMISSION

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

March 11, 2021 Gambling Commission Meeting Agenda

Click here to join the meeting

Please note, agenda times are estimates only. Items may be taken out of sequence at the discretion of the Chair. Commissioners may take action on business items.

Administrative Procedures Act Proceedings are identified by an asterisk (*)

	PUBLIC MEETING	
9:30-12:30	Executive Session – Closed to the Public	Bud Sizemore, Chair
	Discuss potential agency litigation with legal counsel, including tribal	negotiations.
Tab 1	Call to Order	Bud Sizemore, Chair
1:00		
	*Consent Agenda	(Action
	• February 11, 2021 Commission Meeting	
	 February 24, 2021 Special Commission Meeting Minutes 	
	 New Licenses and Class III Employees Licenses 	
	Director Report	
	Self-Exclusion Update	
Tab 2	Snoqualmie Tribe Compact Amendment Hearing	(Actio
	Stanford Le, Interim CEO and	d President, Snoqualmie Casir
		David Trujillo, WSGC Directo
	J_i	ulie Lies, WSGC Tribal Liaiso
Tab 3	Presentation - Problem Gambling Awareness Month	
	Roxane Waldron, MPA Proble	m Gambling Program Manage
Tab 4	* RULE UP FOR DISCUSSION AND POSSIBLE FILING	(Action
	Updating Rules Regarding Card Games	`
	* * *	lie Laydon, Rules Coordinator
Tab 5	* RULE UP FOR DISCUSSION AND POSSIBLE FILING	(Action
	Changing Minimum Number of Licensed Employees Required	· · · · · · · · · · · · · · · · · · ·
		alie Laydon, Rules Coordinato
		Max Faulkner, Petitione
Tab 6	Presentation-Budget Review and Update	,
	¥ .	Stanley, Chief Financial Office
	*	
Tab 7	Legislative Update	
	Brian Considine,	Legal and Legislative Manage
ublic Comment	can be provided:	
	nd during the Commission meeting you may email <u>Julie.Anderson@wsgc.wa.gov</u>	<u>v</u> ; or
	ne meeting you may use the Microsoft Office Teams Chat Box;	
	e attending the meeting by phone, we will offer you an opportunity to comment.	

Adjourn

Upon advance request, the Commission will pursue reasonable accommodations to enable persons with disabilities to attend Commission meetings. Questions or comments pertaining to the agenda and requests for special accommodations should be directed to Julie Anderson, Executive Assistant at (360) 486-3453 or TDD (360) 486-3637. Questions or comments pertaining to rule changes should be directed to the Ashlie Laydon, Rules Coordinator (360) 486-3473. Please silence your cell phones for the public meeting



"Protect the Public by Ensuring that Gambling is Legal and Honest" February Gambling Commission Meeting Minutes

Gambling Commission Headquarters
Virtual Meeting
*February 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 9:38 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 1:02 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.

There were 65 people who attended the virtual meeting.

Tab 1

Consent Agenda

Commissioner Patterson moved to approve the consent agenda as presented. Commissioner Levy seconded the motion.

The motion passed 4:0

^{*} Governor Inslee issued <u>Proclamation 20-28.4</u> et al that suspended certain Open Public Meeting requirements, including in-person public meetings requirements for this Commission Meeting.

Director's Report

Director Trujillo highlighted the 2019 House Banked Card Room Financial Statement Summary in the packet. Director Trujillo acknowledged Special Agent Danny Lisa and read a letter of appreciation into the record. Director Trujillo also recognized Julie Anderson for her 15 years of state service.

Tab 2

Rule Petition Up for Final Action – Bundling and Selling Raffle Tickets at a Discount Ashlie Laydon, Rules Coordinator (RC), presented the materials for this tab. RC Laydon stated that at the January 2020 meeting, Commissioners initiated rulemaking for raffles, specifically for staff to continue their review of ruffles rules in regards to bundling and selling tickets at a discount, alternative drawing formats and progressive raffles. At the December 2020, meeting staff presented draft language addressing bundling, and selling tickets at a discount and alternative drawing formats. At that time, staff had determined that rules for progressive raffles were not needed. Commissioners chose to file that draft language for further discussion. That language was filed with the Office of the Code Reviser and published in the Washington State Register and was also posted on the agency website. No further comments have been received. Staff recommends taking final action on the language.

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

Commissioner Patterson moved to approve the filing for final action as presented by staff to be effective 31 days after filing.

Commissioner Levy seconded the motion.

The motion passed. 4:0

Tab 3

Legislative Update

LLM Considine presented the materials for this tab. **LLM Considine** announced that Monday would be the Policy Committee cutoff. LLM Considine briefed Commissioners on the materials in the packet. He reminded commissioners about the Special Commission meeting on February 24, 2021 at 2:00 PM.

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 reminded the Commissioners and the public about the February 24, 2021 special meeting and to continue checking the website for the most current information. He also stated that the March 11, 2021 commission meeting will likely have a full agenda.

The February meeting adjourned at 1:32 PM.



GAMBLING COMMISSION

"Protect the Public by Ensuring that Gambling is Legal and Honest"
February Special Commission Meeting Minutes

Gambling Commission Headquarters
Virtual Meeting
*February 24, 2021

Commissioners Present:

Bud Sizemore, Chair (Via Teams) Julia Patterson (Via Teams) Alicia Levy (Via Teams) Lauren King (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

Commissioner Levy called the virtual special commission meeting to order at 2:02 PM. Commissioner Levy asked Director Trujillo to call the roll. All Commissioners were present.

There were 37 people who attended the virtual meeting.

Tab 1

<u>Rule Petition up for Discussion and Possible filing – Sports Wagering Pre-Licensing</u> Investigations

Brian Considine, Legal and Legislative Manager presented the materials for this tab. LLM Considine summarized actions the Commissioners had taken at their January Commission meeting to file proposed sports wagering pre-licensing investigation rule language. LLM Considine informed the Commissioners that a couple technical changes had been made since filing the proposed language. Based on some stakeholder feedback and internal staff discussion, the term "pre-licensing qualification" was changed to "pre-licensing investigation" to better align with the agency's processes. Additionally, the term "letter" was removed to provide the agency flexibility in how they communicate the final determination on a pre-licensing investigation application.

However, the substance of the rule remains the same and the Commissioners can take final action on this rule. Staff recommends approval of this rule and that it go into effect 31 days after filing of the rule.

^{*} Governor Inslee issued <u>Proclamation 20-28.4</u> et al that suspended certain Open Public Meeting requirements, including in-person public meetings requirements for this Commission Meeting.

Commissioner Levy asked for public comment. There was no public comment.

Commissioner Sizemore moved to approve the rule as presented by staff 31 days after filing with the Office of the Code Revisor – expected on or about March 29, 2021.

Commissioner Patterson seconded the motion.

The motion passed. 4:0

LLM Considine discussed, after the vote, the next steps agency staff will take. LLM Considine informed the Commissioners that staff will launch a webpage devoted to this new process and application and he hopes that will occur on February 26th or March 1st. LLM Considine also indicated that he would send an email with information about the final rule and webpage for the pre-licensing investigation process. He provided his email in the Teams chat box if anyone wanted to send him their contact information to be added to the email list. Lastly, LLM Considine indicated that staff would begin accepting applications once the webpage and application are posted but would not finish any investigation or make a final determination until the rules go into effect at the end of March.

The special commission meeting adjourned at 2:13 PM.



COMMISSION APPROVAL LIST (New Licenses & Class III Gaming Employees) March 2021

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Based upon the licensing investigations, staff recommends approving all new Licenses and Class III employees listed on pages 1 to 13.

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BINGO

FOE 00031 1125 N FOREST ST

00-00248 01-02684 BELLINGHAM WA 98225

RAFFLE

FOE 00031 1125 N FOREST ST

00-00248 02-08378 BELLINGHAM WA 98225

FOE AUX 03865 1319 GOLDEN AVE

00-09370 02-01915 OROVILLE WA 98844

MUSEUM OF NORTHWEST ART 121 S FIRST ST

TRI-CITY SPARTANS 6202 W 16TH AVE

00-24712 02-21153 KENNEWICK WA 99338

PUNCHBOARD/PULL-TAB NONPROFIT

FOE 00031 1125 N FOREST ST

00-00248 05-02513 BELLINGHAM WA 98225

PUNCHBOARD/PULL-TAB COMMERCIAL STIMULANT

CENTRAL TAVERN 124 KIRKLAND AVE 00-24041 05-21513 KIRKLAND WA 98033

JUST CHILL PUB & GRILL 16716 HWY 99 STE G 00-24702 05-21700 LYNNWOOD WA 98037

KINISKI'S REEF TAVERN 1334 GULF RD

MIDWAY PUB 204 W BROADWAY

00-24719 05-21703 MOSES LAKE WA 98837

PNW MEATHEADS BBQ 3061 OCEAN BEACH HWY 00-24671 05-21687 LONGVIEW WA 98632

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ORGANIZATION NAME

LICENSE NUMBER PREMISES LOCATION

NEW APPLICATIONS

COMMERCIAL AMUSEMENT GAMES OPERATOR

BOWLERO LYNNWOOD 1222 164TH ST SW 00-24171 53-21522 LYNNWOOD WA 98087

CHAOS ARCADE 1020 W FRANCIS AVE H 00-24665 53-21548 SPOKANE WA 99205

DAVE & BUSTER'S 1101 OUTLET COLLECTION WAY SUITE 00-24017 53-21504 AUBURN WA 98001

NON HOUSE-BANKED CARD GAME

KINISKI'S REEF TAVERN 1334 GULF RD

00-11416 65-07051 POINT ROBERTS WA 98281

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PERSON'S NAME

LICENSE NUMBER

EMPLOYER'S NAME

PREMISES LOCATION

NEW APPLICATIONS

MANUFACTURER REPRESENTATIVE

ALEXANDER, MICHAEL A II

AINSWORTH GAME TECHNOLOGY INC

23-01612 LAS VEGAS NV 89118

BROMLEY, STANLEY N AGS LLC

23-03157 LAS VEGAS NV 89118

FRY, JOSEPH A ARISTOCRAT TECHNOLOGIES INC

23-03154 LAS VEGAS NV 89135

MARSTON, DANIEL W ARISTOCRAT TECHNOLOGIES INC

23-03155 LAS VEGAS NV 89135

MENE, MIKE B EVERI PAYMENTS INC 23-02598 LAS VEGAS NV 89113-2175

NEWSOM, RAYANA K ARISTOCRAT TECHNOLOGIES INC

23-03153 LAS VEGAS NV 89135

SCHMIDT-PETERSEN, MAXIMILLIAN T ARISTOCRAT TECHNOLOGIES INC

23-03156 LAS VEGAS NV 89135

NON-PROFIT GAMBLING MANAGER

SADLER, JAY A LOOM 02423

61-04109 BATTLE GROUND WA 98604-4038

SERVICE SUPPLIER REPRESENTATIVE

BECKER, WYATT R
BULLETPROOF SOLUTIONS II
63-00876
BULLETPROOF SOLUTIONS II
FREDERICTON NA E3C 2N5

DEMELLIER, JOSEPH G SALISHAN-MOHEGAN LLC 63-00955 VANCOUVER WA 98660

CARD ROOM EMPLOYEE

ALLEN, DESIRAE D FORTUNE CASINO - RENTON

68-29767 B RENTON WA 98055

AUSTON, TREVOR D SLO PITCH PUB & EATERY

68-35949 B BELLINGHAM WA 98225

DATE: 02/23/2021 Page 4 of 13

PERSON'S NAME

LICENSE NUMBER

EMPLOYER'S NAME

PREMISES LOCATION

NEW APPLICATIONS

CARD ROOM EMPLOYEE BARGAS, LANEA N GREAT AMERICAN CASINO/LAKEWOO 68-33889 В LAKEWOOD WA 98499 BEVENS, RYAN E CARIBBEAN CARDROOM 68-35930 В KIRKLAND WA 98034 BIBBS, REGINA L GREAT AMERICAN CASINO/TUKWILA В TUKWILA WA 98168 68-35945 BICKFORD, TEIGAN A CRAZY MOOSE CASINO/PASCO 68-35950 В **PASCO WA 99301** BIGELOW, ROBERT D LOGGERS INN SULTAN WA 98294 68-35957 Α BOOTH, MATTHEW S FORTUNE CASINO - TUKWILA В TUKWILA WA 98168 68-35924 CARDOSO GONZALEZ, JOSE D CRAZY MOOSE CASINO/PASCO 68-32706 В **PASCO WA 99301** CARIBBEAN CARDROOM COFFMAN, RYAN J KIRKLAND WA 98034 68-35934 В GADUPUDI, SESHASREE SILVER DOLLAR CASINO/SEATAC В SEATAC WA 98188 68-35951 GIPSON, BRIAN T JOKER'S CASINO SPORTS BAR & FIEST В 68-35927 RICHLAND WA 99352-4122 GONG, XUEMEI FORTUNE POKER 68-35935 В RENTON WA 98057 HOANG, TAN D CHIPS CASINO/LAKEWOOD 68-35954 В LAKEWOOD WA 98499 HURST, KELSEY M JOKER'S CASINO SPORTS BAR & FIEST 68-35939 RICHLAND WA 99352-4122 В CHIPS CASINO/LAKEWOOD HUYNH, SON T В 68-19572 LAKEWOOD WA 98499

В

В

FORTUNE CASINO - TUKWILA

TUKWILA WA 98168

KIRKLAND WA 98034

CARIBBEAN CARDROOM

ISLA, MONICA C

KELLY, RAEANNE

68-35960

68-18790

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PERSON'S NAME

LICENSE NUMBER

EMPLOYER'S NAME

PREMISES LOCATION

NEW APPLICATIONS

CARD ROOM EMPLOYEE

LACKEY, ROBERT T 68-35956	A	LOGGERS INN SULTAN WA 98294
LEE, BEZZELL M 68-29016	В	CHIPS CASINO/LAKEWOOD LAKEWOOD WA 98499
NGO, ELLEN H 68-35940	В	MACAU CASINO TUKWILA WA 98188
NGUYEN, KIM T 68-30945	В	GOLDIE'S SHORELINE CASINO SHORELINE WA 98133
NHEM, RICKY V 68-06378	В	FORTUNE CASINO - RENTON RENTON WA 98055
NY, AMIKKA K 68-35938	В	MACAU CASINO LAKEWOOD WA 98499-4457
POM, HEIDI 68-35942	В	RIVERSIDE CASINO TUKWILA WA 98168
ROWE, GIAVONEE N 68-35963	В	SILVER DOLLAR CASINO/SEATAC SEATAC WA 98188
SAECHAO, NGING M 68-14551	В	CARIBBEAN CARDROOM KIRKLAND WA 98034
SANCHEZ, ARCHIE L 68-35933	В	CRAZY MOOSE CASINO II/MOUNTLAK MOUNTLAKE TERRACE WA 9804
SANDERS, ADAM W 68-35932	В	CRAZY MOOSE CASINO II/MOUNTLAK MOUNTLAKE TERRACE WA 9804
SCOTTI, ASHLEY M 68-35931	В	CRAZY MOOSE CASINO II/MOUNTLAK MOUNTLAKE TERRACE WA 9804
SHILLING, JOSEPH J 68-35948	В	MACAU CASINO LAKEWOOD WA 98499-4457
SLATON, JAMES C 68-35969	В	LAST FRONTIER LA CENTER WA 98629-0000
SOK, TOUCH 68-35966	В	RIVERSIDE CASINO TUKWILA WA 98168
STEVENSON, CHRISTOPHER D 68-35929	В	CRAZY MOOSE CASINO II/MOUNTLAK MOUNTLAKE TERRACE WA 9804

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PERSON'S NAME

LICENSE NUMBER

EMPLOYER'S NAME

PREMISES LOCATION

В

68-35943

NEW APPLICATIONS

CARD ROOM EMPLOYEE SUZAKA, EUGENE K GREAT AMERICAN CASINO/TUKWILA 68-35958 В TUKWILA WA 98168 VAN-HIM, AN CHIPS CASINO/LAKEWOOD В 68-35946 LAKEWOOD WA 98499 WILLIAMS, DOUGLAS D FORTUNE POKER 68-24761 В RENTON WA 98057 WILLIAMS, JACOB M LILAC LANES & CASINO 68-17898 В SPOKANE WA 99208-7393 WOODRUFF, ALEXIS M GREAT AMERICAN CASINO/LAKEWOO 68-35941 В LAKEWOOD WA 98499 ZARELLI, JUSTICE S ROYAL CASINO

EVERETT WA 98204

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PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

CHEHALIS CONFEDERATED TRIBES

BICKLE, KYLER C EMMETT, ALAN J

69-49769 69-49728

FULLER, ELIZABETH A READER, TABITHA M

69-49680 69-42773

TROTT, THOMAS J

69-49729

COLVILLE CONFEDERATED TRIBES

ADAMS, MELANIE O JIM, KEITH O

69-49735 69-49734

TIMENTWA, IRA P

69-23488

COWLITZ INDIAN TRIBE

BAUER, CAMERON B ELLINGSON, STUART M

69-47386 69-49751

MARIOTTI, NOAH A SCHOOK, CHRISTOPHER D

69-49667 69-47734

WHITE, CHRISTIAN M

69-47114

KALISPEL TRIBE

COLE, KAILEIANA C HOLMBERG, KERIG D

69-49717 69-49709

KING, CHAD A RAMIREZ, NATASKA J

69-49718 69-49738

SMITH, JOHN R IV TARRANT-FAAOPEGA, SOAIMAILE

69-49736 69-49737

Page 8 of 13 DATE: 02/23/2021

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

KALISPEL TRIBE

VILLANUEVA, TI K THOMAS, JASEN M

69-49793 69-49792

ZAVALA, TAYLOR C

69-49775

MUCKLESHOOT INDIAN TRIBE

ACEVEDO MENDOZA, ANGEL P ARGUETA, ELDON S

69-49732 69-49731

ELLISON, EDITH A ENGWER, CHAD S

69-49710 69-49770

FREDERICK, BRYAN G LANDEROS ESTRADA, BRANDON O

69-49771 69-49733

TAIFAI, FABRIEST D

69-38754

NISQUALLY INDIAN TRIBE

BOUCHARD, RANDY T DRESEN, SARA N

69-21832 69-49746

FATUESI, MATAIO W HOUK, LEE F 69-49701 69-40474

JACKSON, MICHAEL J KAUFMAN, JOSEPH L

69-49700 69-49651

KUFAHL, RICHARD J III NIEDOSMIALEK, NOEL J

69-38837 69-49652

RUBALCAVA, URBANO JR SERELLA, KARISA T

69-49654 69-49653 **DATE: 02/23/2021** Page 9 of 13

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

NISQUALLY INDIAN TRIBE

VANFOSSEN, JOSEPH L 69-49699

NOOKSACK INDIAN TRIBE

MILLER, CALEB D MILLER, JOSEPH F

69-49766 69-49697

OLLINGER, KELSEY S PRINCE, JULIE L

69-49756 69-49696

QUINTOS, JESSE L VELIZ, SENAIDA L

69-49757 69-49656

PORT GAMBLE S'KLALLAM TRIBE

BECKWITH, CHRISTOPHER M FOX, JACQUELINE N

69-49715 69-49716

LIMON, ANGELA H OUANO-FAIAS, SYDNIE L

69-49658 69-49742

ROBERTS, DUSTIN C

69-49657

PUYALLUP TRIBE OF INDIANS

ABDULLATEEF, BASHIR CARRERO, LUIS A III

69-49777 69-49702

CROSS, ALLISON M CURRY, DENAY C

69-35913 69-49799

DELANOY, ANNA M EDINGER, TRISTEN E

69-49800 69-49755

ESCALANTE, JESALYN HANNAH, LLOYD S

69-49686 69-49711

DATE: 02/23/2021 Page 10 of 13

PERSON'S NAME

MARK, FAWN A

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

PUYALLUP TRIBE OF INDIANS

MOORE, KELLEE A

HOYT, THOMAS J HUDSON, CORA S

69-39600 69-49705

IOSEFA, FAALEU F JOHNSON, CHRISTINE M

69-22007 69-49726

JOHNSON, JAMES T JR LE, THUY N 69-49712 69-42777

69-49707 69-49753

POE, TASIA A RAZO, RANULFO J

69-49727 69-49754

ROBINSON, ANTHONY M RONHOVDE, MARK R

69-49743 69-49706

SARAEN, VANEDA P SILOS, KAYLA R

69-48031 69-49703

SLAUGHTER, TERRANCE M TAUILIILI, ULALEI A

69-49801 69-49776

THRASHER, BRANDON S TOELEIU, VAILOLO H

69-49687 69-49725

TUIASOSOPO, KEHANU M WALKER, BETHANY N

69-49778 69-49704

QUINAULT NATION

CONTRERAZ, CORINA S

69-30836

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PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

SKOKOMISH TRIBE

CORDOVA, DYDEMUS C ROBB, PETER B

69-13583 69-34292

SNOQUALMIE TRIBE

AH NEE, JOSHUA G

69-49761

SPOKANE TRIBE

ESQUIVIAS, JAVIER E KURTULUS, ERHAN

69-49723 69-49722

NEGRON, DAVID N SOUTHWICK, CARRIE A

69-49677 69-49676

STRICKLAND, JON R

69-49675

SQUAXIN ISLAND TRIBE

ANDERSON, VIRGINIA M BEARDEN, BRYAN D

69-49708 69-09221

BLUEBACK, CHAUNCEY E DOLSTAD, STEPHANIE L

69-46282 69-49765

HUGHES, KATHERINE R IVERSON, TARA N

69-30657 69-37533

KENNEDY, JOSHUA A MARSHALL, TONI L

69-43926 69-34282

TAYLOR, DARREN R

69-49637

DATE: 02/23/2021 Page 12 of 13

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

STILLAGUAMISH TRIBE

CARRATO, PAMELA R CISSELL, MICHAEL A

69-49744 69-38448

CRAIG, TYLER C DIPIETRO, ANTHONY J

69-49745 69-49721

ELLIS, TRAVIS D MC CORMICK, SEAN P

69-49719 69-48069

SMYTHE, DESIREE J WILLIAMS, SUZANNE M

69-49720 69-49781

SUQUAMISH TRIBE

HAYES, CHESA C HUTCHESON, ELENA A

69-37890 69-49724

THE TULALIP TRIBES

AMOS, KELLY R EATON, MICHAEL W JR

69-37174 69-23474

HILL, TIMOTHY M JABLONSKI, LINZEE J

69-20354 69-32164

LOPEZ, ALLYSON T MARX, CLIFFORD J

69-49713 69-36055

NGUYEN, TYLER P THOMPSON, MARY LENNY

69-40819 69-49802

ZEIGLER, SARA M ZHONG, HUI

69-22234 69-47248

UPPER SKAGIT INDIAN TRIBE

CROCKER, HANNA P HENRY, CHARLES R III

69-49714 69-49768

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PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

YAKAMA NATION

HERT, JOSEPH D LLOYD, DAVID L

69-21488 69-22689

LUCEI, SHAWN G SHOULDERBLADE SAMPSON, KYAL D

69-10385 69-49739

TORRES, KIMBERLY WEASELTAIL, ALEXA S

69-49740 69-46306



HOUSE-BANKED PUBLIC CARD ROOM REPORT

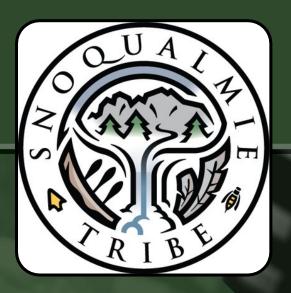
Licensed and Operating		38			
	City	Commission Approval Date	License Expiration Date	Org#	License #
BLACK PEARL RESTAURANT & CARD ROOM	SPOKANE VALLEY	Jan 10, 2013	Sep 30, 2021	00-22440	67-00321
BUZZ INN STEAKHOUSE/EAST WENATCHEE	EAST WENATCHEE	Oct 10, 2002	Dec 31, 2021	00-11170	67-00183
CARIBBEAN CARDROOM	KIRKLAND	Nov 14, 2019	Sep 30, 2021	00-24515	67-00343
CASINO CARIBBEAN	KIRKLAND	Nov 14, 2019	Sep 30, 2021	00-24512	67-00341
CASINO CARIBBEAN	YAKIMA	Nov 14, 2019	Sep 30, 2021	00-24513	67-00342
CHIPS CASINO/LAKEWOOD	LAKEWOOD	Apr 8, 1999	Dec 31, 2021	00-17414	67-00020
CLEARWATER SALOON & CASINO	EAST WENATCHEE	Feb 14, 2019	Dec 31, 2021	00-24296	67-00339
COYOTE BOB'S CASINO	KENNEWICK	Jul 10, 2009	Mar 31, 2021	00-21848	67-00282
CRAZY MOOSE CASINO II/MOUNTLAKE TERRACE	MOUNTLAKE TERRACE	Jul 10, 2009	Mar 31, 2021	00-21849	67-00283
CRAZY MOOSE CASINO/PASCO	PASCO	Jul 10, 2009	Mar 31, 2021	00-21847	67-00281
FORTUNE CASINO - RENTON	RENTON	Jan 8, 2015	Sep 30, 2021	00-23339	67-00327
FORTUNE CASINO - TUKWILA	TUKWILA	Oct 8, 2015	Jun 30, 2021	00-23465	67-00329
GOLDIE'S SHORELINE CASINO	SHORELINE	May 13, 1999	Dec 31, 2021	00-17610	67-00016
GREAT AMERICAN CASINO/EVERETT	EVERETT	Nov 12, 1998	Dec 31, 2021	00-19513	67-00194
GREAT AMERICAN CASINO/LAKEWOOD	LAKEWOOD	Aug 14, 2003	Jun 30, 2021	00-19258	67-00184
GREAT AMERICAN CASINO/TUKWILA	TUKWILA	Jan 15, 1998	Sep 30, 2021	00-12554	67-00012
HAWKS PRAIRIE CASINO	LACEY	Jul 12, 2001	Jun 30, 2021	00-17579	67-00091
IRON HORSE CASINO	AUBURN	Jan 9, 2003	Dec 31, 2021	00-19477	67-00192
JOKER'S CASINO SPORTS BAR & FIESTA CD RM	RICHLAND	Nov 12, 1998	Dec 31, 2021	00-15224	67-00006
LAST FRONTIER	LA CENTER	Feb 11, 1999	Sep 30, 2021	00-11339	67-00055
LILAC LANES & CASINO	SPOKANE	Jul 12, 2007	Jun 30, 2021	00-21305	67-00267
MACAU CASINO	TUKWILA	Nov 14, 2019	Sep 30, 2021	00-24514	67-00344

Licensed and Operating 38					
	City	Commission Approval Date	License Expiration Date	Org#	License #
MACAU CASINO	LAKEWOOD	Nov 14, 2019	Sep 30, 2021	00-24516	67-00345
NOB HILL CASINO	YAKIMA	Sep 12, 2001	Dec 31, 2021	00-13069	67-00173
PALACE CASINO LAKEWOOD	LAKEWOOD	Jan 14, 1999	Dec 31, 2021	00-16542	67-00028
PAPAS CASINO RESTAURANT & LOUNGE	MOSES LAKE	Aug 13, 1998	Jun 30, 2021	00-02788	67-00004
RC'S AT VALLEY LANES	SUNNYSIDE	Nov 16, 2017	Mar 31, 2021	00-16220	67-00336
RIVERSIDE CASINO	TUKWILA	Aug 14, 2003	Jun 30, 2021	00-19369	67-00187
ROMAN CASINO	SEATTLE	Feb 10, 2000	Mar 31, 2021	00-17613	67-00057
ROXY'S BAR & GRILL	SEATTLE	Nov 18, 2004	Jun 30, 2021	00-20113	67-00231
ROYAL CASINO	EVERETT	Sep 9, 2010	Jun 30, 2021	00-22130	67-00301
SILVER DOLLAR CASINO/MILL CREEK	BOTHELL	Sep 9, 2010	Jun 30, 2021	00-22131	67-00302
SILVER DOLLAR CASINO/RENTON	RENTON	Sep 9, 2010	Jun 30, 2021	00-22134	67-00305
SILVER DOLLAR CASINO/SEATAC	SEATAC	Sep 9, 2010	Jun 30, 2021	00-22128	67-00299
SLO PITCH PUB & EATERY	BELLINGHAM	Aug 12, 1999	Jun 30, 2021	00-16759	67-00038
THE PALACE	LA CENTER	Apr 9, 1998	Jun 30, 2021	00-16903	67-00010
WIZARDS CASINO	BURIEN	Feb 11, 2010	Dec 31, 2021	00-21998	67-00287
ZEPPOZ	PULLMAN	Nov 13, 2008	Mar 31, 2021	00-18777	67-00209

Licensed but Not Currently Operating			5		
	City	Commission Approval Date	License Expiration Date	Org#	License #
ALL STAR CASINO	SILVERDALE	Jan 14, 1999	Jun 30, 2021	00-18357	67-00058
CLUB HOLLYWOOD CASINO	SHORELINE	Sep 9, 2010	Jun 30, 2021	00-22132	67-00303
EMERALD DOWNS	AUBURN	May 11, 2017	Mar 31, 2021	00-23814	67-00335
LANCER LANES/REST AND CASINO	CLARKSTON	Nov 13, 2008	Sep 30, 2021	00-21681	67-00276
WILD GOOSE CASINO	ELLENSBURG	Apr 8, 2004	Dec 31, 2021	00-20009	67-00212

Applications Pending		1			
	City	Commission Approval Date	License Expiration Date	Org#	License #
LUCKY DRAGONZ CASINO	SEATTLE			00-23001	67-00323





Snoqualmie Tribe Compact Amendment Hearing March 11, 2021

Stanford Le, Interim CEO and President, Snoqualmie Casino David Trujillo, WSGC Director Julie Lies, WSGC Tribal Liaison

Commissioners



Chair Bud Sizemore



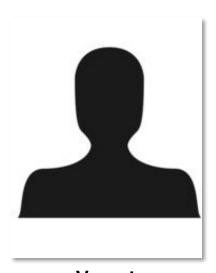
Vice Chair Julia Patterson



Alicia Levy



Lauren King



Vacant

Appointed by the Governor, with consent of the Senate, for a six-year term

Ex Officio Members



Senator **Steve Conway**29th District



Senator **Jeff Holy**6th District



Representative
Shelley Kloba

1st District



Representative

Brandon Vick

18th District

1988: Indian Gaming Regulatory Act

"Class III gaming activities shall be lawful on Indian lands only if such activities are... located in a State that permits such gaming... and are conducted in conformance with a tribal-state compact..."

1988: Indian Gaming Regulatory Act

"The purpose of this chapter is... to protect such gaming as a means of generating tribal revenue."

"The State must negotiate in good faith when a compact or amendment is requested by a tribe."

Negotiation Topics

Casino-style gaming activities

Criminal and civil jurisdiction

Fees for state regulation

Remedies for breach of contract

Standards of operation



Our Mission

"Protect the public by ensuring that gambling is legal and honest"

Public Protection Interests



No criminal involvement

Gaming conducted fairly, honestly

Gaming limited to authorized activities

Minimize negative impacts on local law enforcement, emergency services

About the Snoqualmie Tribe

The Snoqualmie (sdukwalbixw) are one of the many tribes constituting the Coast Salish of Washington's Puget Sound region. Snoqualmie Falls is the birthplace of the Snoqualmie people and central to their spiritual traditions. Since time immemorial, Snoqualmie people hunted deer, elk, and other game, fished for salmon, and gathered berries and plants for sustenance and medicine throughout the region.

The Snoqualmie Tribe is a signatory of the Point Elliott Treaty with the Washington territory in 1855. At that time, Snoqualmie was one of the largest tribes in the Puget Sound region totaling around 4,000.

Snoqualmie was one of the many tribes that lost federal recognition during the Termination Era in 1953, but after much battle, we regained federal recognition in October of 1999 by the Bureau of Indian Affairs. Today, the Snoqualmie Tribe has approximately 500 members and is governed by an elected Council and Tribal Constitution.





Snoqualmie Tribal Programs

Revenues from the Tribe's enterprises, especially the Snoqualmie Casino, fund many Tribal programs which serve Tribal Members and the larger community including:

- Education scholarships for Pre K- 12th grade, trade school, and higher education (all expenses paid)
- Housing assistance with rent/mortgage, major house repairs, downpayment assistance and refinancing
- Natural Resources dozens of projects both on and off Tribally-owned land each year to restore native landscapes and support salmon habitat restoration
- Elders Programs support for quality care services, additional support for living expenses
- Cultural Resources Cultural and Archaeology and Historical Preservation programs ensure the Tribe is able to exercise and protect its cultural resources.
- Childcare Tribal families have access to funding to secure quality childcare, regardless of income level













Snoqualmie Tribal Enterprises

The Tribe owns a diverse set of businesses which employ Tribal Members, provide training opportunities, and ultimately provide revenue to the Tribal government for its many programs.

The Tribe's businesses employ more than <u>1700 employees</u> and each also donate back to the community in a variety of ways.

The Snoqualmie Tribe has an estimated gross regional product impact of \$285.2 million in the State of Washington*



*Economic Impact of the Snoqualmie Indian Tribe, Taylor Policy Group, May 2017



Enterprises Supporting Tribal Values

Tribal enterprises fund Tribal government programs as well as projects and acquisitions that allow the Tribe to exercise its sovereignty and protect its sacred places.

In the fall of 2019, the Tribe purchased the Salish Lodge and sacred and alongside Snoqualmie Falls for \$125 million. This hard-fought and historic acquisition allowed the Snoqualmie Tribe to reclaim and cease development on our sacred lands.

That same fall, the Tribe acquired Eighth Generation, the largest Native-owned art and lifestyle brand in America, from acclaimed Native artist and entrepreneur, Louie Gong.

Both of these acquisitions show how the Snoqualmie Tribe is investing enterprise revenues in ways that align with and support Tribal values.





Community Donations

The Snoqualmie Tribe gives back to the greater community in a variety of ways.

- Since 2010, the Tribe has donated over \$11 million to non-profit organizations in Washington State
- The Tribe has partnered with non-profit Recovery Cafe for a number of years, donating over \$2.5 million in the last 3 years to fund their problem gambling program.
- The Tribe has partnered with King County and the City of Snoqualmie, funding a variety
 of projects in the Snoqualmie Valley area to improve transportation and roads,
 including the funding of the temporary access road at HWY 18 and I-90
- In addition to the funds donated through the Tribe's gaming compact, the Tribe has also donated hundreds of thousands to various community efforts including support following the Oso Landslide and Washington wildfires





Major Compact Changes

Updates wager limits

Updates forms of payment for wagers

Adds responsible gambling program & problem gambling funding

Updates funding for community impact and charitable contributions

Updates tribal forums and adds relevant criminal laws

Allows for extension of credit to qualified customers

Adds wide-area progressives appendix



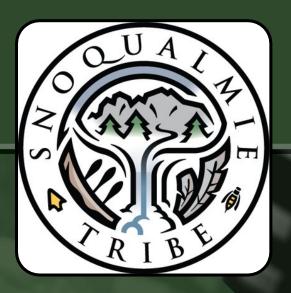
Public Comments

Next Step

Forward to governor for review & final execution OR

Return to WSGC director for further negotiation





Snoqualmie Tribe Compact Amendment Hearing March 11, 2021

Honorable Robert de los Angeles, Chair, Snoqualmie Tribal Council David Trujillo, WSGC Director Julie Lies, WSGC Tribal Liaison

Staff Proposed Rule-Making



Chapter 230-15 WAC- Updated Rules Regarding Card Games

March 2021 – Discussion & Possible Filing July 2020 – Initiate Rule-Making

Tab 4: MARCH 2021 Commission Meeting Agenda.

Statutory Authority 9.46.070

Who Proposed the Rule Change?

Washington State Gambling Commission Staff

Background

BOLD = Changes made after July 2020 Commission meeting.

At the July 2020 meeting, Commissioners initiated rule-making to update rules related to card games for reasons described below. Draft language that is before you today which looks to do the following:

Amend:

- WAC 230-15-030- Authorized nonhouse-banked card games, to outline requirements for approval for a nonhouse-banked card game other than those listed in the rule,
- WAC 230-15-035- Authorizing new games or changing game rules, to specify the process for authorizing new games or changing existing game rules,
- WAC 230-15-040- Requirements for authorized card games, to:
 - o Specify that this rule applies to house-banked card games,
 - Specify requirements for authorized house-banked card games to include limiting and defining "wagering areas," removes the limit on the number of separate games within a single hand of cards, identifies house jackpots as a "separate game", and amends rule to allow features that were previously authorized,
- WAC 230-15-055- Limit on number of players at each table, to clarify that only one player can place a wager in a wagering area,
- WAC 230-15-060- Posting rules for play, to clarify requirements for posting rules of play,
- WAC 230-15-065- Enforcement of card game rules of play, to clarify (2) "Second Priority" rules.
- WAC 230-15-140- Wagering limits for house-banked card games, to clarify where wagers are placed and wagers already allowed, such as tip wagers, and as approved in the game rules,
- WAC 230-15-141- Additional merchandise or cash prizes for card games, to clarify our current processes and simplify language,
- WAC 230-15-491- Limiting payouts to dealers for tip or "toke" wagers for odds-based payouts, to be consistent with amendments made to WAC 230-15-490,
- WAC 230-15-680- Operating progressive jackpot prizes, to clarify how to operate progressive jackpot prizes,

- WAC 230-15-695- Adjusting progressive jackpot amounts, to clarify responsibilities of licensees when adjusting progressive jackpot amounts,
- WAC 230-15-700- Merchandise prizes for progressive jackpots, to clarify when and how licensees may offer merchandise prizes on progressive jackpot card games,
- WAC 230-15-710- Permanently removing a progressive jackpot or a portion of a progressive jackpot from play, to detail the process for removing a progressive jackpot from play,
- WAC 230-15-715- Tax authorities seizing all, or a portion, of a progressive jackpot, to add clarifying language,
- WAC 230-15-720- Deposit and reconciliation requirements for progressive jackpot prizes, to clarify deposit and reconciliation requirements for responsibilities of licensees operating progressive jackpot prizes.

Repeal:

- WAC 230-15-105- Only authorized cards or chips may be used, because it contradicts other rules (WAC 230-15-100 & WAC 230-15-110), and
- WAC 230-15-705- Temporarily removing a progressive jackpot from play, because guidance for permanently removing a progressive jackpot is provided in WAC 230-15-710,

And adopt:

• WAC 230-15-671- Jackpot prizes, to provide clarity and requirements for types of authorized jackpots.

House-banked card game licensees may offer and operate "jackpot" prizes with approved house-banked card games. However, rules are needed to define "jackpot" prizes and outline operational requirements for jackpot prizes, including rules related to: 1) progressive jackpots, and 2) house jackpots.

Current rules will need to be amended and possibly new rules added to clarify the different jackpot prizes authorized, how they are to be operated; including restrictions, enforcement, minimum cash on hand and payments, adjustments, and removal of jackpot prizes offered.

Along with updating our rules regarding jackpot prizes, we would like to update other rules related to card games, such as authorizing new and changes to existing card game rules, requirements for card games, wagering, adding merchandise and cash to card games, minimum cash on hand requirements, paying out prizes for card games, and maintaining funds to pay jackpot prizes and odds-based games.

Stakeholder Outreach and Feedback

Staff will reach out to house-banked card game licensees and card game owners during rule-making to seek their input in updating our rules. Draft language was sent out to all house-banked card room licensees and to manufacturers and distributors of card games and/or equipment on December 24, 2020. A stakeholder meeting was convened on January 13, 2021. Additional edits were made to language based on stakeholder feedback received during and following this meeting. The current proposed language was recirculated to interested stakeholders on February 2, 2021 and no further suggested edits or comments have been received.

Stakeholders in favor of the language before you today:

- David Mathews, Gaming Operations, Last Frontier Casino
- Victor Mena
- Erika DiNapoli, Senior Product Compliance Engineer, Scientific Games

No stakeholders voiced opposition to the language before you today.

Staff Recommendation

Staff recommends filing draft language for further discussion.

AMENDATORY SECTION (Amending WSR 14-17-053, filed 8/15/14, effective 9/15/14)

WAC 230-15-030 Authorized nonhouse-banked card games. (1) The following nonhouse-banked card games are authorized:

- (a) Poker;
- (b) Hearts;
- (c) Pinochle;
- (d) Cribbage;
- (e) Rummy;
- (f) Panquinque (Pan);
- (q) Pitch; and
- (h) Bid Whist((; and
- (i) Other games approved by the director or the director's designee)).
- (2) Card ((game)) room licensees must operate these games in the manner explained in the most current version of The New Complete Hoyle, Revised or Hoyle's Modern Encyclopedia of Card Games, or similar authoritative book on card games we have approved, or when operated as described in the commission approved game rules on our website. Card ((game)) room licensees may make immaterial modifications to the games.
- (3) Authorization of a nonhouse-banked card game other than those listed in subsection (1) of this section requires approval from the director or director's designee. In order for a nonhouse-banked card game to be authorized, it must:
- (a) Be played with standard playing cards. Authorized card games may:
 - (i) Use more than one deck of cards; and
 - (ii) Remove cards to comply with rules of a specific game.
 - (b) Not allow side bets between players; and
 - (c) Describe player requirements. Players must:
 - (i) Compete solely as a player in the card game; and
 - (ii) Compete against all other players on an equal basis; and
- (iii) Receive their own hand of cards and be responsible for decisions regarding such hand, such as whether to fold, discard, draw additional cards, or raise the wager.
- (d) Require the player's win or loss to be determined during the course of play of a single deal of cards.
- (4) Approved game rules under subsection (3) of this section will be posted on the commission's website. Licensee's must operate these games as described in the commission approved game rules on our website.

AMENDATORY SECTION (Amending WSR 08-21-086, filed 10/14/08, effective 1/1/09)

WAC 230-15-035 Authorizing new games or changing game rules. ((Card game licensees must operate only the card games the director or the director's designee has specifically authorized.)) All new card games and changes to existing card games must be approved by the director or director's designee prior to implementation at a card room licensee. The director or the director's designee authorizes each new

[1] OTS-2933.2

card game or changes to existing card games on an individual basis. A list of all authorized games and the rules of play are available ((at all commission offices and)) on the commission website.

- (1) ((Card game)) <u>Licensees approved to market, sell, rent, or otherwise supply card games to card room</u> licensees must submit, in the <u>format we require</u>, requests for:
- (a) ((Requests for)) \underline{A} uthorizing new card games ((in the format we require)); and
 - (b) Changes to ((an)) existing card games in writing.
- (2) The director or the director's designee will notify the licensee in writing if the request is <u>approved or</u> denied. The notification <u>for denial</u> will include reasons for the denial and provide the licensee all information necessary to file a petition to the commission for rule making.
- (3) Card room licensees must operate only the card games the director or the director's designee has specifically authorized.

<u>AMENDATORY SECTION</u> (Amending WSR 14-05-056, filed 2/14/14, effective 3/17/14)

WAC 230-15-040 Requirements for authorized <u>house-banked</u> card games. ((-1)) In order for a <u>house-banked</u> card game to be authorized, it must be approved by the director or the director's designee and must:

 $((\frac{a}{a}))$ <u>(1)</u> Be played with standard playing cards or with electronic card facsimiles approved by the director or the director's designee($(\frac{a}{a})$)

(b) Offer no more than four "separate games" with a single hand of cards and no more than three of the "separate games" may offer a wager that exceeds five dollars each)).

- (((i))) <u>Authorized house-banked card games may:</u>
- (a) Use more than one deck of cards; and
- (b) Remove cards to comply with rules of a specific game; and
- (2) Limit the number of wagering areas to nine or less.
- (a) "Wagering area" means identified areas on the layout to place wagers;
 - (b) All wagering areas must be identical to each other; and
 - (3) Identify all separate games in the card game:
- (a) "Separate game" means each individual objective to be achieved within a card game that requires a separate wager and results in a distinct and separate pay out based upon the outcome((\cdot,\cdot));
- (((ii) Progressive jackpots are considered "separate games."))
 (b) Separate games may incorporate bonus features; and
- (c) <u>Progressive jackpots and house jackpots are considered separate games; and</u>
 - (4) Describe player requirements. Players must:
- (a) Compete solely as a player in the card game, except as authorized in the approved card game rules for variations of Pai Gow poker where a player may bank the game every other hand; and
- (b) Receive their own hand of cards and be responsible for decisions regarding such hand, such as whether to fold, discard, draw additional cards, or raise the wager except for separate games that:
 - (i) Use cards shared by all players (i.e., community cards); or

- (ii) Allow players to wager on the outcome of the dealer's hand; or
- (iii) Allow players to win a prize if any players' hand, including the dealer's hand, achieves a predetermined outcome at the same table; and
- (5) Identify (($\frac{"}{}$))bonus features(($\frac{"}{}$)) to be allowed in each (($\frac{card}{}$)) separate game:
- (($\frac{1}{1}$)) <u>(a)</u> "Bonus feature" means an (($\frac{1}{2}$ and/or variation based on achieving the predetermined specific hand required to win the prize and does not require a separate wager. More than one "bonus feature" may be offered per card game. A "bonus feature" must not be combined with a progressive jackpot. Examples include, but are not limited to, "envy" and "share the wealth" "bonus features" when)) opportunity within a separate game whereby a player may win additional prizes. Bonus features must be operated as described below(($\frac{1}{2}$):
- $((\frac{(ii)}{A}))$ $\underline{(i)}$ A bonus feature $((\frac{u}{A}))$ is not considered a separate game $((\frac{u}{A}))$
- (d) Operate "envy" and "share the wealth" "bonus features" as follows:
- (i) If a player makes a wager that qualifies for an "envy" "bonus feature" pay out, they are entitled to)); and
- (ii) Players must not place wagers on bonus features. However, players may be required to place a minimum wager on a separate game to qualify for a bonus feature; and
- (iii) Players may receive a prize if their hand or another player's hand at the same table achieves ((the)) a predetermined specific hand. If a player is playing more than one wagering area ((or if a hand they are playing is split into two or more hands)) and any one of their hands achieves the predetermined specific hand, their other hand with a qualifying wager is entitled to receive a prize also((\cdot
- (ii) If a player makes a wager that qualifies for a "share the wealth" pay out, they are entitled to receive a prize if their hand(s) or another player's hand(s) achieves the predetermined specific hand.

(e))); and

- (iv) A bonus feature cannot be a progressive jackpot; and
- (6) Not allow side bets between players ((-
- (2) Card game licensees may use more than one deck of cards for a specific game. They also may remove cards to comply with rules of a specific game, such as Pinochle or Spanish 21.
 - (3) Players must:
- (a) Compete against all other players on an equal basis for non-house-banked games or against the house for house-banked games. All players must compete solely as a player in the card game, except as authorized in approved card game rules for variations of the game of Pai Gow poker where a player may bank the game every other hand; and
- (b) Receive their own hand of cards and be responsible for decisions regarding such hand, such as whether to fold, discard, draw additional cards, or raise the wager; and
- (c) Not place wagers on any other player's or the house's hand or make side wagers with other players, except for:
 - (i) An insurance wager placed in the game of Blackjack; or
 - (ii) "Envy" or "share the wealth" "bonus features"; or
 - (iii) A tip wager made on behalf of a dealer.
- (4) Mini-Baccarat is authorized when operated as described in the commission approved game rules on our web site. However:
- (a) Card game licensees may make immaterial modifications to the game; and

- (b) Subsection (3) of this section does not apply; and
- (c) The number of players is limited under WAC 230-15-055.
- (5))); and
- (7) Use only authorized gambling equipment; and
- (8) A player's win or loss must be determined during the course of ((play of)) a single ((card game,)) deal of cards except for:
- (a) A carryover pot game. A carryover pot is an optional pot that accumulates as a dealer and participating players contribute to the pot. The winner of the pot is not necessarily determined after one game and the pot can be carried over to more than one game. Carryover pots must not carryover more than ten games. Participants must include at least one player and the dealer competing for the highest qualifying winning hand. Game rules must state how the pot is distributed. If the carryover pot has not been won by the tenth game, the dealer will divide it equally between the remaining players still participating in the pot and the house or, if allowed by game rules, only the players still participating in the pot; and
- (b) In the game of Mini-Baccarat, a player may make an optional wager on the player hand winning the next three consecutive games, or the banker hand winning the next three consecutive games.

AMENDATORY SECTION (Amending WSR 15-15-065, filed 7/10/15, effective 8/9/15)

WAC 230-15-055 Limit on number of players at each table. Card ((game)) room licensees must only allow:

- (1) Up to nine players (($\frac{\text{or areas for wagering}}{\text{or any table in house-banked card games.}}$
 - (a) Only one player can place a wager in a wagering area.
- (b) This section does not apply to Mini-Baccarat when the game is operated without any modification according to the nonpatented approved game rules posted on the agency's website ((and without any modifications as allowed in WAC 230-15-040)).
 - (2) Up to ten players at any table in nonhouse-banked card games.

<u>AMENDATORY SECTION</u> (Amending WSR 07-09-033, filed 4/10/07, effective 1/1/08)

WAC 230-15-060 Posting rules for play. Card ((game)) room licensees must:

- (1) Prominently post:
- (a) Wagering limits for each type of game, including ((the ante)) all fees to play; and
- (b) ((Prize pay outs)) <u>Jackpot prize amounts</u> and any prize-related restrictions; and
 - (c) All ((fees to play)) odds-based and fixed prizes; and
 - (d) Policies on employees being allowed to play; and
 - (e) Procedures for resolving player disputes; and
- (2) Prominently post any general rules, or a sign stating that these rules are available immediately on request. These rules must include, at least:

[4] OTS-2933.2

- (a) Rules of play; and
- (b) ((Methods of making wagers; and
- (c) Procedures for misdeals; and
- (d) Procedures for betting irregularities; and
- (e) Procedures for splitting pots; and
- (f))) Internal controls related to the operation of card games; and
- (c) Any rules that may restrict a player's right to win a hand, pot, or jackpot prize; and
- (3) Post at the gambling table any aggregate <u>payout</u> limits, procedures, or restrictions that differ from the general rules of play that have been posted.

<u>AMENDATORY SECTION</u> (Amending WSR 07-10-034, filed 4/24/07, effective 1/1/08)

WAC 230-15-065 Enforcement of card game rules of play. Card ((game)) room licensees must conduct card games according to the approved rules of play. We enforce rules of play in the following order:

- (1) First priority: Rules explained in Title 230 WAC; and
- (2) **Second priority:** ((Rules explained by a licensed manufacturer of a patented game)) Proprietary and nonproprietary game rules explained on the commission website that we have approved; and
- (3) **Third priority:** House rules card ((game)) room licensees have developed and we have approved; and
- (4) Fourth priority: Rules explained in the most current version of The New Complete Hoyle, Revised or Hoyle's Modern Encyclopedia of Card Games, or a similar authoritative book on card games which we have approved.

AMENDATORY SECTION (Amending WSR 08-20-025, filed 9/19/08, effective 1/1/09)

- WAC 230-15-140 Wagering limits for house-banked card games. (1) A single wager ((or a bonus wager for an odds-based pay out)) must not exceed three hundred dollars.
- (2) A player may make a single wager for each decision before the dealer deals or reveals additional cards. ((For Blackjack, the player may place an additional wager for doubling down or splitting pairs.
- (3) Bonus wagers for progressive jackpots must not exceed manufacturer's rules or limits listed in subsection (1) of this section.)) Wagers must be placed on the table layout on an approved betting spot, except for:
- (a) In Blackjack games, players may place an additional wager next to their original wager when doubling down or splitting pairs; or
 - (b) Tip wagers made on behalf of a dealer; or
 - (c) As authorized in approved card games rules.

[5] OTS-2933.2

WAC 230-15-141 Additional merchandise or cash prizes for card games.

Nonproprietary games.

(1) <u>Card room licensees</u> may add additional merchandise or cash prizes to nonproprietary games like Blackjack or Pai Gow. We consider these additional prizes a gambling promotion and they must meet all requirements of WAC 230-06-030.

Proprietary games.

- (2) <u>Card room licensees</u> must not add additional merchandise or cash prizes to proprietary games without the approval of the company that owns the rights to the games. (($\frac{3}{10}$ To indicate their approval, the owner of the rights to a proprietary game must:
- (a) Submit an alternative pay-table that includes the additional or revised prize payout to us for review and approval; or
- (b) Send an authorization letter to us allowing the addition of gambling promotions to their game.
- (4) Once we approve the changes, the revised pay-tables are available to all card game licensees. The prizes become a part of the game rules and we consider them prize payouts on the game. Because of this, we do not consider the prizes a gambling promotion.)) Any additional prizes approved by the company that owns the rights to the game will be considered a gambling promotion and they must meet all requirements of WAC 230-06-030.

<u>AMENDATORY SECTION</u> (Amending WSR 09-15-070, filed 7/13/09, effective 1/1/10)

- WAC 230-15-455 Keeping funds to pay prizes((, progressive jack-pot prizes, and odds-based wager prizes)). (((1))) House-banked card ((game)) room licensees must ensure that they have sufficient funds available to redeem all chips and pay out all prizes((,)) including, but not limited to, progressive jackpot prizes, house jackpot prizes, and odds-based ((wager)) prizes. ((An "odds-based wager" means a wager where the player wins an amount over and above the amount he or she wagered if a fixed pattern or combination of cards occurs, for example, a royal flush, four aces, or a pair.
- (2) Licensees must not offer card games until they have met all of these requirements:
 - (a) Progressive jackpot prizes.
- (i) Keep a separate bank account for progressive jackpot prizes. The account must be kept in a bank, mutual savings bank, or credit union located in Washington state;
- (ii) Deposit all funds accrued for progressive jackpot prizes at least weekly; and
- (iii) If the prize bank account is reduced below the level required, licensees must immediately stop operating games until they are in compliance.
 - (b) Odds-based wager prizes.

- (i) Licensees offering more than one individual odds-based wager prize greater than twenty-five thousand dollars must keep an amount equal to the second highest odds-based wager prize offered in a bank, mutual savings bank, or a credit union located in Washington state; or possess a verifiable line of credit from a Washington state financial institution for at least the amount required; and
- (ii) Use the highest wager they allow to calculate the individual odds-based wager prize amount to determine the amount for this requirement.
- (3) Licensees may limit pay outs by using table and/or individual player aggregates.
- (4) A licensee's failure to keep funds as required in this rule is prima facie evidence of defrauding the public and a)) Failure to keep funds to cash in chips, pay prizes, or redeem gambling related checks is prima facie evidence of fraud and in violation of RCW 9.46.190.

<u>AMENDATORY SECTION</u> (Amending WSR 07-09-033, filed 4/10/07, effective 1/1/08)

- WAC 230-15-490 ((Limiting pay outs for odds-based wagers.)) Aggregate payout limits for odds-based prizes. (((1) House-banked card game licensees may create pay out limits for odds-based wagers made in card games.
- (2) Licensees may limit the pay out for odds-based wagers if we approve all pay out limits and their procedures for computing limits.
- (3) Individual players' winnings must not be less than the higher of:
- (a) The maximum wager allowed for the game times the highest odds offered up to fifty-to-one (50 to 1). For example: If the maximum wager is one hundred dollars (\$100) and the odds are fifty-to-one (50 to 1); then the per player limit is five thousand dollars ($$100 \times 50 = $5,000$); or
- (b) The house minimum required wager for the game times the highest odds offered for any wager in the game. The "minimum required wager" means the least amount a player must wager in order to win. For example: If the minimum required wager is ten dollars (\$10) and the maximum odds are one-thousand-to-one (1,000 to 1); then the per player limit is ten thousand dollars ($$10 \times 1,000 = $10,000$).
- (4) Table limits (aggregate pay out) must not be less than two times the individual player limit, as computed in subsection (3) of this section; and
- (5) Licensees must clearly disclose all procedures for computing any per player or table limit (aggregate pay outs). This explanation must be available to players in a brochure or other printed material.)) (1) House-banked card room licensees may impose aggregate payout limits if we approve for odds-based prizes.
- (2) "Aggregate payout limit" means the maximum payout by a licensee to one or more players as the result of winning wagers from a single deal of cards.
 - (3) Aggregate payout limits must not be:
 - (a) Combined with different types of odds-based prizes; and
- (b) Less than the maximum wager allowed for the game times the highest odds offered up to fifty to one. For example, if the maximum

[7] OTS-2933.2

wager is three hundred dollars and the highest odds offered are five thousand to one, the aggregate payout limit cannot be less than fifteen thousand dollars (three hundred dollars times fifty); and

- (c) Imposed upon any odds-based prize where the highest payoff odds on a winning wager are less than fifty to one; and
- (4) All aggregate payout limits must be prominently displayed on the table layout or a sign placed on the table.

AMENDATORY SECTION (Amending WSR 07-21-116, filed 10/22/07, effective 1/1/08)

WAC 230-15-491 Limiting payouts to dealers for tip or "toke" wagers for odds-based payouts. (1) A "toke" is a wager made by a player as a tip for the dealer and it is treated as a separate bet.

- (2) House-banked card ((game)) room licensees may:
- (a) Establish a separate, individual limit on the amount of the payout on a toke for odds-based payouts within the requirements of WAC 230-15-490; and
- (b) Restrict the types of wagers tokes are allowed on and the amounts of tokes.
- (3) Tokes are not included in the calculation of the ($(player\ or\ table)$) aggregate payout limits.

AMENDATORY SECTION (Amending WSR 07-09-033, filed 4/10/07, effective 1/1/08)

- WAC 230-15-680 Operating progressive jackpot prizes. House-banked card ((game)) room licensees may operate progressive jackpot prizes with certain approved house-banked card games.
- (1) To participate in a progressive jackpot, a player places a separate wager, part of which accrues to the progressively increasing prize.
- (2) ((Manufacturer's)) The company that owns the rights to the approved game rules must determine or establish the:
- (a) Winning patterns or combinations of cards to win the progressive jackpot prize(s); and
- (b) Pay tables to include a description of any fixed payouts, odds-based payouts, or percentage-based payouts of the total prize amount displayed.
- (3) Licensees must offer a primary jackpot <u>prize</u> and may ((have a)) <u>also offer</u> secondary ((or reserve)) jackpot prizes.
 (4) Licensees must ((adequately disclose to players the)) <u>con-</u>
- (4) Licensees must ((adequately disclose to players the)) conspicuously and prominently disclose at the gaming table all prizes available and how they are won.
- (5) Licensees must ensure that they closely control progressive jackpot games and account for all the funds collected.
- (6) Licensees may take a portion of each progressive bet to be retained in the progressive account for the purposes of reseeding primary and secondary jackpot prizes after they are won.

[8] OTS-2933.2

AMENDATORY SECTION (Amending WSR 15-21-005, filed 10/8/15, effective 11/8/15)

- WAC 230-15-685 Restrictions on progressive jackpots. Housebanked card ((game)) room licensees operating progressive jackpots must follow these restrictions and procedures:
- (1) Progressive jackpot funds must accrue according to the rules of the game ((; and)).
- (2) At each gambling table, licensees must prominently post the amount of the progressive jackpot that players can win((; and)) along with any associated pay tables.
- (3) ((Licensees must record the beginning amount of each progressive jackpot offered, including explanations for any increases or decreases in the prize amount offered. Licensees must keep this documentation with the progressive jackpot records; and
- (4))) Licensees may establish a maximum limit on a progressive jackpot prize. If licensees establish a limit, they must make the amount equal to, or greater than, the amount of the jackpot when they imposed the limit. They must prominently post a notice of the limit at or near the game((; and)).
- ((\(\frac{(5)}{)}\)) (4) Licensees may connect progressive jackpots. Progressive jackpots are considered "connected" when jackpot prize displays at gaming tables incrementally increase at the same time after players place jackpot wagers. Connected progressive jackpot displays must show the same prize amounts. Licensees may only connect progressive jackpots:
- $\underline{\text{(a) When}}$ offered on the same card game on multiple tables within the same licensed location ((-
 - (6) Licensees may connect progressive jackpots)); or
- (b) When offered on different card games on multiple tables within the same licensed location when the following requirements are met. Only one progressive jackpot may be operated on a card game at a time and the card games must have:
- $((\frac{a}{a}))$ (i) The same probability of winning the jackpot prize; and
 - (((b))) <u>(ii)</u> The same winning hand((; and
- (c) A progressive meter on each table that increases incremental—
 ly each time a wager is made)).
- $((\frac{7}{1}))$ (5) When gambling equipment will allow a progressive jackpot between different manufacturers, the gambling equipment must be submitted for testing for interoperability in accordance with WAC 230-06-050.

AMENDATORY SECTION (Amending WSR 10-17-089, filed 8/16/10, effective 1/1/11)

- WAC 230-15-695 Adjusting progressive jackpot amounts. House-banked card ((game)) room licensees must not reduce the amount of a progressive jackpot prize accrued or displayed except for the following reasons:
- (1) To reduce the <u>primary or secondary</u> jackpot(s) and the ((advertised)) <u>displayed</u> amount by the amount won; or

- (2) To correct an amount displayed incorrectly because of malfunctioning equipment; or
- (3) To correct the display when the amount displayed is greater than the predetermined maximum prize limit; or
- (4) To reduce ((a reserve or secondary jackpot)) the progressive account for nondisplayed prizes as long as they record the funds removed as gross receipts and properly documented that in their records; or
- (5) To reduce ((a reserve or secondary jackpot)) the progressive account or displayed amount to recover seed money ((that was not taken from gross receipts, if they properly document those funds in their records)); or
- (6) ((To reduce the jackpot by the dollar amount they paid for merchandise they award as prizes.
- (7) To reduce a reserve or secondary jackpot to immediately seed a different progressive jackpot if the licensee properly documents this transfer in their records.)) Any adjustment to the progressive account or displayed prizes must be properly documented in card room records.

AMENDATORY SECTION (Amending WSR 07-09-033, filed 4/10/07, effective 1/1/08)

- WAC 230-15-700 Merchandise prizes for progressive jackpots. House-banked card ((game)) room licensees ((offering merchandise prizes for progressive jackpots)) may use only nondisplayed progressive jackpot funds to purchase merchandise prizes to be offered on a progressive jackpot game in lieu of fixed prizes as set out in the approved pay table for the card game as posted on the commission's website. The merchandise purchased must be of equal or greater value to the fixed prizes offered in approved pay tables. Licensees must:
- (1) Obtain approval from the company that owns the rights to the progressive jackpot card game to offer merchandise prizes; and
 - (2) Submit internal controls for review and approval; and
- (3) Own the merchandise prizes and pay for them in full, without lien or interest of others, before they award the merchandise as prizes. If the winner has an option to receive a cash prize instead of the merchandise, licensees may enter into a contract to immediately purchase a merchandise prize after the winner chooses their option; and
- (((2) Disclose that they used)) (4) Prominently post a notice at the progressive jackpot gaming table describing:
- $\underline{\mbox{(a) A}}$ specific portion of the jackpot funds $\underline{\mbox{were used}}$ to buy merchandise to be awarded as prizes, as well as the specific merchandise prizes to be awarded; and
- $((\frac{3) \text{ Disclose}}{1})$ <u>(b) The</u> value of the merchandise they plan to award. This value must be accurate and verifiable; and
- ((4) Award the merchandise on the specific outcome of a game and include the outcome in the game rules)) (c) The predetermined designated hand needed to win the merchandise prize; and
- (d) Fees or restrictions associated with ownership of the merchandise prize; and
- (5) Display merchandise prize or an accurate description or photograph of the merchandise prize for the public to view; and

[10] OTS-2933.2

 $((\frac{5}{1}))$ (6) Keep detailed records, including the purchase invoice, on premises and make them available for our review.

<u>AMENDATORY SECTION</u> (Amending WSR 07-09-033, filed 4/10/07, effective 1/1/08)

- WAC 230-15-710 Permanently removing a progressive jackpot ((or a portion of a progressive jackpot)) game from play. $((\frac{1}{2}))$ Players have a vested interest in the $(\frac{1}{2})$ progressive jackpot prize.
- $((\frac{(2)}{(2)}))$ (1) House-banked card room licensees must not remove a progressive jackpot game from play without written approval. Licensees must:
- (a) Submit a detailed distribution plan to us in writing and receive written approval before removing any progressive jackpot prizes from play; and
- (b) Prominently post a notice and the <u>approved</u> distribution plan at the <u>progressive jackpot gambling table</u>, including if they plan to close the business, at least ten days before they begin the process of removing the jackpot and distributing the funds; and
 - (c) ((Distribute the funds in one or more of the following ways:
 - (i) Offering the prize on a different house-banked game; or
- (ii) Offering the prize in an approved free tournament in which funds must be distributed within sixty days from the date of approval; or
- (iii) Donating the money to the Washington State Council on Problem Gambling.)) Not make any changes to the approved distribution plan after it is posted at the progressive jackpot gambling table without written approval from us.
- (2) Licensees must distribute the amount of the posted progressive jackpot prizes using one of these authorized methods:
- (a) Transfer the progressive jackpot prize to a different house-banked progressive jackpot game; or
- (b) Give away the progressive jackpot prize through an approved gambling promotion within sixty days of the effective date of the distribution plan. Licensees must:
- (i) Operate the gambling promotion on the same game the funds were collected on; and
- (ii) Receive approval from the owner of the game in accordance with WAC 230-15-141; or
- (c) Offer the progressive jackpot prize in an approved free tournament on the same progressive jackpot game the funds were collected on within sixty days of the effective date of the distribution plan; or
- (d) Donate the money to a nonprofit gambling organization in Washington state.

AMENDATORY SECTION (Amending WSR 07-09-033, filed 4/10/07, effective 1/1/08)

WAC 230-15-715 Tax authorities seizing all, or a portion, of a progressive jackpot. If a taxing authority seizes jackpot funds, the house-banked card ((game)) room licensee must immediately cease operating the progressive jackpot game and collecting funds for the progressive jackpot until the amount that was posted as the prize has been replaced in the bank account. Licensees may either replace ((reserve or secondary funds)) nondisplayed prizes retained in the progressive account that were seized or record the funds as gross receipts.

AMENDATORY SECTION (Amending WSR 10-11-087, filed 5/17/10, effective 7/1/10)

WAC 230-15-720 Deposit and reconciliation requirements for progressive jackpot prizes. (1) House-banked card ((game)) room licensees must deposit all progressive jackpot funds in a separate bank account at least weekly. The account must be kept in a bank, mutual savings bank, or credit union located in Washington state. If the progressive bank account is reduced below the progressive jackpot prize posted at the gambling table, licensees must immediately stop operating the progressive game until they are in compliance.

- (2) Licensees must:
- (a) Keep a record of all deposits; and
- (b) For each progressive $\underline{\text{jackpot}}$ prize, identify the deposits by game name (($\underline{\text{and number}}$)) and dates of collection; and
- (c) Maintain validated deposit slips as part of their records or have online access to their progressive jackpot prize bank accounts.
 - (3) ((At the end of the month,)) Licensees must:
- (a) Reconcile the account balance with the bank statement to the progressive jackpot fund balances. "Reconcile" means the licensee must compare the two balances, resolve any differences, and document the comparison and the differences in writing; and
- (b) Complete the reconciliation within seven days following the end of the month; and
 - (c) Keep the reconciliation as part of their records.

REPEALER

The following sections of the Washington Administrative Code are repealed:

WAC 230-15-105 Only authorized cards or chips may be used.

WAC 230-15-705 Temporarily removing a progressive jackpot from play.

- WAC 230-15-671 Jackpot prizes. House-banked card room licensees may offer and operate "jackpot" prizes with approved house-banked card games.
- (1) "Jackpot" prizes are cash prizes displayed at house-banked card game tables. Jackpot prizes are won by achieving a predetermined specific hand. There are two types of "jackpot" prize schemes:
- (a) **Progressive jackpots:** A jackpot prize which increases in real-time based on each wager placed. Licensees must:
- (i) Collect players' wagers to allocate towards a separate progressive jackpot prize. Approved game rules determine how a progressive jackpot accrues; and
- (ii) Adjust the master games report in the prescribed format to reflect daily accrued prizes; and
- (iii) Act only as the custodian of the progressive jackpot funds; and
- (iv) Maintain no legal right to funds collected for the posted progressive jackpot prize or reserve funds which have not been recorded as gross receipts; and
 - (v) Strictly account for all funds collected.
- (b) **House jackpots:** A fixed prize amount funded by the licensee that does not accrue or incrementally increase each time a wager is made to any guaranteed player fund or prize. Licensees must:
 - (i) Follow approved game rules related to house jackpots; and
- (ii) Not adjust the master games report for house jackpot prizes; and
- (iii) Award the posted house jackpot prize to each player achieving the predetermined winning hand; and
 - (iv) Conspicuously post the following at the table:
 - (A) The fixed prize amount; and
- (B) A disclosure defining the jackpot prize as a house jackpot which involves no player funded money; and
- (C) A disclosure to the players stating that the house jackpot may be removed without prior notice.
- (2) Only progressive jackpots may use approved gambling equipment where the jackpot meter shows a real-time incrementally increasing progressive jackpot prize amount.
- (3) House jackpots may use approved gambling equipment. Displayed prize amounts may only be adjusted manually by the licensee.

[1] OTS-2834.2

From: <u>David Mathews</u>

To: <u>Laydon, Ashlie (GMB)</u>; <u>Tina.Griffin@wsgc.gov</u>

Cc: <u>Chris Swindell</u>; <u>Jo England</u>

Subject: Discussion re: Proposed Updates to Chapter 230-15 WAC

Date: Tuesday, January 12, 2021 2:58:09 PM

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Good afternoon Ashlie,

My name is David Mathews and I am the Gaming Operations Manager at the Last Frontier Casino in La Center, Washington. I wanted to reach out today, prior to tomorrows discussion forum, to let you know that myself, our General Manager Chris Swindell, and our CEO Jo England have all read through and discussed all of the proposed changes that have been put forward. We would like you to know that we have no challenges or concerns with any of the proposed changes. From an operational standpoint, if these changes are implemented, they will be a big help in understanding the WAC's that have been addressed.

We would also like to ask that our appreciation for the effort that your team put into these proposed changes is passed along to all of those who were involved in the process.

Thank you,

David Mathews

From: <u>Victor Mena</u>

To: Lohse, Jess (GMB); Laydon, Ashlie (GMB)

Cc: <u>Griffin, Tina (GMB)</u>

Subject: Some language suggestions

Date: Wednesday, January 13, 2021 11:00:11 AM

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Hi Jess,

Good to hear your voice. I only had a couple of comments with language of the proposed rules.

230-15-455- I understand that it is implied that you could have the funds in a checking account for the progressive jackpot payout, but I think it would be good to clarify the requirements of having that check issued to the player. Otherwise, this WAC could be interpreted to payout the jackpot in cash at the time of the prize being won.

230-15-671 Item #4- I understand that this rule is not changing what has been in practice with progressive funds with regards to reserves. I think that if possible, the language could make it clearer that reserve funds can be recorded as gaming revenue if those funds are not posted to the public with approval at any time. The way the current rule reads can be interpreted to mean that all collected funds on progressive wagers are player only funds. I understand that there are other considerations, but I am thinking of how this rule will read to others in the future.

I am very happy to see that these rules and the others your team has reviewed are being modified to make them clearer going forward such as the aggregate rule.

Ashlie I was on the email list that you blasted out but somehow it did not come through, if you could use this email for me going forward it would help me in the future.

Thanks Victor

 From:
 DiNapoli, Erika

 To:
 Lohse, Jess (GMB)

 Cc:
 Laydon, Ashlie (GMB)

 Subject:
 RE: [EXTERNAL] WAC 230-15-040

 Date:
 Monday, February 1, 2021 1:39:30 PM

Attachments: <u>image001.png</u>

image002.png

External Email

Hi Jess, That is great news! Thank you so much for working with us. I will pass on the good news.

I look forward to working with both of you in the future!

Thanks -Erika D.

From: Lohse, Jess (GMB) <jess.lohse@wsgc.wa.gov>

Sent: Monday, February 1, 2021 12:07 PM

To: DiNapoli, Erika <Erika.Dinapoli@scientificgames.com> **Cc:** Laydon, Ashlie (GMB) <ashlie.laydon@wsgc.wa.gov>

Subject: RE: [EXTERNAL] WAC 230-15-040

Hi Erika. I wanted to follow-up with you about the discussion below about the 040 rule (striking the carryover pot concept). I spoke with our Assistant Director last week about some of your concerns. It was decided to leave the section in the rule and not strike it. Any questions, let me know. Thanks.

Jess Lohse Special Agent Washington State Gambling Commission 206-786-3530

From: DiNapoli, Erika < Erika < Erika.Dinapoli@scientificgames.com>

Sent: Friday, January 22, 2021 2:01 PM

To: Lohse, Jess (GMB) < <u>jess.lohse@wsgc.wa.gov</u>>

Cc: Laydon, Ashlie (GMB) < ashlie.laydon@wsgc.wa.gov>

Subject: RE: [EXTERNAL] WAC 230-15-040

External Email

Hi Jess, Thank you for the excellent follow up. I received your voicemail as well. I did receive some feedback from our product management group. They basically reiterated my comments below and would like WSGC to leave in the carryover pot game language. However, they did mention that SG currently does not have any plans to place a carryover game in Washington. It's really a matter of leaving room for a variety of technology since the language is already in the regs. Given this, there's

no urgency in our opposition to removing the language. When the drafts are distributed for formal comment, I can reiterate SG's concern as part of the comment process.

Thank you again for providing detailed information and allowing SG to participate in the preliminary process. You have been very helpful.

Ashlie, Thank you for adding me to the distribution list. I appreciate your assistance as well and look forward to working with you and your team in the comment process.

Have a great weekend!

Thanks -Erika DiNapoli

From: Lohse, Jess (GMB) < <u>jess.lohse@wsgc.wa.gov</u>>

Sent: Friday, January 22, 2021 6:42 AM

To: DiNapoli, Erika < Erika < Erika < Erika < Erika < Erika.Dinapoli@scientificgames.com>
CC: Laydon, Ashlie (GMB) < ashlie.laydon@wsgc.wa.gov>

Subject: RE: [EXTERNAL] WAC 230-15-040

Hi Erika. I left you a message yesterday, but wanted to clarify a couple things in email also. We had a stakeholders meeting on 1/13/21 where licensees around the country participated and provided feedback on rules. We take the feedback from the stakeholders into consideration as much as we can as we go forward with the rule amendment process. From what I understand, Ashlie may have inadvertently not sent you an invite to the meeting. She found this out after the meeting occurred though. Your contact information was not on file with the WSGC. However, there were multiple other SG representatives at the stakeholder meeting. Those representatives did not provide any feedback on any of the rules we were looking to amend including WAC 230-15-040.

Prior to the stakeholder meeting back on 1/11/21, I forwarded your email below to Ashley for her awareness (your comments were only concerning WAC 230-15-040). I discussed your comments with the team that amended the rule in question, which I was part of. I provided you with a little background as to why we were looking to strike the section regarding carryover pots. In addition, to the comments below, I'm not sure how the concept would fit in the rule now because the rule is only for house-banked card games where the carryover pot concept is a nonhouse-banked type concept involving players competing against other players.

There will be additional opportunities to provide comment to all the rules I sent to you previously (including 040) at the upcoming commission meetings. The commissioners themselves have to approve the rule amendments. There will be a commission meeting to look at the rules in question in March and April I believe (Ashley can confirm).

You had noted that you were going to discuss the rule recently with your table game experts and let me know what they had to say. I would be interested to hear any information they have. Like I noted previously, Cincinnati 7 Card Stud is not being played in Washington, let alone the carryover pot concept within the game. The rule amendment would not affect any card rooms. Mark Hanna,

sales rep. in Washington, did not seem to be concerned about the game in question. Also, it is probable the carryover concept would be approved in tribal casinos regardless of the rule change (I will find out a definitive answer for this).

Those are the updates I have. Please let me know ASAP if SG is strongly opposed to the change regarding the carryover pot concept. If that is the case, I will need to discuss that in more detail with our Assistant Director. We want to work with licensees as much as possible, but regulatory concerns also sometimes dictate why we amend rules. I would need to confirm where the Assistant Director stands on the issue which would give me more direction as to where we go with it. Also, obviously we would want to know if someone would publicly oppose a change we made at a commission meeting. Feel free to send any additional comments. Thanks.

Jess Lohse Special Agent Washington State Gambling Commission 206-786-3530

From: DiNapoli, Erika < Erika < Erika < Erika.Dinapoli@scientificgames.com>

Sent: Thursday, January 21, 2021 2:14 PM

To: Lohse, Jess (GMB) < jess.lohse@wsgc.wa.gov>

Subject: RE: [EXTERNAL] WAC 230-15-040

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Hi Jess, Sorry we haven't been able to chat. I just wanted to do a quick follow up. How'd the draft meeting go? Do you know if the state is going to release the draft "as is" for formal comment?

I believe Ashley added me to the distribution list for the draft, so I'll keep an eye out for that.

Thanks -Erika D.

From: Lohse, Jess (GMB) < jess.lohse@wsgc.wa.gov>

Sent: Friday, January 15, 2021 9:21 AM

To: DiNapoli, Erika < <u>Erika.Dinapoli@scientificgames.com</u>>

Subject: RE: [EXTERNAL] WAC 230-15-040

Also, if for whatever reason the carryover pot concept was struck from 040, that would mean that the concept would not be authorized for house-banked card rooms. Tribal casinos in Washington would possibly be able to have them though, as they have different parameters for card game approvals. We have another person who reviews "tribal only" card game submissions. So you could possibly have Cincinnati 7 Card Stud without the cincy pot available for house-banked card rooms and then the same game with the cincy pot with tribal casinos. I would need to run this through our tribal card game expert for a definitive answer though, but just wanted to throw that out there.

Jess Lohse Special Agent Washington State Gambling Commission 206-786-3530

From: Lohse, Jess (GMB)

Sent: Friday, January 15, 2021 9:16 AM

To: 'DiNapoli, Erika' < Erika' < Erika < Erika < Erika < Erika < Erika.Dinapoli@scientificgames.com>

Subject: RE: [EXTERNAL] WAC 230-15-040

Hi Erika. Attached are all the rules proposed for amendment. A lot of the material changes were related to house-banked card room operations (changes that will not impact SG). As we discussed previously, WAC 230-15-040 will impact SG. Let me know if you have any feedback/questions on any of these rules.

Regarding 040, we have always had a restriction in the rule that a player's win or loss must be determined during the course of a single deal of cards. In Washington State, card game concepts are not authorized unless approved by rule. We can not approve concepts on a case by case basis without some reference in the WAC rule. Over the years, two manufactures sought an exception to the subsection I just referenced to get a game concept approved. One of the manufacture's was SG with the carryover pot concept and the other manufacturer is no longer licensed and their game no longer approved. That leaves SG with the only exception.

From what I understand, no one has utilized the carryover pot concept in Washington. We were looking to get back to the heart of the subsection in question to only approve card games that conclude within a single deal of cards and to condense 040 and make it more concise. Your subsection on carryover jackpots is fairly long and very specific to a certain type of card game concept.

There was some concern as well about having "exceptions" to our rule and the boundaries we would place around those.

I understand your concerns. I will bring your feedback to our team meeting next week to see how we might be able to address them and whether we can amend language in 040. I will need to discuss your feedback with our Assistant Director as well as she ultimately approves all card games in Washington State. If you have anything else you would like to add feel free to email me. I'll touch base by phone next week as well. Have a good weekend!

Jess Lohse Special Agent Washington State Gambling Commission 206-786-3530

From: DiNapoli, Erika < <u>Erika.Dinapoli@scientificgames.com</u>>

Sent: Monday, January 11, 2021 2:56 PM

To: Lohse, Jess (GMB) < <u>iess.lohse@wsgc.wa.gov</u>>

Cc: McGowan, Solsiree < <u>Solsiree.McGowan@scientificgames.com</u>>

Subject: FW: [EXTERNAL] WAC 230-15-040

This message has originated from an External Source. Please use caution when opening attachments, clicking links, or responding to this email. Contact your desktop support or IT security staff for assistance and to report suspicious messages.

Hi Jess. Bo Zorn forwarded your email to me. I am in the Product Compliance department and handle regulatory reform for SG. Thank you so much for sending this to SG's attention. As a company we welcome the opportunity to participate in the regulation reform process and value dialogue with our regulatory agencies.

I understand that this draft is preliminary and that a formal draft will be made available. Given that, I did an informal review of the draft and was pleased to see some of the changes. This will allow for some exciting games to be placed into the Washington market.

Regarding Section 7(a), I respectfully urge the Commission to reconsider the removal of this language and carryover pot games. While card rooms in Washington may not currently implement this feature, it is very popular in other jurisdictions. Limiting this type of technology could prohibit some exciting games from use in Washington. Additionally, as technology advances, this may limit the use of new features and games in the jurisdiction. In the alternative to removal, SG recommends evaluating carryover pot games on a case by case basis.

May I ask the intent of the removal of this language? Are there specific concerns that the Commission has regarding carryover pot features? If you like, I'd be more than happy to set up a call to discuss any questions or concerns the Commission may have.

Thank you again for this opportunity and feel free to contact me as needed for any regulatory reform matters.

Kind Regards,



Erika DiNapoli

Sr. Product Compliance Engineer
Scientific Games

o: 702 532 6437

E:erika.dinapoli@scientificgames.com

Visit SGGaming.com



May be privileged. May be confidential. Please delete if not the addressee.

From: Lohse, Jess (GMB) [mailto:jess.lohse@wsgc.wa.gov]

Sent: Tuesday, December 15, 2020 2:41 PM

To: Zarach, Bo < <u>Bo.Zarach@scientificgames.com</u>> **Cc:** Lane, Brian (GMB) < <u>brian.lane@wsgc.wa.gov</u>>

Subject: [EXTERNAL] WAC 230-15-040

Hi Bo. I wanted to reach out to you with some information about a possible WAC rule change that will be proposed to our commissioners in the near future. WAC 230-15-040 (current rule attached as PDF) is the main rule we use when reviewing card games in Washington to determine if the game will be approved. The WSGC is looking to amend the rule based on staff and stakeholder feedback. An amended version of the rule is attached as a WORD document. Next month there will be a stakeholder meeting to discuss this rule amongst several other card game rules. You should get something by email soon from our legal department concerning that stakeholder meeting.

The reason I am reaching out to you concerns subsection (7) of the amended rule, specifically (7) (a), Subsection (a) is about carryover pot games. Right now Scientific Games is the only manufacturer that has an approved card game that utilizes the carry over pot concept as found in (a). The game in question is Cincinnati 7 Card Stud, specifically the Cincy Pot. From what I understand, this game is not played at any card rooms in Washington. I don't think it has ever been played at any card room since it was approved to my knowledge.

If 040 is amended as proposed, only the Cincy Pot concept would not be authorized. The card game Cincinnati 7 Card Stud would continue to be authorized. Please let me know if you have any feedback on us striking subsection (a) which would make the Cincy Pot not authorized (if the rule amendment is approved).

Note: Take a look at the rest of the revisions to the rules. There are other changes that would benefit Scientific Games. For example, we would be authorizing players to place bets on the outcome of the dealer's hand, which is currently not authorized. We would also be authorizing players to win a prize if any players' hand, including the dealer's hand, achieves a predetermined outcome at the same table. This is similar to an envy except it would be an actual wager on the table in an approved betting spot. You would be able to submit card games for review and approval that authorizes each of these types of bets if the rule is approved.

Jess Lohse Special Agent Washington State Gambling Commission 206-786-3530 From: <u>DiNapoli, Erika</u>

To: Laydon, Ashlie (GMB); Lohse, Jess (GMB)

Subject: RE: [EXTERNAL] Updated Rule Language

Date: Tuesday, February 9, 2021 1:32:28 PM

Attachments: image003.png

image005.png image006.png image007.png

External Email

Hi Ashlie and Jess, Just wanted to let you both know that SG has no further comments to this draft. Thank you again for your assistance and in allowing SG to be a part of the regulator reform process for Washington.

Kind Regards,

SCIENTIFIC GAMES



Scientific Games

o: 702 532 6437

E:erika.dinapoli@scientificgames.com

Visit SGGaming.com



May be privileged. May be confidential. Please delete if not the addressee.

From: Laydon, Ashlie (GMB) <ashlie.laydon@wsgc.wa.gov>

Sent: Tuesday, February 2, 2021 10:56 AM

Cc: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>; 'ACESCASINO21@YAHOO.COM'

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'SEWARDCM@YAHOO.COM' <SEWARDCM@YAHOO.COM>;

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Erika <Erika.Dinapoli@scientificgames.com>; 'Carroll Brannan' <officemanager@lilaclanes.net>
Subject: [EXTERNAL] Updated Rule Language
```

Good morning,

Based on stakeholder feedback we received after our meeting on January 13, 2021, we have made some additional changes to the following rules:

- WAC 230-15-040- Requirements for authorized card games.
- WAC 230-15-055- Limit on number of players at each table.
- WAC 230-15-700- Merchandise prizes for progressive jackpots.

I have attached these proposed changes for your review. Please provide feedback to me on these proposed changes by <u>Wednesday</u>, <u>February 10, 2021</u>.

Feel free to contact me via email if you have any questions.

Thank you,

Ashlie Laydon

Rules Coordinator | Legal and Records Division Washington State Gambling Commission P.O. Box 42400 | Olympia, WA 98504-2400



Protect the public by ensuring that gambling is legal and honest.











Rule Petition to Amend

WAC 230-15-340- Minimum number of licensed employees required.

March 2021 – Commission Review February 2021 – Rule-Making Petition Received

Tab 5: MARCH 2021 Commission Meeting Agenda.

Statutory Authority 9.46.070

Who Proposed the Rule Change?

Max Faulkner, West Richland, Washington

Background

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, non-value 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.

Attachments:

- Petition
- WAC 230-15-340

Policy Considerations

This petition requests approval to operate a card room without a floor supervisor. The purpose of having a supervisor is to allow an independent decision-maker if a dispute occurs at a table. It also would leave the card room operating without oversight by someone not involved in a game. While the petitioner is correct that the chips on the table during a tournament have no dollar value, gambling still occurs because the accumulation of chips and how the game is played will determine winners eligible to receive cash prizes at the end of the tournament.

Staff Recommendation

Under the requirements of the Administrative Procedure Act, the Commission must take action on a petition within 60 days of receiving it. Your options are:

- 1) Initiate rule-making proceedings by filing the rule as proposed for further discussion; or
- 2) Deny the petition in writing, a) stating the reasons for denial and specifically address the concerns stated in the petition, or b) where appropriate, indicate alternative means by which the agency will address the concerns raised in the petition.

Staff recommends denial of this petition. The requirement of a supervisor in addition to a dealer is necessary to ensure protection of players and the integrity of any card game, including a card game tournament. Requiring supervisors on the floor in addition to dealers is a standard practice in the industry. Supervisors are there to ensure dealers comply with all rules and internal controls that protect the integrity of the game. They are also an independent person on the floor to settle disputes with players when they arise.

Agency staff believes denial is appropriate because this request does not adequately protect staff, the public, or promote integrity within the industry.

Laydon, Ashlie (GMB)

From: dan.heisel@watech.wa.gov on behalf of WSGC Web <no.reply@wsgc.wa.gov>

Sent: Wednesday, February 3, 2021 9:22 AM

To: Rules Coordinator (GMB)

Subject: Request a Rule Change Submission from wsgc.wa.gov

External Email

Submitted on Wednesday, February 3, 2021 - 9:21am Submitted by anonymous user: 68.116.13.226 Submitted values are:

Petitioner's Name: Max Faulkner

Mailing Address: 1802 ALA MOANA WAY

City: WEST RICHLAND

State: WA Zip Code: 99353 Phone: 5096681411

Email: max@atomicbowl.com

Rule Petition Type: Amend Rule – I am requesting WSGC to change an existing rule.

==Amend Rule - I am requesting WSGC to change an existing rule.==

List rule number (WAC) if known: WAC 230-15-340

I am requesting the following change: I want to add the follow language:

(3) In poker tournaments with no player-supported jackpot and non-value chips and multiple starting tables, the poker supervisor may also deal until one table breaks and then dealers may rotate as supervisor.

This change is needed because:

Under the current rule interpretation the card room must have an extra person to start a tournament even though there is no player supported jackpot and non-value chips are used. Many times a tournament breaks a table very early so the employee is not needed after a few minutes. If the supervisor can deal until a table breaks, it makes it more efficient for the card room. The current interpretation of the WAC adds cost and inconvenience to the card room without adding any protection to the players. The effect of this rule change will be: Save cost and inconvenience to the card room without effecting player protection.

The results of this submission may be viewed at:

https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwsgc.wa.gov%2Fnode%2F18%2Fsubmission%2F2173&data=04%7C01%7Crules.coordinator%40wsgc.wa.gov%7Cba469745cd294e12202c08d8c868358e%7C11d0e217264e400a8ba057dcc127d72d%7C0%7C637479697193740832%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTil6lk1haWwiLCJXVCI6Mn0%3D%7C1000&sdata=USKSfoleBO7m0OdCObng74tMyJAlzGIUTDd113zjhX8%3D&reserved=0

WAC 230-15-340

Minimum number of licensed employees required.

- (1) Class F card game licensees must have at least one floor supervisor for each gambling area. Each supervisor may supervise up to seven tables. We must approve the arrangement of tables in the internal controls.
- (2) Licensees must have two licensed card room employees in the card room at all times player-supported jackpots are in play or licensees are using the rake type of fee collection. One of the employees must be a floor supervisor.
- (3) In poker tournaments with no player-supported jackpot and non-value chips and multiple starting tables, the poker supervisor may also deal until one table breaks and then dealers may rotate as supervisor.



Budget Review & Financial Update

March 11, 2021 Christopher Stanley Chief Financial Officer

FY 2021 continues to improve over time

FY 2021 Revenue by Category/Subsource

Total Revenue by Category	2	2021 Expected Revenue		2021 Actual Revenue		2021 Projected Remaining		2021 Revenue Variance	
Activity Licenses - Commercial	\$	4,632,920	\$	2,154,419	\$	1,719,342	\$	(1,999,413)	
Activity Licenses - Non-Profit	\$	956,652	\$	301,973	\$	344,044	\$	(562,739)	
Individual Licenses	\$	2,692,116	\$	1,673,350	\$	1,094,428	\$	749,502	
Vendor Licenses	\$	1,450,927	\$	545,077	\$	411,934	\$	(448,714)	
Tribal Reimbursements	\$	3,766,508	\$	2,286,696	\$	1,565,656	\$	85,844	
Other Sources*	\$	292,632	\$	55,020	\$	25,328	\$	(237,612)	
Agency Total	\$	13,791,755	\$	7,016,535	\$	5,160,732	\$	(1,614,488)	

^{*}Negative variance reflects a deficit of anticipated revenue; a positive variance would indicate a surplus.

Anticipated revenue losses have declined by ~\$164k since the last report to the Commission in December.

FY 2021 continues to reflect underspend

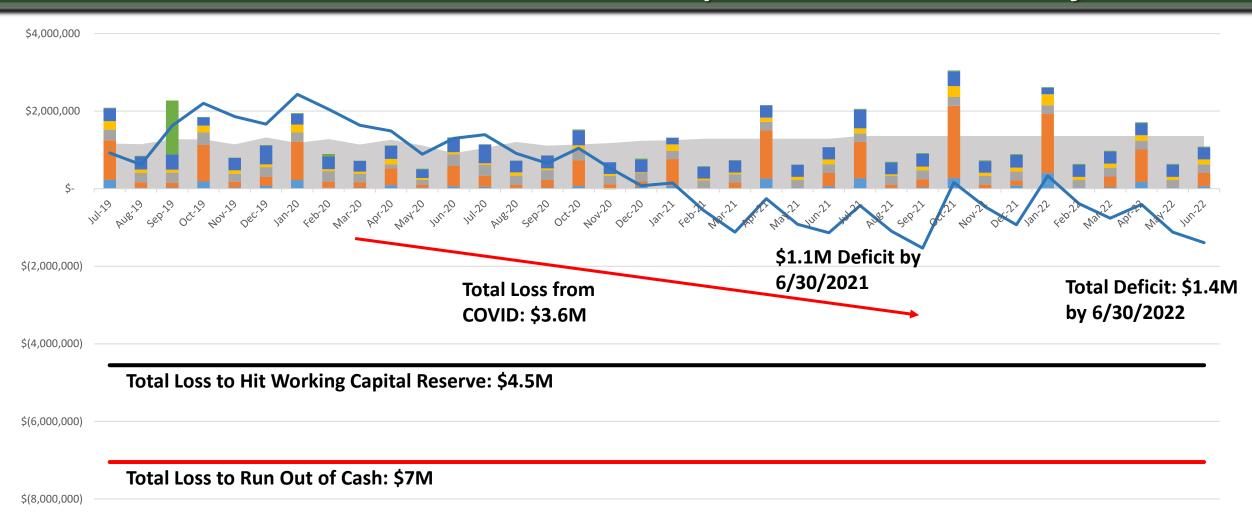
FY 2021 Sub-Program / Program Index-Level View

Agency Total by Object	2021 Total Budgeted	2	2021 Spent To-Date		2021 Projected Remaining		2021 Variance (Bd-Sp-Pr=Var)
FTEs	119.25		101.55				17.70
Salaries	\$ 9,884,986	\$	4,618,019	\$	3,912,807	\$	1,354,160
Benefits	\$ 3,395,212	\$	1,723,922	\$	1,343,938	\$	327,352
Contracts	\$ 14,700	\$	-	\$	5,819	\$	8,881
Goods & Services	\$ 2,517,992	\$	1,596,526	\$	996,705	\$	(75,239)
Travel	\$ 318,360	\$	10,181	\$	126,018	\$	182,161
Capital Expenses	\$ 461,794	\$	214,243	\$	182,793	\$	64,758
Grants & Benefits	\$ 2,712	\$	4,382	\$	1,074	\$	(2,744)
Agency Total	\$ 16,595,756	\$	8,167,273	\$	6,569,153	\$	1,859,330

^{*}Positive variance reflects an underspend of budgeted levels; a negative variance would indicate an overspend.

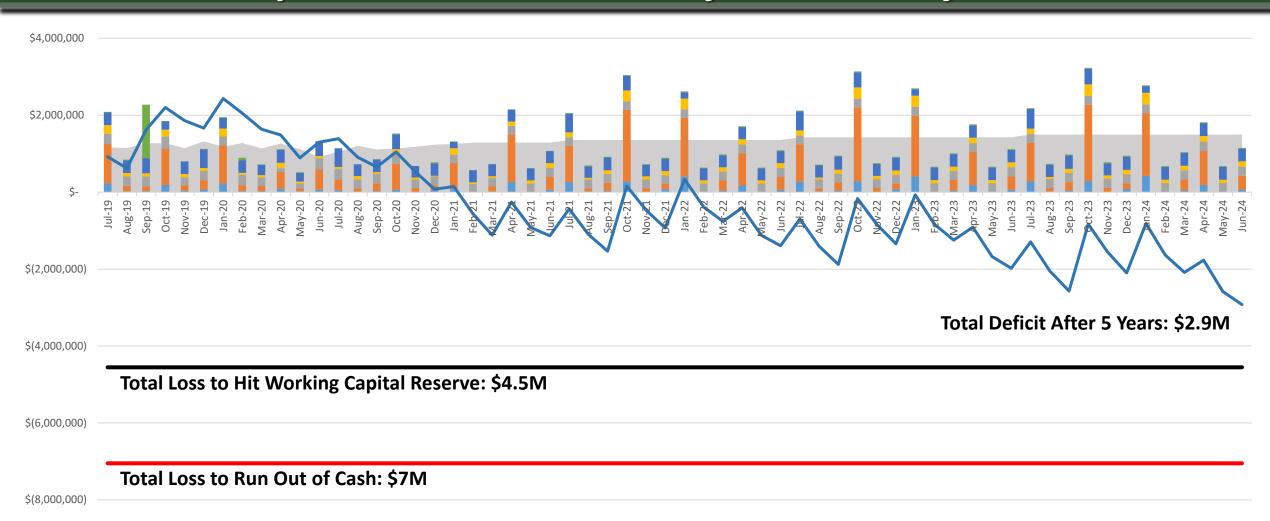
Gambling Revolving Fund Short-Term Forecast

*Based on Estimated Revenue and Expenditure Levels with Inflation



Gambling Revolving Fund Long-Term Forecast

*This 5-year view is less certain the further out the forecast runs.





Questions?

Christopher Stanley
Chief Financial Officer





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

March 4, 2021

TO: COMMISSIONERS EX OFFICIO MEMBERS

Bud Sizemore, Chair Senator Steve Conway
Julia Patterson, Vice-Chair Senator Jeff Holy

Alicia Levy Representative Shelley Kloba
Lauren King Representative Brandon Vick

FROM: Brian J. Considine, Legal and Legislative Manager

SUBJECT: MARCH 2021 LEGISLATIVE UPDATE

We are into the eighth week of the 2021 105-day session and the first floor cutoff for bills is two days before our Commission meeting. The following legislative cutoffs between now and our April 8, 2021 Commission Meeting:

- Friday, March 26, 2021 Opposite House Policy Committee Cutoff; and
- Friday, April 2, 2021 Opposite House Fiscal Committee Cutoff.

We are currently tracking about 60 bills, and below is a summary of noteworthy bills we are currently tracking, including industry bills. I've also identified bills that you may wish to take action on under the possible legislation action item section.

Bills with Direct Gambling Industry Impacts:

1. SB 5212, Authorizing sports wagering at card rooms and racetracks

Senator King and Senator Liias's SB 5212 authorizes sports wagering at card rooms and state horse racetracks. The bill is similar to last year's bill (SB 6277) and is supported by Maverick Gaming. A Senate hearing on this bill occurs on February 4, 2021 and it did not make it out of committee.

2. HB 1469 and SB 5410, Relating to enhanced raffle procedures

Representatives Wicks and Vick's HB 1469 amends the Gambling Act's enhanced raffle statute, RCW 9.46.0323, to: (1) increase the grand prize value from \$5 million to \$10 million; (2) require the commission to report on these activities; and (3) remove the June 30, 2022 sunset clause.

HB 1469 was passed out of committee on February 12th and passed off the House floor on February 23rd by a vote of 95-2. SB 5410 passed out of committee on February 15th and will die in the Senate Rules Committee since the House bill has been passed out to the Senate.

3. SSB 5034, Concerning nonprofit corporations

Senator Pederson's bill seeks to modernize and re-codify the state's nonprofit corporations act that is the foundation for all of your nonprofit licensees. The bill was passed out of the Senate Law and Justice Committee on January 21st, and passed off the Senate floor on February 10th by a vote of 49-0.

Legislative Memorandum to Commissioners March 2, 2021 Page 2

Bills Supported by the Commission:

4. HB 1022, Relating to the Washington State Horse Racing Commission

Representative MacEwen's bill amends the Horse Racing Act to allow the Horse Racing Commission to receive money into the Horse Racing operating account to pay for agency salary, wages, and expenses. House Appropriations passed the bill out on February 9th and it was passed off the House floor on February 26th by a vote of 92-3.

5. Agency Budget Requests

We continue to talk with Legislators and budget staff about our three budget priorities: (1) extending the sports wagering loan until 2023; (2) extending the Problem Gambling Task Force until 2022; and (3) extending the prevalence study to 2023. Senate and House budgets likely will not be released for a couple more weeks and we are still optimistic we can get these into one or both proposed budgets.

Bills with Law Enforcement Possible Impacts to our Agency:

6. ESHB 1054, Establishing requirements for tactics and equipment used by peace officers.

Representative Johnson's bill prohibits a law enforcement officer from using a list of items or actions and modifies certain Criminal Justice Training Commission training requirements. This bill passed the House on February 27th by a vote of 54-43.

- 7. 2SHB 1310, Concerning permissible uses of force by law enforcement and correctional officers
 Representative Johnson's HB 1310 addresses the civil use of force standard but the second substitute does not amend the criminal standard. It also addresses training related to use of force. The bill is currently in the House Rules Committee.
- 8. SSB 5066, Officer duty to intervene

Senator Dhingra's SB 5066 requires an identifiable on-duty peace officers to intervene when they witness another peace officer engaging or attempting to engage in the excessive use of force as identified in the bill. This bill passed out of the Senate on February 23rd by a vote of 23-21.

General State Government Bills:

9. ESHB 1274, Concerning cloud computing solutions

Representative Hackney's current version of HB 1274 allows, but does not require, state agencies to use cloud computing and establishes a task force on cloud computing to provide recommendations to the Legislature by Nov. 30, 2021. The bill was passed out of the House on February 24th by a vote of 96-2.

10. ESSB 5432, Concerning cybersecurity and data sharing in Washington state government

Senator Carlyle's SB 5432 Creates the Office of Cybersecurity within the Office of the Chief Information Officer and gives this new sub-agency authority over all state agencies. This bill also adds additional reporting and cybersecurity requirements on state agencies. The bill was passed out of the Senate on February 24th with a vote of 49-0.

Budget-Related Bills:

11. SB 5323, Freezing wager and salaries and providing furlough days during the 2021-23 biennium Senator Rolfes' SB 5323 would require state agencies, including WSGC, to institute 24 furlough days over the next biennium. It also prohibits state agencies, including WSGC, from granting salary increases for WMS employees, which historically have applied to our special agent classifications. We have significant concerns about the impact of these measures on our agency, but the bill may not move forward now as the state continues to receive positive revenue forecasts.